

The Emfuleni economy

Current status and trends

6.1 Introduction

This chapter discusses the structural composition of the Emfuleni economy. The different economic sectors are discussed in terms of its importance in the economy of Emfuleni. The role of the Emfuleni economy and its contribution to the Gauteng economy is also analysed.

The Vaal Triangle, of which Emfuleni forms a major part, was identified as one of the focus areas of the Gauteng Special Economic Zone Programme, which is part of Gauteng's *Blue IQ* Programme. Although *Blue IQ* projects are absent in Emfuleni, several initiatives, aimed at the industrial regeneration of Emfuleni, have emerged in recent times. The most important of these initiatives are discussed in this chapter.

6.2 Structural composition of the economy

In the following exposition the economic base of Emfuleni is analysed. The structural composition of Emfuleni economy will be described in terms of the main economic sectors (primary, secondary and tertiary) and the trends experienced by these sectors, focussing on the different sectors of the Emfuleni economy in order to comprehend the economy's composition, function and development trends.

The basic economic structure of Emfuleni (in terms of GGP contribution) for 2000 is set out in Table 6.1 and Figure 6.1. From this, it is evident that the manufacturing sector is the single largest economic activity in Emfuleni.

TABLE 6.1 ECONOMIC STRUCTURE OF EMFULENI: GGP CONTRIBUTION (R-

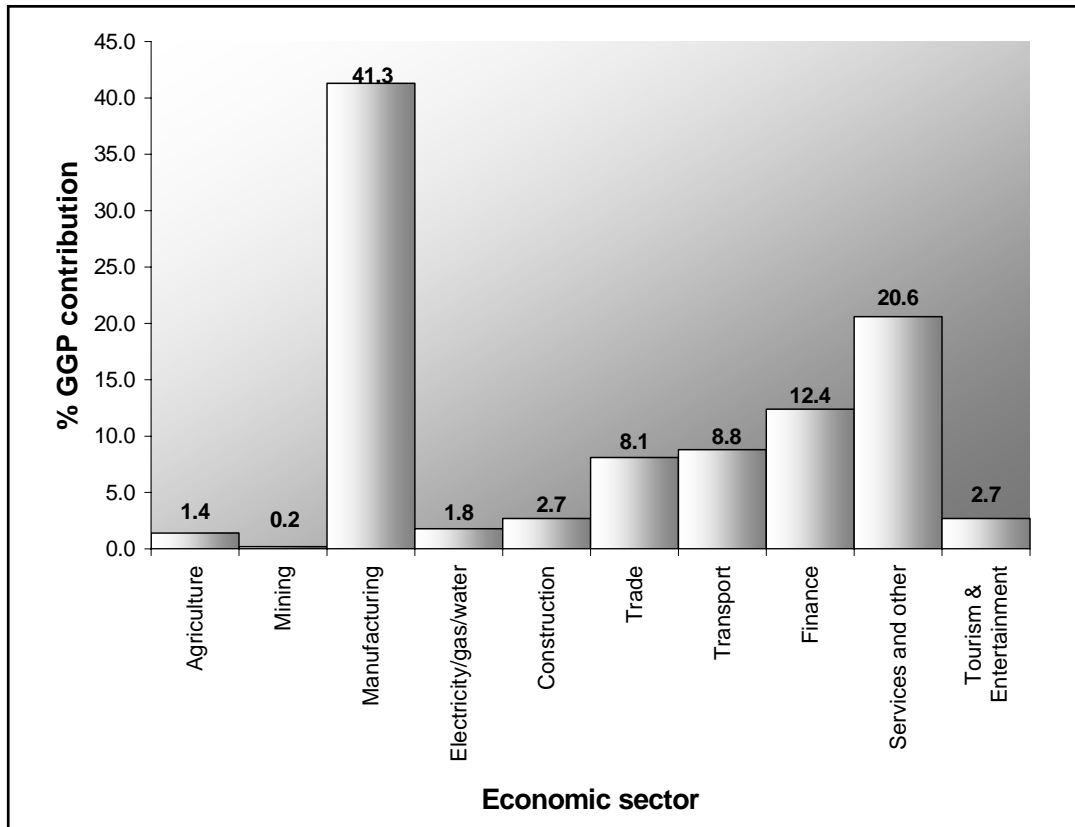
MILLION)					
ECONOMIC SECTOR	1990	%	2000	%	% Growth per annum
Agriculture	180	1.6	243	1.4	3.0
Mining	54	0.5	39	0.2	- 3.2
Manufacturing	5,486	50.0	6,980	41.3	2.4
Electricity/Gas/Water	526	4.8	303	1.8	- 5.2
Construction	330	3.0	457	2.7	3.5
Trade	1,020	9.3	1,367	8.1	3.8
Transport	359	3.3	1,482	8.8	15.2
Financing	1,407	12.8	2,094	12.4	4.0
Services & Other	1,611	14.7	3,485	20.6	9.0
Tourism & Entertainment *	--	--	448	2.7	--
TOTAL	10,973	100.0%	16,898	100.0%	4.5

- Source: Calculated from statistics by WEFA 1999 (updated).
- Figures only estimated for 2000

6.2.1 Primary sector

The primary economic sector consists of two sub-sectors, namely Agriculture and Mining. Agriculture's relative contribution to the GGP of Emfuleni decreased from 1.6 per cent in 1990 to 1.4 per cent in 2000. The average annual growth rate for the sector from 1990 to 2000 was 3.0%. The agricultural sector offers a relatively small degree of economic activity in Emfuleni. Mining contributes only 0.2 percent to GGP of Emfuleni. The contribution of the mining sector to the GGP of Emfuleni declined from 0.5 per cent in 1990 to 0.2 per cent in 2000. The average growth rate from 1990 to 2000 was -3.2% per annum.

FIGURE 6.1 ECONOMIC STRUCTURE OF EMFULENI: GGP CONTRIBUTION, R-MILLION (2000)



• Source: Calculated from statistics by WEFA 1999 (updated).

6.2.2 Secondary sector

Secondary economic activities in Emfuleni consist of three sub-sectors, namely Manufacturing, Electricity/Gas/Water and Construction. Their contributions, growth rates and constituents will be discussed and displayed hereafter.

Manufacturing

The relative contribution of Manufacturing towards the GGP of Emfuleni decreased from 50.0 per cent in 1990 to 41.3 per cent in 2000. However, the manufacturing sector can still be regarded as the dominant economic activity in Emfuleni. The average annual growth rate from 1990 to 2000 was 2.4%.

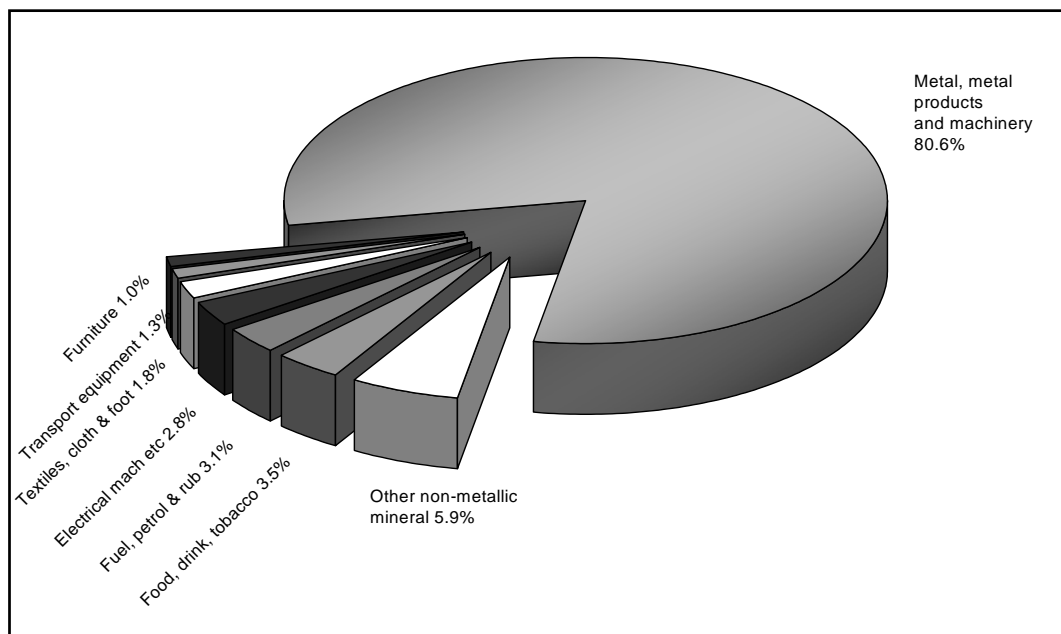
Emfuleni has a wide range of industrial activities. The industrial activities are recorded in Table 6.2 and Figure 6.2, with their share in the manufacturing sector's GGP contribution.

TABLE 6.2 INDUSTRIAL ACTIVITIES, EMFULENI (2000)

Activity	Percentage share in Manufacturing's GGP contribution
Food, drink and tobacco	3.5
Textiles, clothing and footwear	1.8
Fuel, petroleum and rubber products	3.1
Other non-metallic mineral products	5.9
Metal, metal products and machinery	80.6
Electrical machinery & electronic appliances	2.8
Transport equipment	1.3
Furniture	1.0
TOTAL	100.0

• Source: WEFA 1999 (updated).

FIGURE 6.2 INDUSTRIAL ACTIVITIES AND THEIR SHARE OF MANUFACTURING'S GGP CONTRIBUTION (2000)



• Source: WEFA 1999 (updated).

From both Table 6.2 and Figure 6.2, it is evident that the manufacturing of metal, metal products and machinery dominates the manufacturing sector in Emfuleni. The industrial base of Emfuleni therefore lies in the manufacturing of metal (basic iron and steel) as well as the manufacturing of a wide range of metal products and machinery. The metal and metal products industries

(mainly iron/steel industries) are responsible for 80.6 per cent of the manufacturing activities in Emfuleni. This shows the strong dependence of Emfuleni economy on these industries.

Construction, Electricity/Gas/Water

The GGP contribution of construction activities to Emfuleni during 1990 was 3.0%. This figure declined to 2.7% in 2000. Electricity/Gas/Water contributed 1.8 % to the GGP of Emfuleni in 2000. The average annual growth rate from 1990 to 2000 was -5.2%.

6.2.3 Tertiary sector

Tertiary sector activities consist of a number of sectors such as Trade, Transport, Financing, Services (including government services) and Tourism and Entertainment. Combined, this sector registered a GGP contribution of 40.1% in 1990 to Emfuleni. By 2000, the figure was 52.6%, indicating a relative growth of 31.2% in the contribution of the tertiary sector between 1990 and 2000. The Transport and Services sectors experienced an above average annual growth between 1990 and 2000 of 15.2% and 9.0% respectively. The average annual growth for the whole Emfuleni economy was 4.5%. For Tourism and Entertainment only the 2000 figure was estimated. This sector presently contributes only a relatively small amount to the GGP of Emfuleni.

6.3 Functional specialisation

The functional specialisation in Emfuleni refers to those urban functions and economic activities in which the area specialises. As shown in Table 6.3, the Emfuleni economy is considerably dependent on the basic iron and steel industry.

TABLE 6.3 FUNCTIONAL SPECIALISATION OF EMFULENI'S URBAN AREAS

Area	Functional specialisation	Economic base
Emfuleni: Vanderbijlpark	Basic iron and steel, heavy metal, engineering workshops, tertiary education, recreation/tourism, regional shopping.	Large, but smaller than Vereeniging. The economic base is less diversified and specialises in basic iron and steel manufacturing
Emfuleni: Vereeniging	Heavy metal, ceramics, engineering workshops, water-based recreation/ tourism, government services and higher order regional shopping centre.	Large, relatively more diversified but specialised in manufacturing

• Source: Slabbert 2001c:16.

6.4 Sub-regional contribution towards the Gauteng province

The Gauteng Province represents the largest economic sub-region in South Africa: it accommodates 19.7 per cent of the total population of the country (Stats SA 2003b:6) and accounts for about 40 per cent of the national product (Blue IQ 2000:11). The Emfuleni economy forms an integral part of this economic sub-region. It is characterised by a high degree of interdependence with the other sub-systems housed by the Gauteng metropolitan complex.

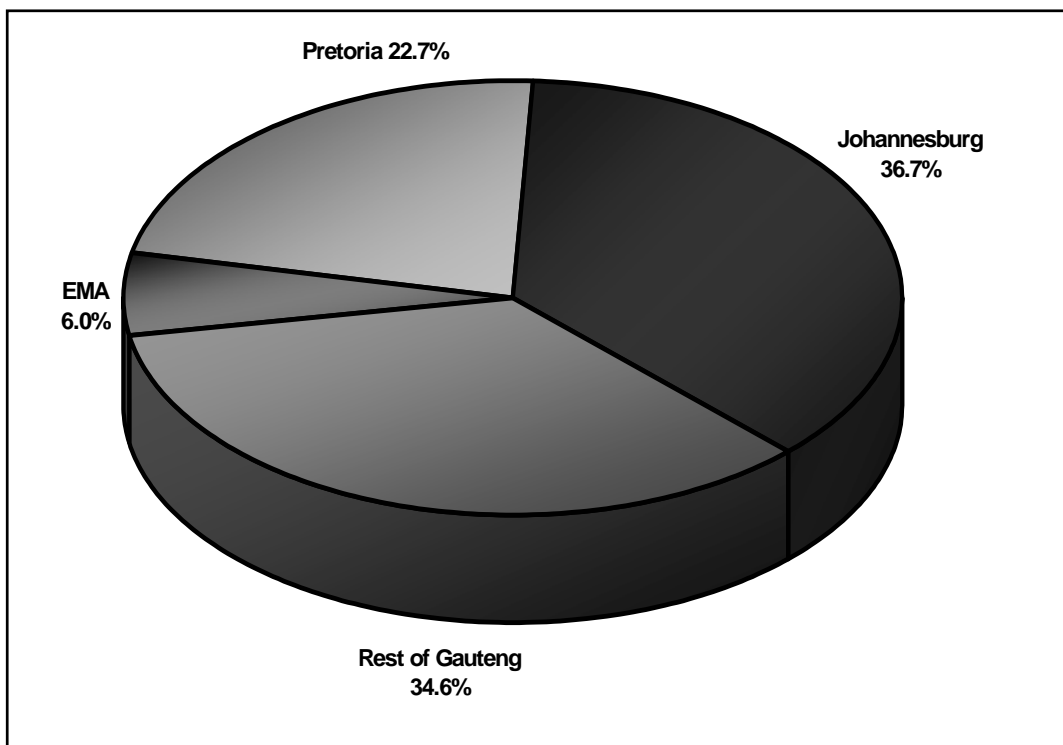
Table 6.4 and Figure 6.3 show the sub-regional contribution of different regions in Gauteng as a percentage of the total GGP of Gauteng. For the years 1970 –2000, Metsimaholo was included as part of the Vaal.

TABLE 6.4 SUB-REGIONAL PERCENTAGE CONTRIBUTION TOWARDS THE GGP OF GAUTENG PROVINCE, VAAL (1970-2000)

SUBREGION	1970	1975	1980	1985	1990	1995	2000	2000
Vaal	6.7	8.5	9.1	7.6	8.3	8.4	7.8	Emfuleni* 6.0
Pretoria	6.6	18.0	17.3	19.6	21.0	21.6	22.3	22.7
Johannesburg	43.3	36.6	33.0	33.1	32.5	32.9	35.9	36.7
Rest of Gauteng	33.4	36.9	40.6	39.7	38.2	37.1	34.0	34.6
TOTAL	100	100.0	100.0	100.0	100.0	100.0	100.0	100.0

- Source: Calculated from statistics by WEFA 1996 & 1999 (updated).
- * Emfuleni Municipal Area (EMA) in relation to other areas in Gauteng.

FIGURE 6.3 SUB-REGIONAL PERCENTAGE CONTRIBUTION OF EMFULENI TOWARDS THE GGP OF GAUTENG PROVINCE (2000)



- Source: Calculated from statistics by WEFA 1999 (updated).

According to the information in Table 6.4, the economy of Emfuleni contributed 6.0% to the GGP of the Gauteng province in 2000. This figure is lower than the 1995 figure of 8.4%, because the GGP of Metsimaholo is excluded. From the analysis in Figure 6.4 and Table 6.3 it is evident that:

- The Vaal experienced an increase of 25.4 percent (between 1970 and 1995) in its contribution to the economy of the Gauteng

province. The reason is partly due to the decrease in mining activities on the Witwatersrand which resulted in a relative increase in importance of the Vaal economy (Slabbert & Dorfling 2001:21);

- The importance of the Johannesburg area declined by 24 percent between 1970 and 1995. This decline is attributed to a decline in mining activities as well as industries that are forwardly linked with the mining sector (Slabbert & Dorfling 2001:22);
- The contribution of Pretoria increased by 30.1 percent between 1970 and 1995, mainly because of an increase in manufacturing activities (Slabbert & Dorfling 2001:22);
- Although Emfuleni's 6 percent GGP contribution to Gauteng is lower than before (8.4 percent) when Metsimaholo was included in the Vaal, the Emfuleni economy still makes a considerable contribution to the GGP of Gauteng.

6.5 Sectoral contribution of the Emfuleni economy to Gauteng

Table 6.5 and Figure 6.4 show the contribution by sector of Emfuleni to Gauteng's GGP, compared to those of Pretoria, Johannesburg and the rest of Gauteng. Although Emfuleni contributes only 6 percent to the total GGP of Gauteng, it contributes 15.5 percent of the total agricultural production in the province and 12.7 percent of the total manufacturing production. No separate data was available for the tourism and entertainment sector. This sector was included in the trade and services sectors.

The shaded area in Table 6.5 shows the area of specialisation of Emfuleni, namely Manufacturing. Taking into account that the manufacturing sector of Gauteng contributes 26.4 per cent (the largest contributing sector) to the GGP of Gauteng (GEDA 1998:57), it is evident that the manufacturing sector of Emfuleni, as a supplier of intermediate inputs, has a significant role to play in the Gauteng economy.

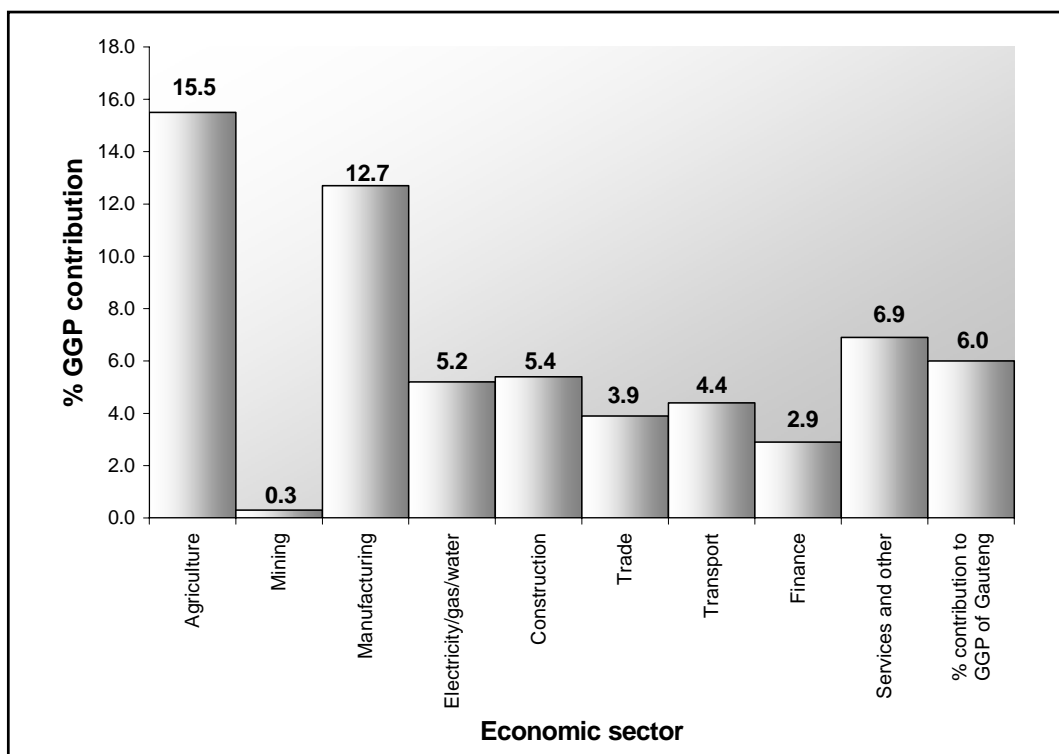
TABLE 6.5 PERCENTAGE CONTRIBUTION OF THE EMFULENI ECONOMY TO

THE GGP OF GAUTENG (2000)

Economic sector	Emfuleni	Pretoria	Johannesburg	Rest of Gauteng	TOTAL
Agriculture	15.5	18.3	7.4	58.7	100.0
Mining	0.3	1.7	5.2	92.7	100.0
Manufacturing	12.7	16.4	31.7	39.2	100.0
Electricity/Gas/Water	5.2	15.6	33.1	46.1	100.0
Construction	5.4	22.1	39.9	32.6	100.0
Trade	3.9	22.5	44.8	28.8	100.0
Transport	4.4	25.4	35.7	34.5	100.0
Financing	2.9	21.8	50.6	24.7	100.0
Services & Other	6.9	35.2	26.5	31.3	100.0
% Contribution of the region to GGP of Gauteng	6.0	22.7	36.7	34.6	100.0

• Source: Calculated from statistics by WEFA 1999 (updated).

FIGURE 6.4 PERCENTAGE CONTRIBUTION OF THE EMFULENI ECONOMY TO THE GGP OF GAUTENG (2000)



• Source: Calculated from statistics by WEFA 1999 (updated).

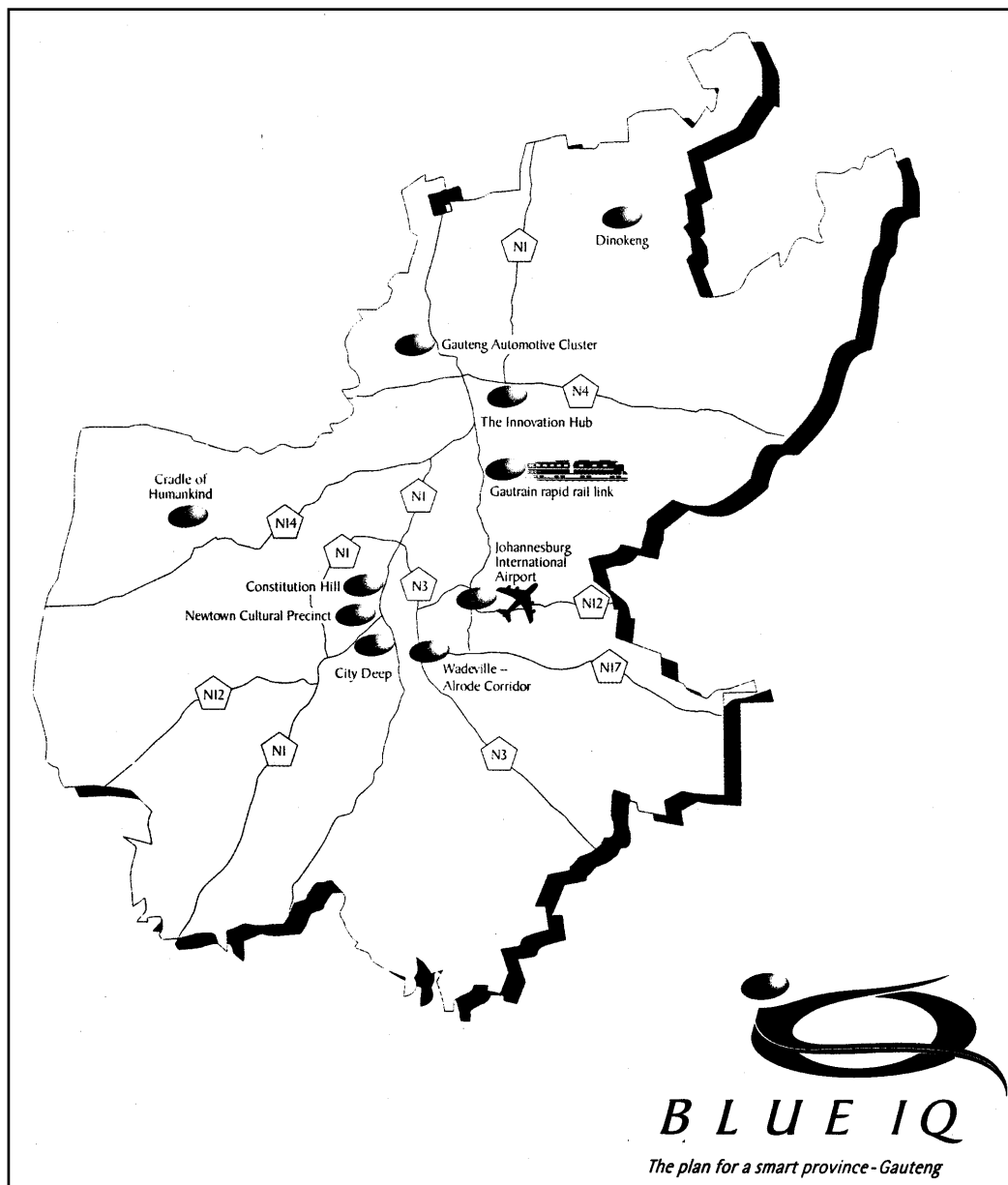
Emfuleni's contribution to the total agricultural production of Gauteng is 15.5 percent. Agriculture in Gauteng, however, contributes only 0.6 percent to the

GGP of the province as a whole (GEDA 1998:57). Agriculture also has a relatively modest role in the Emfuleni economy. It contributes only 1.4 percent to the GGP of Emfuleni, whereas manufacturing contributes 41.3 percent (Table 6.1).

6.6 Potential of developing the Emfuleni economy in a provincial context

The Gauteng Provincial Government has initiated a R1.7-billion programme known as *Blue IQ* (Blue IQ 2001). The primary objective of this programme is to invest in economic infrastructure development in ten mega-projects in the areas of tourism, technology, transport and high value-added manufacturing, to create a truly “smart” province. By acting as a dynamic catalyst, the programme is expected to attract some R100-billion in foreign direct investment in the next ten years to the province, thus creating an environment in which local and foreign businesses can prosper and boost job creation opportunities for all South Africans.

FIGURE 6.5 LOCATION OF BLUE IQ PROJECTS IN GAUTENG



• Source: Blue IQ 2000: I.

The ten mega-projects that have been identified to have the potential to make a significant impact on the economy are those in Table 6.6. The *Blue IQ* taskforce is accountable to the provincial Government for delivering specific results on these projects by 2004. Figure 6.5 shows the location of each of these projects in the Province.

TABLE 6.6 TEN MEGA-PROJECTS SPEARHEADED BY *BLUE IQ* (2000)

Technology	Transport	High value-added Manufacturing	Tourism
1 The creation of the Innovation Hub will attract "smart" industries to Gauteng	2 Gautrain Rapid Rail Link 3 The upgrade of Johannesburg International Airport and the establishment of an IDZ 4 The upgrade of the City Deep Container Depot and IDZ	5 The expansion of the Gauteng Automotive Cluster 6 The regeneration of the Wadeville-Alrode Corridor	7 The marketing of the Cradle of Humankind 8 The marketing of the Dinokeng Big Five Reserve 9 The upgrade of Newtown Cultural Precinct 10 The creation of Constitution Hill

• Source: Blue IQ 2000:22-52.

Blue IQ works in partnership with business, government departments and other organisations. It is an initiative that is based on a well-researched trade and industrial strategy, taking a three-pronged approach to developing Gauteng into the 'smart' province of South Africa (Blue IQ 2000:5), i.e. (1) creating a sophisticated high value-added manufacturing sector; (2) enabling Gauteng to be the 'smart' province of South Africa; and (3) developing Gauteng's finance and business service sector.

Although the Emfuleni economy plays an important role in the province, it has the highest unemployment rates in the province (Section 4.3). The headcount ratio of Emfuleni is also the highest of the industrialised centres of Gauteng (Hirschowitz 2000:38). Despite this, *Blue IQ* projects are absent in the whole district of Emfuleni, as well as in the Sedibeng District Municipality of which Emfuleni forms an integral part. Although the *Blue IQ* project does not currently run any projects in Emfuleni, the study on the potential for industrial regeneration commissioned by the Department of Trade and Industry (Bloch & Dorfling 2000) has been taken further by the Department of Development Planning and Local Government of Gauteng Province. This Department has commissioned further studies, in three phases, on economic regeneration in

the area - it is hoped that these studies will have the outcome of tabling implementable projects (Morolo 2001).

Furthermore, local stakeholders believe that an entertainment/tourism project could have a substantial impact on the economy and could offer a service to the whole of the Gauteng Province (Bloch & Dorfling 2000:65).

6.7 Industrial regeneration

The Vaal Triangle was identified as one of the focus areas of the Gauteng Special Economic Zone Programme (GSEZP). The programme, which forms part of Gauteng's *Blue IQ* Programme, involved a strategic intervention that was aligned with the Spatial Development Initiative (SDI) criterion for opening up the economic potential in areas with under-utilised industrial or infrastructural capacity by targeting strategic industrial assets that are important to the growth of the regional economy. More particularly, the intervention involved the design and implementation of industrial regeneration projects (Bloch & Dorfling 2000:4).

In the year 2000, the Department of Trade and Industry commissioned a preliminary investigation into the industrial regeneration potential of the industrial sector in the Vaal (Bloch & Dorfling 2000:71,72). The report recommended that:

- Stakeholders be shown the advantages of industrial regeneration in the Vaal region, as it is important for them to understand the gravity of the current economic situation and the need for the development of a strategy with goals common to each role player;
- The region be marketed to potentially interested industrialists;
- A regional incentives package be worked out for the Vaal region;
- The existing businesses be supported, especially in terms of their need for marketing, access to finance, and technical support; and

- New small businesses and manufacturing businesses should be stimulated.

In recent times, several important initiatives have emerged. These initiatives together with the marketing of Emfuleni, and general collaborative research efforts, can make considerable inroads in terms of developing the economy in a more general way. With an integrating working spirit, there will be a chance to achieve the following (Bloch & Dorfling 2000:4):

- enhancement in terms of the expected delivery of services and goods from the local government;
- improvement of manufacturing business environments to meet the needs of existing firms within a global economy;
- implementation of such improvements in such a way as to make industrial environments more attractive for new investment or for re-investment; and
- provision of well co-ordinated and effective in-place competitiveness enhancement to existing companies and start-up support to new entrepreneurs, drawing on government supply-side support measures, and the institutional capacity of local public and private sectors.

The most important initiatives will be discussed in the sections below:

Establishment of a manufacturing advisory centre (Gaumac Vaal)

The establishment of manufacturing advisory centres (MACs) is an initiative of the Department of Trade and Industry. This initiative has as goal the expansion of South Africa's small manufacturing sector and the improvement in the competitiveness and growth of existing small- and medium-sized manufacturing firms. The MACs will draw on resources and expertise of relevant service providers to assist manufacturers to become locally and internationally competitive. The South African MAC model is unique and perhaps the most advanced in the world. It was developed by NAMAC (the

national body for the establishment of MACs) through drawing on the experience and expertise of the CSIR, Ntsika, the National Productivity Institute (NPI) and Danish International Development Aid (DANIDA), by studying similar programmes in various countries abroad. The final model was tailored and refined to suit local conditions using all available inputs. The MAC programme has some of the best trained industrial advisers who rely on the most cutting-edge diagnostic technology in the country. They carry out diagnostic assessments and also provide training, development, business links and information to SMMEs (*Blue IQ* 2001).

A total of three MACs were established in Gauteng, namely in the East Rand, West Rand and the Vaal (office in Vanderbijlpark) (Mhlongo 2001).

The establishment of a Gaumac office in Emfuleni is currently the sole concrete initiative of the provincial government in the regeneration of the Vaal economy. The Gauteng provincial government was instrumental in the setting up of Gaumac (the provincial body), and is working closely with NAMAC (Mhlongo 2001).

Upgrading of the Vereeniging Airport to international status

The main purpose of the proposed upgrading programme is to develop and upgrade the airport so that it can be strategically positioned as a major player in the freight handling sector. It is envisaged that the airport will serve both the national and international arena with a special emphasis on flying cargo to other parts of Africa. It is also envisaged that the airport will be in a position to accommodate planes with an 80-ton loading capacity (LAAC 2001). Various factors have contributed to the investigation into the potential development of an international airport in the Vaal (LAAC 2001), including:

- the concept of a niche airport to serve medium-heavy and heavy aircraft to and from Sub-Saharan Africa;
 - the local demand for mainly cargo facilities;
 - the lack of specific facilities at Johannesburg International Airport;
- and

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- the expensive price structures at Johannesburg International Airport.

During the 1989-1991 period, studies were conducted to test the feasibility of developing the Vereeniging Airport into an international facility. The last study, finalised in September 1991, showed that sufficient demand for this expansion would only realise during 1998-1999 (LAAC 2001).

In February 1998, Sky Freedom Aviation Consultants were approached by the Mayor of the then Lekoa Vaal Metropolitan Council to investigate the feasibility of expanding one of the airfields in its region into a bigger national and international airport. In the following year, the preliminary findings were presented to the Greater Metropolitan Council. The study concluded that the Vereeniging Airport should be developed (LAAC 2001).

Factors contributing towards this decision (LAAC 2000) were:

- geographical position (central in the Vaal Triangle);
- existing road and rail infrastructure at this airport;
- relatively under-developed urban area in the proposed approach and take-off slope;
- availability of industrial land around the airport;
- ease of radar control under the Johannesburg Terminal Movement Area;
- establishment of the K11, K77, PWV20 route (East-West); and
- support demonstrated by the Local Council in this effort.

Establishment of an Industrial Development Zone (IDZ)

One of the measures offered by the South African Department of Trade and Industry that is specifically aimed at encouraging the international competitiveness of the domestic manufacturing sector is the Industrial

Development Zone (IDZ) programme. IDZs are planned as purpose-built industrial estates linked to an international port or airport in which quality infrastructure and expedited customs procedures are coupled with unique duty-free operating environments suited to export-oriented production. It is envisaged that the private sector will build and operate IDZs. Government will license operators to develop and run the IDZs, provide enterprise support measures, minimise red tape and provide efficient services to enterprises within an IDZ (The Enterprise Organisation 2001: 4).

There are two zones of operation planned for IDZs, namely a Customs Secured Area (CSA), and an Industries and Services Area (ISA). The former is a delimited area with entrance and exit points controlled by customs personnel (RSA 2000:27), while the latter involves leading-edge industrial and office park environments adjacent to CSAs, typically occupied by service providers to CSA enterprises or industries beneficiating local raw materials (The Enterprise Organisation 2001:2,3). An IDZ is thus aimed at export-oriented manufacturing and processing and incorporates the following features:

- a duty-free status for imported raw materials/components;
- national and local government incentives;
- is located adjacent to an airport or port to facilitate easy import and exports of goods;
- provides the latest information technology for global communications;
- provides human resource development services, an industrial relations environment, world-class infrastructure, and adherence to environmental standards; and
- is managed by an IDZ company to streamline administration.

The plan is for Government to first designate areas suitable for IDZs. Prospective IDZ operator companies will then be able to apply for permits to

develop and to operate an IDZ. Government-sponsored feasibility studies have already been conducted on a number of potential port and airport locations at which IDZs may be established. This preparatory phase, combined with the newly-approved legal framework, has laid the foundation for business and investors to use the programme to develop IDZs as platforms for improved global competitiveness (The Enterprise Organisation 2001:6).

Local stakeholders believe that the main purpose of the establishment and development of an IDZ in the Vaal would be to regenerate the local economy by offering local and international firms the possibility of investing in the area. It is envisaged that a Vaal IDZ would be supportive both to the local industries, organic agricultural programmes and the airport. There is also some speculation that this zone could accommodate other projects related to the Tax Recapitalisation Programme and its consequent downstream secondary initiatives (Slabbert & Dorfling 2001:37).

One of the most serious constraints in regard to the establishment of an Industrial Development Zone in the Vaal, however, is that the area first needs to be identified and designated by National Government as an Industrial Development Zone. This has not happened as yet, although Vaal stakeholders hold the view that an IDZ should be established, and are themselves investigating the viability of such a project. It is therefore merely a proposal at this stage that an IDZ could "kick start" the economy as long as downstream industry could be attracted (Slabbert & Dorfling 2001:37).

Tourism, entertainment and culture

Thus far, the development of tourism and entertainment attractions (riverfront, hotels and casino) has not managed to attract the large numbers of customers from outside the region required in order to significantly stimulate local income and employment. Only a limited number of day-visitors from Johannesburg are attracted, while most of the customers thus far have been drawn from within the Vaal itself (Slabbert & Dorfling 2001:38). Some factors

hindering the development of the sector mentioned by stakeholders (Slabbert & Dorfling 2001:38, 39) are:

- A lack of an integrated marketing strategy;
- The entrance routes to tourism and entertainment attractions are not indicated properly (signage);
- Entrance routes are littered, dirty and untidy (for example the old Golden Highway, which is one of the major access routes to the Emerald Safari Resort & Casino and the Riverside Sun hotel); and
- Pollution of the Vaal River.

Although the tourism and entertainment sector currently forms a relatively small part of the local economy, the sector has particularly high employment and income multipliers. The sector has the potential to create job opportunities for a large number of unemployed in Emfuleni. The sector is also more accessible for the poor and relatively unskilled, who form a large part of the Emfuleni population (Slabbert & Slabbert 2002b:85). It therefore makes sense to try to attract both overseas tourists, as well as daily and weekend visitors from nearby Greater Johannesburg and Pretoria.

With regard to overseas visitors, market research (Brand Scan and Visual Volcano Advertising 2000) shows that there is an interest in experiencing 'the best Africa has to offer' - wildlife and culture - within a 60 minute driving distance from Johannesburg International Airport. Furthermore, families in the Sandton, Midrand and Pretoria areas have a real need for quality, varied and outdoor family recreation, especially over weekends. It has thus been suggested that the Vaal position itself as "Africa's Inland Waterfront". An entertainment centre could be located on prime commercial land along the banks of the Vaal River, featuring "world-class African attractions".

The attractions could include game drives, safaris, bird sanctuaries, township tours, various water-based activities, African curios and arts and crafts, theme

parks, cultural villages and African fashion. In this way, the needs of visitors could be met, such as

- quality family entertainment;
- a 'real' African experience;
- convenient accessible venues;
- clean, secure facilities and parking;
- affordable and value-for-money attractions;
- varied and diverse entertainment offerings; and
- aspirational venues 'where my type hang out' (Brand Scan and Visual Volcano Advertising 2000).

Linked to the Sharpeville Memorial Initiative and the signing of the Constitution and the Peace Treaty of 1902, it is believed that this sector may have the potential to attract day visitors and tourists from Greater Johannesburg and overseas. Emphasis should therefore be placed on the development of a historical museum where these events are properly exhibited and marketed in such a manner that will draw day visitors and overseas tourists (Slabbert & Slabbert 2002b:85).

A high priority should be the cleaning up of the environment, especially access routes and the Vaal River. This will prevent the deterioration of the existing entertainment facilities and tourist attractions. With this in place, an integrated, well-designed development of the tourism and entertainment sector in Emfuleni may have a large multiplier effect on the local economy in terms of employment creation and income generation (Slabbert & Slabbert 2002b:85). This sector may also contribute to changing the negative image of the Vaal.

6.8 Summary and conclusion

The most important sector of the Emfuleni economy is Manufacturing with a 41.3% contribution to the local GGP. Although it declined from 50.0% in 1990, it still remains the most important economic sector. In the

manufacturing sector, the metal and metal products industries (mainly iron/steel) are responsible for 80.6% of all manufacturing production.

The Emfuleni economy plays an important role within the Gauteng Province, especially the manufacturing sector. Although the Emfuleni economy plays an important role in the province, it has the highest unemployment rates in the province (Section 4.3). The headcount ratio of Emfuleni is also the highest of the industrialised centres of Gauteng. Local stakeholders believe that the area has strong development potential, particularly in terms of the entertainment and tourism sector, and it is hoped that some kind of project of this nature could be kick-started by being included in the provincial government's future *Blue IQ* Programme.

The number of initiatives that are aimed at regenerating Emfuleni's economy indicate that there is a significant degree of thought and effort being expended at the local level. Each of the initiatives described in this chapter contribute elements towards the attraction and support of business, as well as improving the general business climate. Considering that the manufacturing sector remains the most dominant economic sector in the area, the industrial regeneration initiative is a critical component in influencing the health of the economy more generally.

In a similar vein, the establishment of an Industrial Development Zone and the already established Gaumac Vaal could also add to the support and growth of the manufacturing sector. The initiatives aimed at encouraging the growth of the agricultural and tourism and entertainment sectors are important in terms of aiming at diversifying the economy. Furthermore, the upgrading of the Vereeniging Airport to international status, the marketing of Emfuleni, and general collaborative research efforts, can make considerable inroads in terms of developing the economy in a more general way.