J/52

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a world class African city

CITY OF JOHANNESBURG METROPOLITAN **GAU**

PROFILE AND ANALYSIS
DISTRICT DEVELOPMENT MODEL

City of Johannesburg, "eGoli" ("*city of gold*") evokes Johannesburg's origin as a mining town in the late nineteenth century and remains a magnet for those seeking new frontiers.

cooperative governance & traditional affairs
Department:
Cooperative Governance and Traditional Affairs
REPUBLIC OF SOUTH AFRICA

STAY SAFE
SAVE SOUTH AFRICA

2030 NDP

CONTENT

1. Executive Summary 6

2. Introduction: Brief Overview 7

2.1 Location 7
2.2 Historical Perspective 8
2.3 Spatial Status 9

3. Social Development Profile 11

3.1 Key Demographics 11
3.1.1 Population 11
3.1.2 Gender, Age and Race 12
3.1.3 Households 13
3.2 Health Profile 14
3.3 COVID 19 14
3.4 Poverty Dimensions 16
3.4.1 Distribution 16
3.4.2 Inequality 17
3.4.3 Employment/unemployment 18
3.4.4 Crime 20
3.5 Education and Skills Profile 20

4. Drivers Of The Economy 23

4.1 Structure of the Economy 23
4.1.1 Gross Value Added by Region (GVA-R) 24
4.2 Primary Sector 26
4.3 Secondary Sector 27
4.4 Tertiary Sector 28
4.5 Informal Economy 28

5. Service Delivery Analysis 29

5.1 Access to Services 29
5.2 Water 30
5.3 Sanitation 30
5.4 Human Settlements 31
5.5 Waste Management 31
5.6 Electricity 32

6. Governance And Management 33

6.1 Municipality performance 33
6.2 Municipality Capacity 33

7. Projects to diversify and grow people and the economy 33

7.1 Social Development Projects 33
7.2 Economic & Infrastructure Projects 34

8. Key Recommendations 35

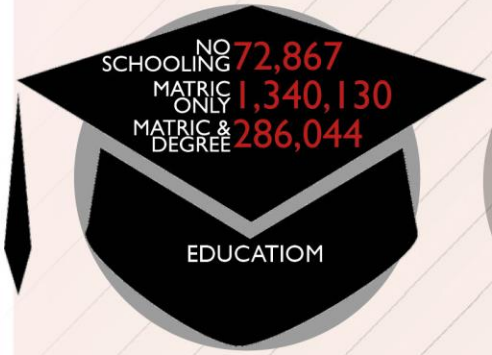
CITY OF JHB METRO
NUMBERS

5,428,964
POPULATION

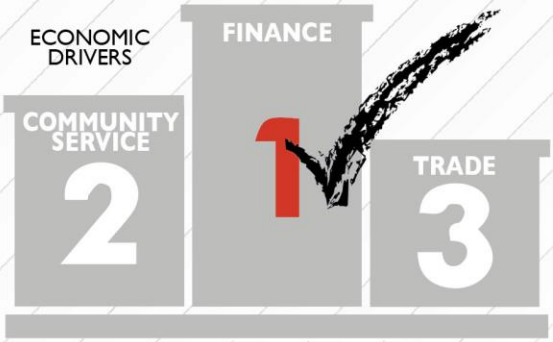
GENDER

♀ 49.9%

♂ 50.1%



2668
COVID-19 INFECTIONS (8/6/2020)



NEXT BIG THING

Construction of child & youth care centres, 3 libraries, drug rehabilitation & multipurpose centres

cooperative governance
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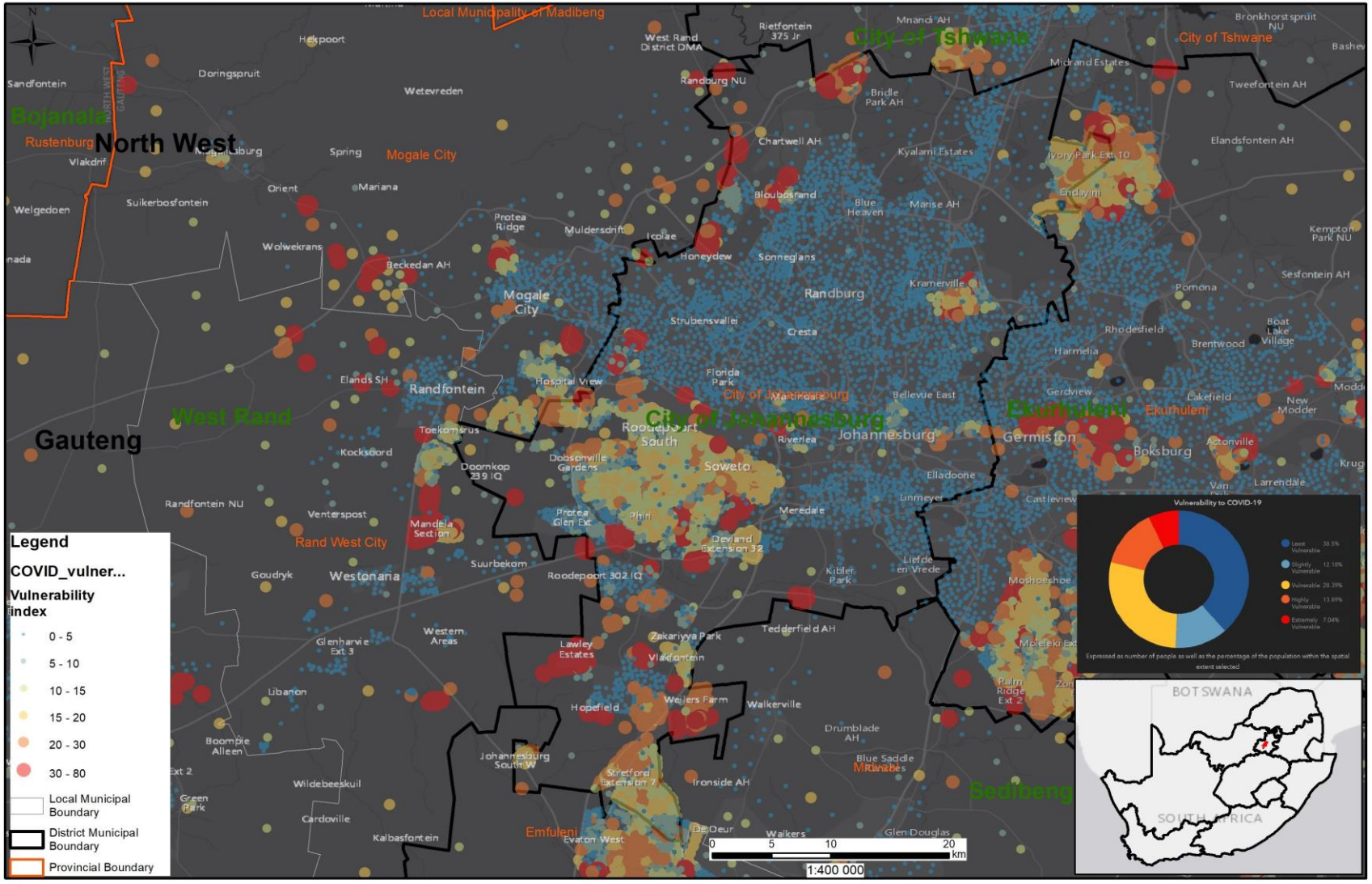
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

City of Johannesburg Metropolitan Municipality
COVID-19 Vulnerability Index



1. Executive Summary

The City of Johannesburg is a Category A Metropolitan Municipality which is one if the three Metros of the Gauteng Province and the 8 in South Africa. Johannesburg is the most advanced commercial city in Africa and the engine room of the South African and regional economy. It is a city with a unique, African character, world-class infrastructure in the fields of telecommunications, transportation, water and power, and with globally competitive health care and educational facilities. However, the city is also one of contrasts – home to both wealthy and poor, residents and refugees, global corporations, and emerging enterprises.

Johannesburg is South Africa's largest metropolitan municipality in terms of population, size and economy. The city contributed around 14.9% of national Gross Domestic Product (GDP) in 2018.[1] The city also provides the highest number of jobs compared to other cities in the Province i.e. 2.13 million people or 41.88% of the total employment in Gauteng Province is employed within the Metro.[2] The City, has for much of its history been a magnet for entrepreneurs and work seekers. However, over the past couple of years, growth in crucial job creating industries such as manufacturing and mining has declined significantly. This, compounded with the low economic growth contributed to the high rate of unemployment. This requires the City to pursue inter alia extensive investment in old and new infrastructure to support economic growth and create jobs.

In order to consolidate Johannesburg's position as Africa's financial and technological nerve centre and pre-eminent hub for innovation, research and development, the various spheres of government and private sector have partnered with the City to embark on significant developments taking place in Rosebank, Sandton, Midrand and Fourways. The inner-city regeneration has just started and will get a major boost with the release of more derelict building and the reconstruction of the Provincial Government Precinct. New private sector-led developments current being planned in the North (Lanseria Airport City) and South (Masingita, Afribizz, etc.). The City has also prioritized the revitalisation of townships. Together with the private sector, the City is

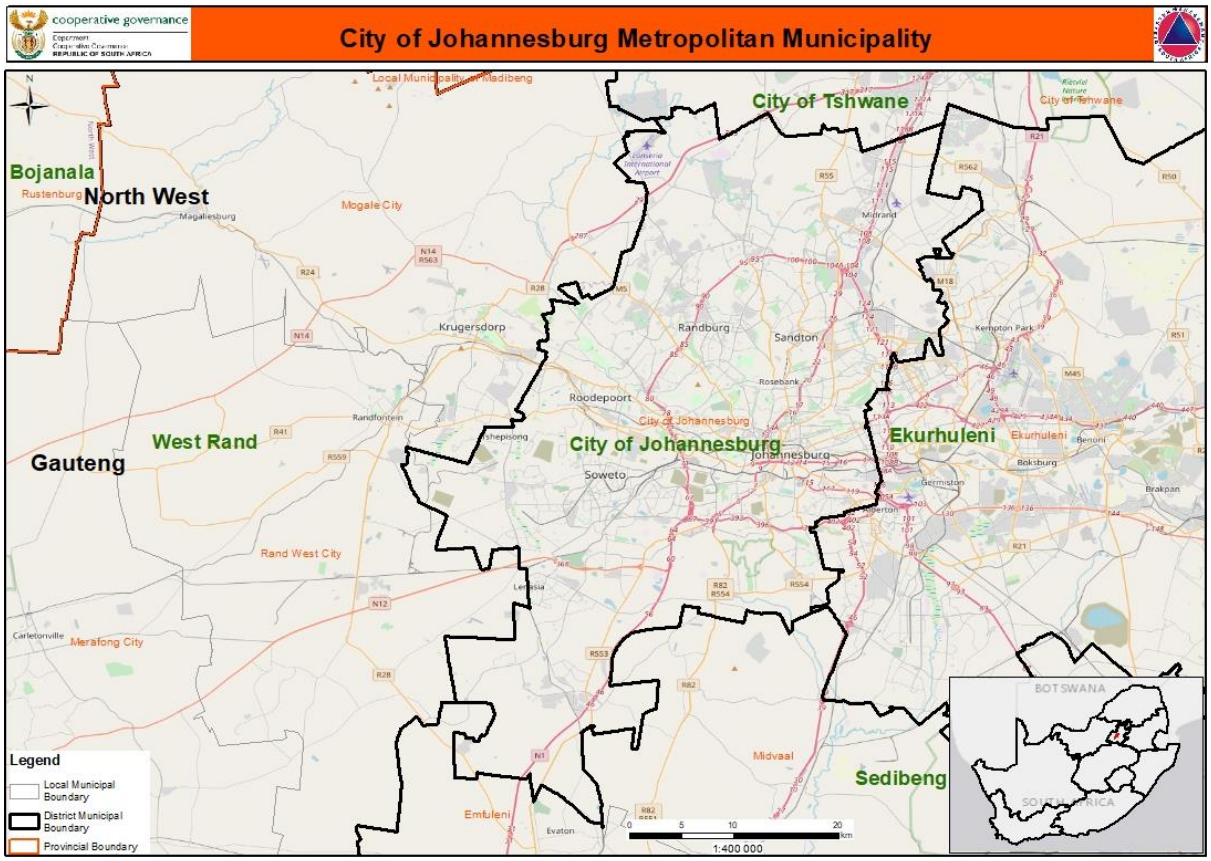
[1] IHS Markit, 2019
[2] Ibid

looking at unlocking more than R150billion of private investments in Johannesburg over a ten-year period.

2. Introduction: Brief Overview

2.1 Location

The City of Johannesburg Metropolitan Municipality is the largest metropolitan areas in South Africa. It is a vibrant and culturally rich city, located at the centre of South Africa's economic heartland: Gauteng province. The municipality shares boundaries with 2 other metropolitan municipalities, to its north the City of Tshwane and to its east the City of Ekurhuleni. To its west it shares boundaries with Mogale City and other parts of the Westrand District Municipality. To its South is Emfuleni and Midvaal Local Municipalities, which form part of the Sedibeng District Municipality.



In extent the municipality covers 1644 square kilometers with boundaries extending from Orange farm in the south to Midrand in the north and from Witpoortjie/Roodepoort in the west to Modderfontein/Bruma in the east. The Johannesburg area has a well-

developed highway and rail system that carries thousands of commuters between the city and its suburbs every day. The major north-south route, N1, becomes M1 when it reaches the metropolitan area, while N1 becomes part of an urban highway (the Eastern and Western Bypass) ringing the city. Also leading north out of the city, R28 joins N1 leading to Pretoria and beyond. A number of highways radiate outward from Johannesburg to the east, south, and west, including N12 and N17 (east), N3, R26, N1 and R29 (both leading to Soweto from the south), and N14 to the west.

2.2 Historical Perspective

Johannesburg “the city of gold” has seen waves of different peoples occupying the area these include the stone age ancestors dating back 500 000 years; the Khoi and San from 1 000 years ago; 500-year-old Iron Age furnaces belonging to Tswana people, and Boer farmhouses dating from the 1860s. But the city really started in 1886 when gold was discovered by Australian gold prospector George Harrison.

The City has been site to landmark happenings and events. It is the site of South Africa’s oldest township, Alexandra. It also has the largest township in Southern Africa, the South Western Townships (SOWETO), which was formed as labour reservoir for the Gold Reef. This township is also the place where the Freedom Charter was drafted, as an aspirational guiding document which inspired South Africa’s liberation struggle and Constitution.

The city also holds the most wealth on the African Continent at $248 billion, it is the financial capital for the continent hosting the Johannesburg Stock Exchange, the largest stock exchange on the continent and the 16th biggest in the world. Johannesburg generates 16.5% of the country's wealth and employs 12% of the national workforce. More than 70% of South African companies have their headquarters within the City of Johannesburg. It also ranked 8th (behind Durban) as the city with most trees with over 23,6% of it being covered by trees, it is the city with the most Jacaranda trees surpassing the 70 000 Jacarandas hosted by its neighbour The City of Tshwane City which is nicknamed after the tree which is native to South America.

SOWETO IS THE PLACE WHERE THE FREEDOM CHARTER WAS DRAFTED, AS AN ASPIRATIONAL GUIDING DOCUMENT WHICH

INSPIRED SOUTH AFRICA'S LIBERATION STRUGGLE AND CONSTITUTION.

2.3 Spatial Status

To serve its citizens more effectively, the City has instituted a system of urban management that operates at a regional scale. The City is divided up into seven regions as depicted on the map below. In general the northern regions carry more wealth than the Southern Regions which areas were previously designed as labour sending areas.

Region A: is the northern smallholdings area which has the growing residential area of Midrand which is a link to the capital city of Tshwane, with wharehousing and telecoms companies, it is a also a packing and logistics hub for the the city's distribution

network. The region also houses the fairly newly established and poor townships of Diepslot and Ivory Park. In 1996 this region contributed 10% to the economy of Johannesburg in 2018 it contributed 12%.

Region B: hosts what used to be the growth point for the central nothern business dristicts which houses, Parktown, Randburg and Northcliff where some telecommunications companies and financial services companies have their headquraters. The former coloured township of Riverlea is also housed here. In 1996 tis region contributed 13% to Johannesburg economy a figure it maintained in 2018.

Region C: is the industrial and warehousing western part integrating what was known as west rand with the town of Rodepoort and the township of Kagiso, as well as the Northcliff area which acted as a buffer zone between the southern areas with the concetration of black townships. The relatively poor localioty of Doornkop is also located here. In 1996 the region contributed 10% to the economy of Johannesburg and in 2018 there was a slight increase to 12%.

Region D: is largely industrial and hosts the main cluster of black townships including South Africa's largest township, Soweto. The area is also large on small holdings as well as markets for livestock and agricultural products, which had traditionally been supported by manufacturing. This is the city's most populated area with 24% of the residents living here, but it has the highest unemployment rate at 43%. In 1996 the region contributed 10% to the Johannesburg economy, with the decline of manufacturing in 2018 it contributed 8%.

Region E: is the most economically prominent region with vast contradictions. On one hand, it hosts the 'champaign north' with its anchor being the financial hub of Sandton which is the richest square mile in Africa. On the other hand, it houses South Africa's oldest and poorest township area called Alexandra. Finannce, retail and warehousing are core to the economy of this region, which now also hosts the Johannesburg Stock Exchange (JSE). This can account for the increase as in 1996 it contributed 25% to the city's economy during 2018 it contributed 27%.

Region F: houses the Central Business District which was once very busttling and is the financial district for the city, housing some banking headquaters as well as provincial government offices. The Johannesburg Fresh Produce Market is also housed here as is Aerton which is also a warehousing and manufacturing pole in the city. To the south of South Gate is also some small holdings which are slowly

transforming but are an important agricultural link to the neighbouring city of Ekurhuleni. The decline in manufacturing and exit of the JSE has seen this region decline from contributing 27% in 1996 to 23% in 2018.

Region G: is the south most region of the city housing small holdings and some storage facilities it is home to the middle income formerly coloured townships of Eldorado Park and Ennerdale as well as the Indian township of Lenasia and the fairly new township of Orange Farm. The region is a gateway to Sedibeng District Municipality. This is also the cities, second most populated area with 17% of the population living here but with a 28% unemployment rate. The region has maintined its 4% contribution to the economy of the city, between 1996 and 2018.

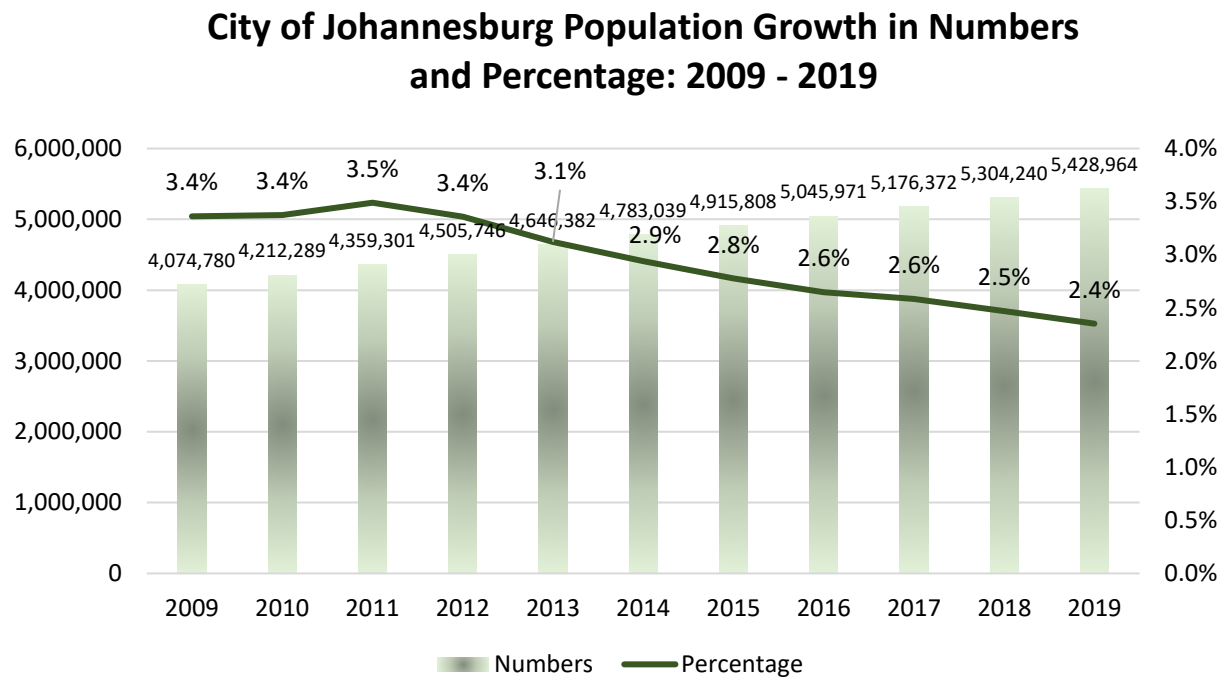
3. Social Development Profile

3.1 Key Demographics

3.1.1 Population

Johannesburg is home to about 5.5 million people, making it the biggest metro by population size in South Africa. The metro also prides itself as the economic and financial hub of the country. In 2018, the city housed nearly 10% of South Africa's total population. Since 2011 the population growth rate has been declining from 3,5% to 2,4%. However, this was significantly higher than the Gauteng and National average, indicating that the City remains an inward migration pole.

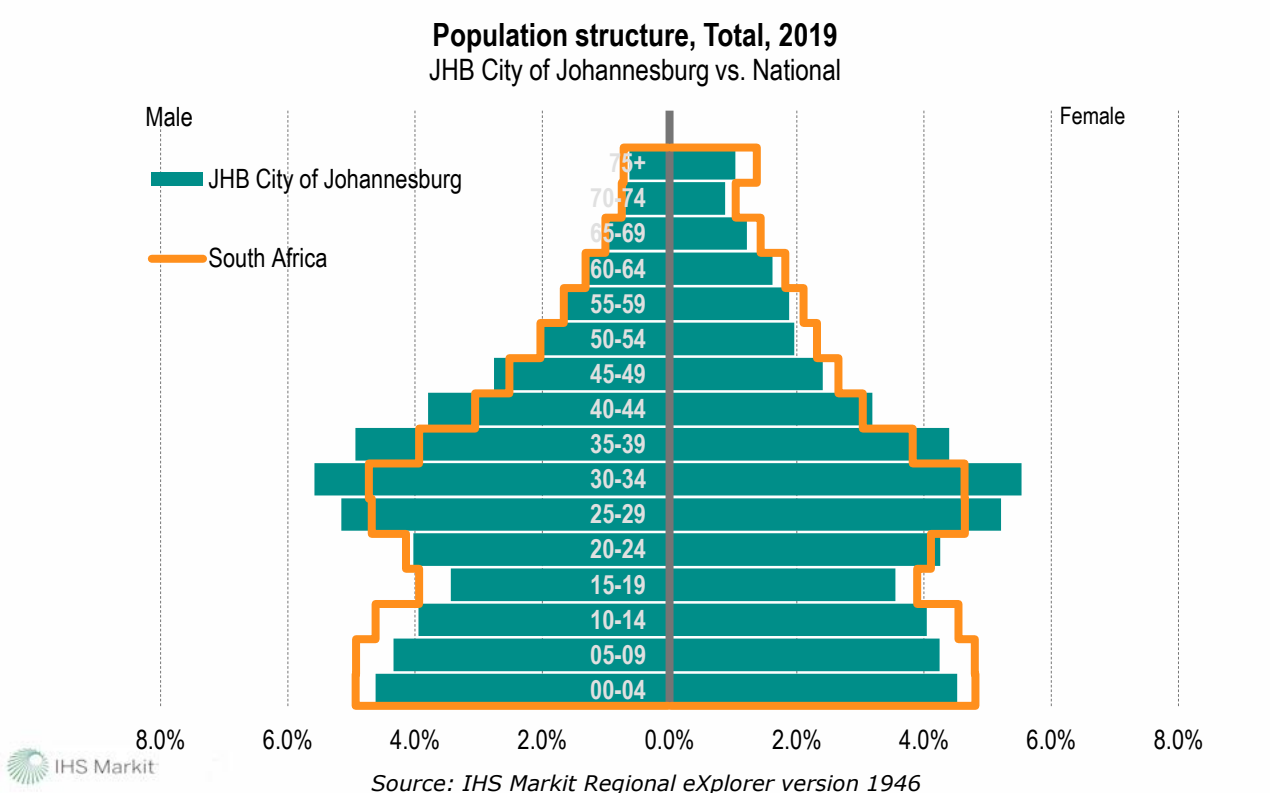
In the 2016 municipal elections there were 2 246 350 registered voters of which 57,1% voted. South Africa and Gauteng registered a similar voter turnout.



3.1.2 Gender, Age and Race

In Johannesburg, during the 2016 Household Survey there was an equal split between women and men. Currently, the male/female split in population is 100.3 males per 100 females in 2018. The City of Johannesburg Metropolitan Municipality has more males (50.06%) relative to South Africa (48.96%). In total there were 2.57 million (49.94%) females and 2.58 million (50.06%) males. This distribution holds for Gauteng as a whole where the female population is 6.95 million which constitutes 49.75% of the total population of 14 million.

The largest share of Johannesburg's population, about 40%, is within the young working age (25-44 years) category. Relative to the national population, Johannesburg has a significantly larger share of the working age population between 25 and 49 years old. This may be because young people migrate to Johannesburg to look for opportunities.



The female population for the 20 to 34 years age group amounts to 16.1% of the total female population, the male population group for the same age amounted to 16.7% of the total male population. The largest share of population is within the young working age (25-44 years) age category with a total number of 2.03 million or 39.5% of the total population.

In terms of race, the City's population consists of 80.17% Black Africans (4.13 million), 9.79% White (504 000), 5.27% Coloured (272 000) and 4.76% Asian (245 000) people in 2018.

3.1.3 Households

In 2018, the City of Johannesburg Metropolitan Municipality comprised of 1.68 million households. This equates to an average annual growth rate of 3.04% in the number of households from 2008 to 2018. With an average annual growth rate of 2.91% in the total population, the average household size in the City of Johannesburg Metropolitan Municipality is decreasing. The average household size in 2008 decreased from approximately 3.9 individuals per household to 3.1 persons per household in 2018.

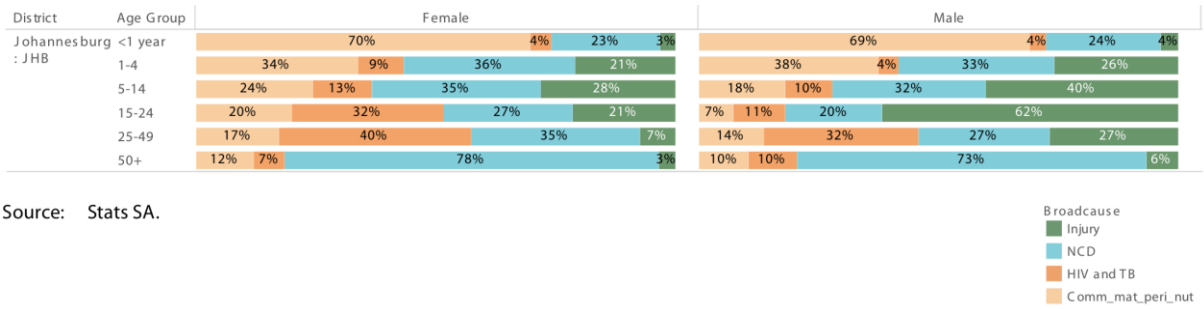
About 37.7% of Households in the City are women headed. This figure is slightly higher than the rate in Gauteng: 35.86% and about 90% of the rate in South Africa (41.32%). In 2018 there were 5 144 child headed households. These constitute about one-third

of the figure in Gauteng (15,241) and less than 10% of the figure in South Africa (111,471).

3.2 Health Profile

According to the District Health Profile 84% of the population in the city is uninsured. The trends in the leading causes of death show that:

- Those under the age of five over 40% mortality is as a result of prematurity, lower respiratory infections and diarrheal diseases. Because of the accelerated treatment and ARV programme HIV and Aids has declined from the leading cause in 2008 to number 7 in 2016.
- Males between the ages of 15 and 24 die because of injury related causes (61%), whereas the majority of their female counterparts (34%) die because of HIV and TB related causes.
- Those between the ages of 25 and 64 die because of Non Communicable Diseases.



Source: Stats SA.

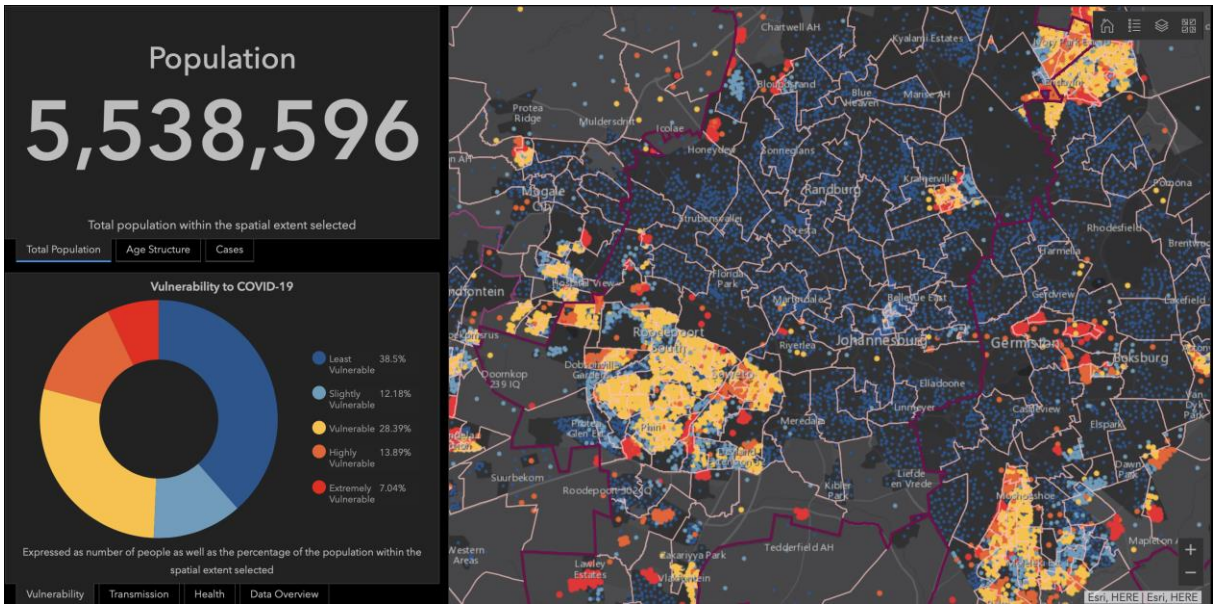
There are 159 health facilities in the city of which 108 are clinics 11 are Community Health Care Facilities, 2 are District Hospitals, 2 are Regional Hospitals, 3 are Tertiary hospitals and 36 have been classified as other and include private hospitals.

3.3 COVID 19

Gauteng province, as at 11 June, had 7 953 cases making it the second highest after he Western Cape 3 025 of these were in the City of Johannesburg. This means by that time the city was recording an above 1 600 week on week rate. With winter in full swing and given the climatic conditions in Johannesburg, this figure may rise.

The Council for Scientific and Industrial Research (CSIR) in collaboration with Albert Luthuli Centre for Responsible leadership have developed a set of COVID-19 Vulnerability Indicators using available data and knowledge. It identifies vulnerabilities present in communities and identifying areas in need of targeted coordinated interventions and early response. The purpose of the indicators is intended to support the early prevention/mitigation and preparedness phase of the disaster management cycle and informing disaster management decision making. It is not based on epidemiological modelling but a response to highlighting intervention areas due to underlying situation. The composition of the index follows two main factors, namely: transmission potential and health susceptibility.

Transmission potential areas identify areas that prevent social distancing to be practiced and where limitations of practicing good basic hygiene. The health susceptibility index denotes areas where large number of people are potential more susceptible to being adversely affected by COVID-10 due to factors such as age and underlying health conditions. The Johannesburg vulnerability profile is presented in below. The map shows low vulnerability areas (blue dotted areas) versus areas with higher vulnerability (red dotted areas)



Region A:

Consistent with vulnerability (including poverty and unemployment), limited access to healthcare, and population density the Southern Regions face the highest vulknerabilty most notably around Lawley and Finetown, where there is a concentration of informal settelements. SOWETO because of high population density and access to services is another area of vulnerability in the South particularly Nancefield (where there is a hostel) and Protea where there is some informal settlements.

This is also the pattern to the west where the newly established township of Zanspruit (in particular extension 9 and 10) is of concern, as is the case to the north west where Alex and Ivory Park pose a danger.

Area specific live GIS vunerability maps are available curtosy of CSIR at:
https://pta-gis-2-web1.csir.co.za/portal2/apps/opsdashboard/#/390a74fb10844c7a85396e60555a866d

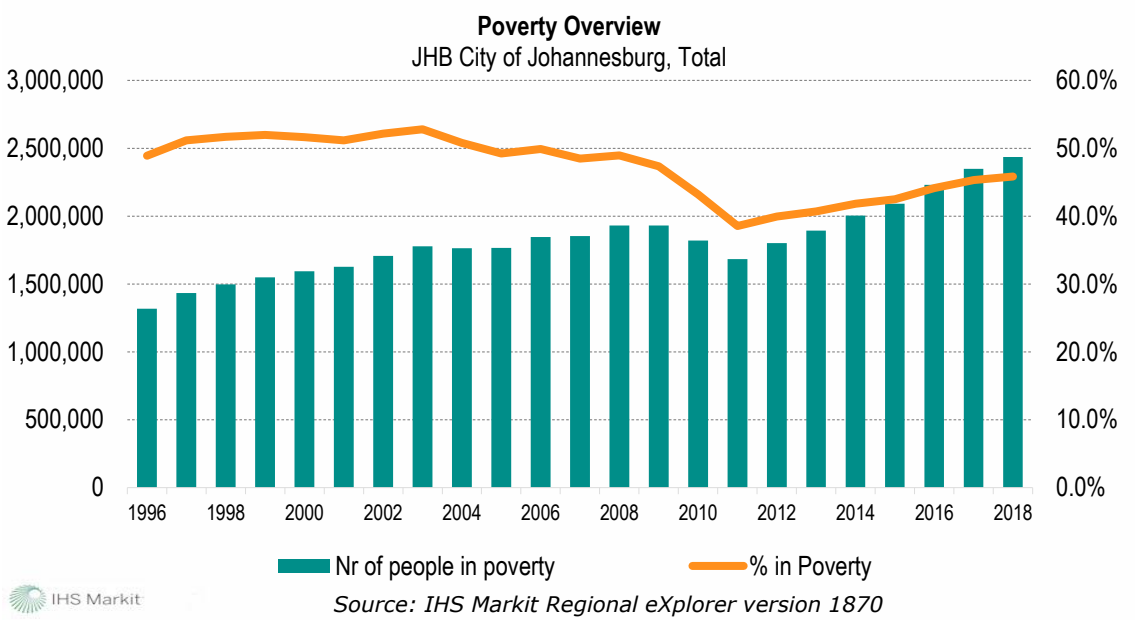
The province has set aside several beds and facilities, to avail some 8 301 beds. Isolation wards have been refurbished at the Chris Hani Baragwanath Hospital, in SOWETO and the Discoverers Community Health Centre in Florida in addition to the 500 bed facility which is in Nasrec.

3.4 Poverty Dimensions

3.4.1 Distribution

In 2018, there were 2.35 million people living in poverty, using the upper poverty line of R 1227 per person. This is 23.20% higher than the 1.91 million in 2008. The percentage of people living in poverty has decreased from 49.33% in 2008 to 45.57% in 2018, which indicates a decrease of 3.76 percentage points. Even when the lower bound poverty line of R810 per person per month is considered the situation is no better with 32,5% living below that line.

The population group with the highest percentage of people living in poverty is the African population group with a total of 61.4% people living in poverty, using the upper poverty line definition. The proportion of the African population group, living in poverty, decreased by 7.16 percentage points, as can be seen by the change from 61.40% in 2008 to 54.24% in 2018. In 2018 0.92% of the White population group lived in poverty, as compared to the 0.89% in 2008. The Coloured and the Asian population group saw a decrease in the percentage of people living in poverty, with a decrease of 5.54 and 3.09 percentage points respectively.



Source: IHS Markit Regional eXplorer version 1870

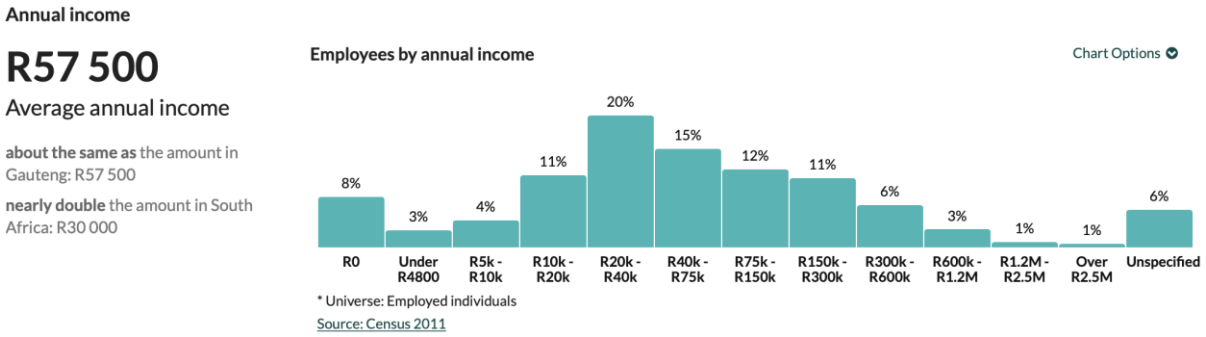
3.4.2 Inequality

The Gini Coefficient for the city is 0,624 making it a very inequal society. South Africa is the most unequal society in the world with a Coefficient of 0,629. Although there has been an improvement in the city amongst all racial groups since 2008 the black African population's improvement was marginal at 0,25% compared to 1,29 of the white population.

	African	White	Coloured	Asian
2008	0.61	0.46	0.58	0.50
2018	0.60	0.41	0.54	0.47
Average Annual growth				
2008-2018	-0.25%	-1.29%	-0.65%	-0.49%

Gini coefficient by population group - City of Johannesburg, 2008, 2018
Source: IHS Markit Regional eXplorer version 1692

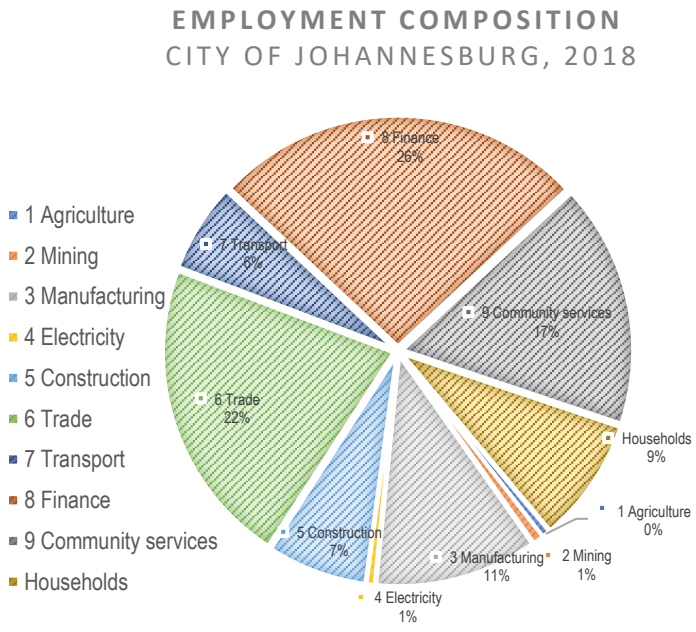
Although the average annual income in Johannesburg is nearly double of the average of South Africa, 8% of the population has no income and 47% are living on less than R40 000 per annum.



3.4.3 Employment/unemployment

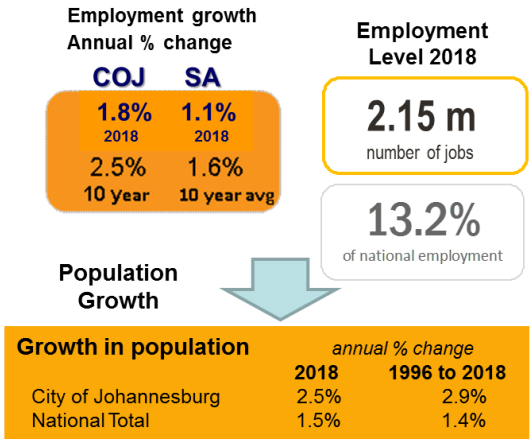
52,6% of the economically active population are employed, in Johannesburg. 77% of them are employed in the formal sector. The finance sector employs the most with for 26.1% of those employed in that sector. 22% are employed in the trade and retail sector. 17% are in the community services sector which includes the general government services, given that the provincial capital is in the city.

The agriculture sector employs the least share of people at 0.6%.[3]



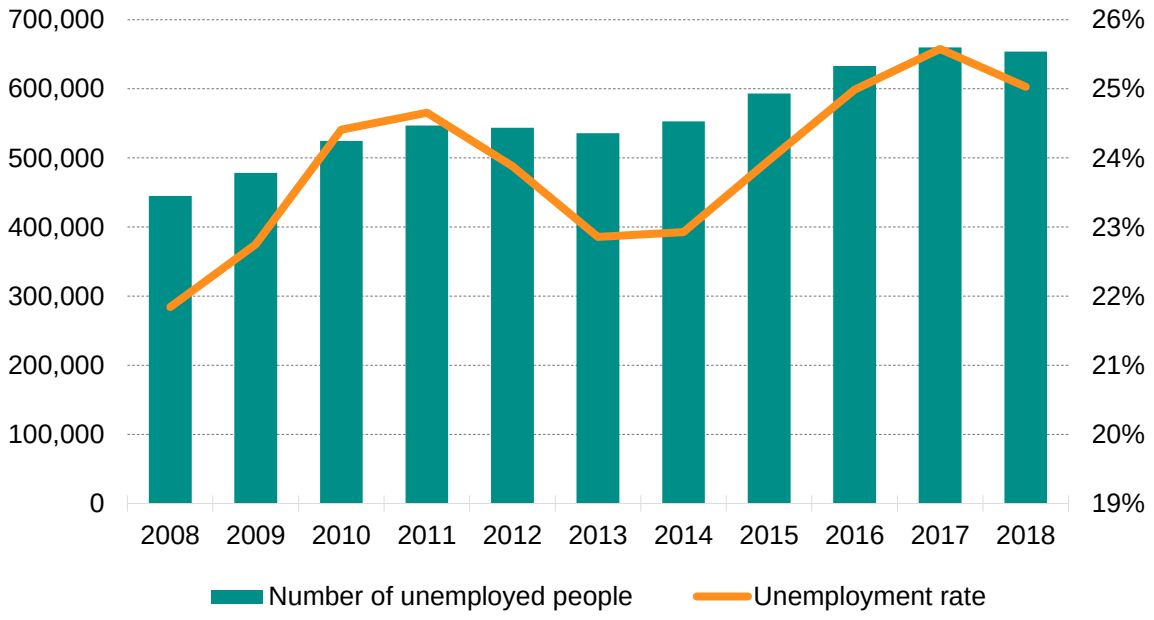
8% of the employed are employed in the informal sector, which has significantly grown from employing 225 000 people in 2008 to an estimated 351 000 in 2018.[4] Most of these jobs are generated in trade.

[3] Ibid
[4] IHS Markit, 2019.



The City continues to fight unemployment, which is one of the major challenges facing South Africa. Unemployment in the city is currently at 26,5% and youth unemployment is estimated to be over 46,6%. Youth unemployment is a critical challenge facing the City. Slow formal sector growth is the major causes of youth unemployment. Although over 65,5% of young people have completed matric only 9% have post matric qualifications consequently, the majority of youth due to their low skills are employed in the wholesale, retail & trade and private households. Only 5% of young people are employed in the highly skilled manufacturing sector, thus pointing to a need for education and skills development targeting this youth.

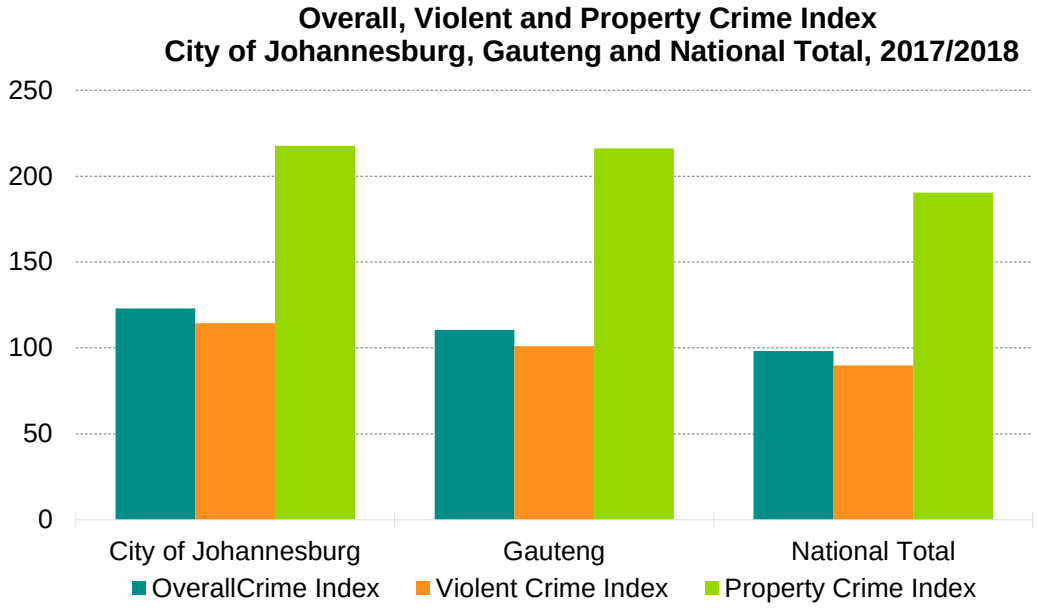
Number of unemployed & Unemployment rate
City of Johannesburg, 2008-2018



Source: IHS Markit Regional eXplorer version 1692

3.4.4 Crime

The City of Johannesburg Metropolitan Municipality has the second highest overall crime index at 123. For the period 2007/2008 to 2017/2018 crime has decreased at an average annual rate of 4.09% within the City of Johannesburg Metropolitan Municipality. Violent crime decreased by 4.12% since 2007/2008, while property crimes decreased by 3.89% between the 2007/2008 and 2017/2018 financial years.



Source: IHS Markit Regional eXplorer version 1692

From the chart above it is evident that property crime is a major problem for all the regions relative to violent crime. It is evident that the property crime is a major problem for all the regions relative to rest crime indices.

3.5 Education and Skills Profile

According to the 2016 Community Survey 53% of Johannesburg's residents had completed matric, which is 25% higher than the national average. 6% had an undergraduate degree and 5% a post graduate qualification. 3% have no education.

Educational level

79.5%
Completed Grade 9 or higher

about the same as the rate in Gauteng: 78.66%

about 10 percent higher than the rate in South Africa: 71.77%

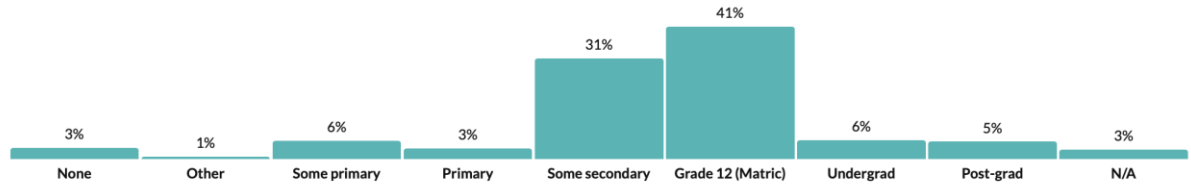
53%
Completed Matric or higher

about the same as the rate in Gauteng: 52.43%

about 25 percent higher than the rate in South Africa: 43.37%

Population by highest educational level

Chart Options



* Universe: Individuals 20 and older

Source: Community Survey 2016

The number of people without any schooling decreased from 2008 to 2018 by an average annual rate of -1.97%, while the number of people within the 'matric only' category, increased from 848,000 to 1.28 million. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 2.63%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 4.72%. Overall improvement in the level of education is visible.

There are 5 education circuits in Johannesburg with 1 232 schools of which 481 are independent schools. This means just under 44% of the province's schools are in Johannesburg. In total there are 889 036 learners of which 172 358 are in the independent schools. This constitutes 38% of the province's leaners. The City has 30 186 educators, this means that about 37% of the province's educators are in the City if Johannesburg.

The City has two world acclaimed public universities (the University of Witwatersrand and University of Johannesburg) and the Universities of Pretoria and South Africa also have campuses in the city. There are also several private institutions. The Central Johannesburg College with its five campuses is the sole TVET, but there are hundreds of other registered institutions offering higher education and training.

JOHANNESBURG *IS HOME TO ABOUT 5.5 MILLION PEOPLE, HOME TO ALMOST 10% OF SOUTH AFRICA'S POPULATION*

4. Drivers Of The Economy

4.1 Structure of the Economy

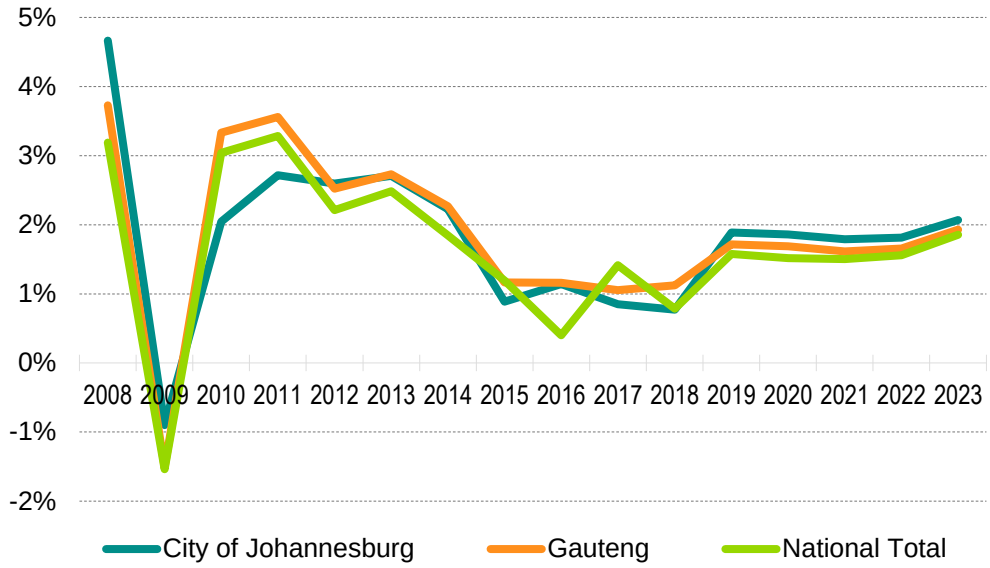
The City of Johannesburg is the economic powerhouse of the continent and South Africa contributing about 14% to South Africa's GDP and over 44% to the Gauteng economy. South Africa's growth trajectory is largely reliant on the developments in Johannesburg. Consequently Johannesburg acts as an important building block to other local economies, close and far away.

In 2018, the City of Johannesburg Metropolitan Municipality achieved an annual growth rate of 0.77% which is a slightly lower GDP growth than the Gauteng Province's 1.12%, and is lower than that of South Africa, where the 2018 GDP growth rate was 0.79%. Similar to the short-term growth rate of 2018, the longer-term average growth rate for City of Johannesburg (1.50%) is also very similar than that of South Africa (1.50%). The economic growth in City of Johannesburg peaked in 2008 at 4.66%.

It is expected that City of Johannesburg Metropolitan Municipality will grow at an average annual rate of 1.88% from 2018 to 2023 if the impact of COVID-19 is not taken into account. The average annual growth rate of Gauteng Province and South Africa is expected to grow at 1.72% and 1.60% respectively.

*"THE SECTOR THAT CONTRIBUTES THE LEAST TO THE ECONOMY OF CITY OF JOHANNESBURG IS THE **AGRICULTURE SECTOR** WITH A CONTRIBUTION OF 0.27% OF THE TOTAL GVA"*

Gross Domestic Product (GDP)
City of Johannesburg, Gauteng and National Total, 2008-2023



Source: IHS Markit Regional eXplorer version 1692

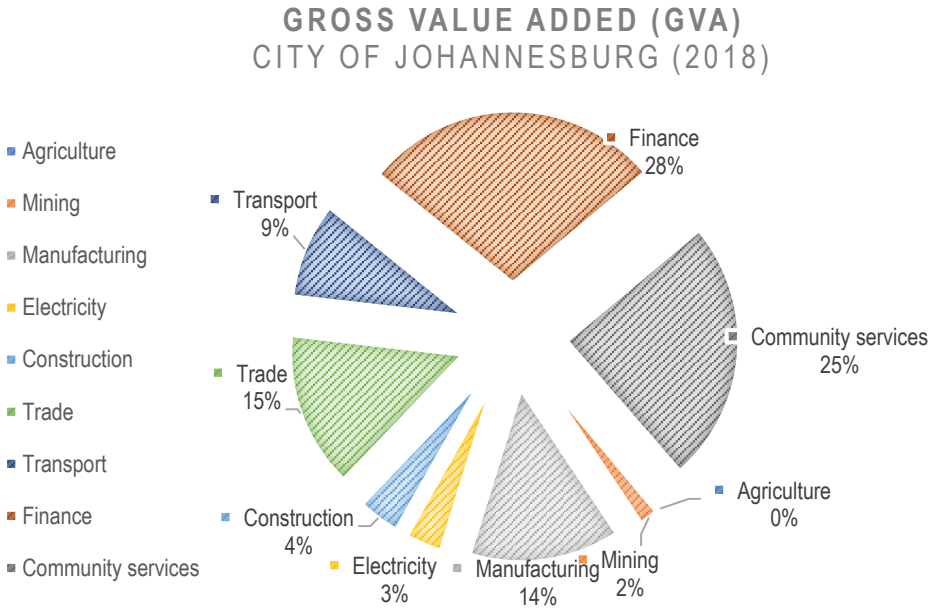
In 2023, City of Johannesburg's forecasted GDP will be an estimated R 530 billion (constant 2010 prices) or 43.8% of the total GDP of Gauteng Province. The ranking in terms of size of the City of Johannesburg Metropolitan Municipality will remain the same between 2018 and 2023, with a contribution to the Gauteng Province GDP of 43.8% in 2023 compared to the 43.5% in 2018. At a 1.88% average annual GDP growth rate between 2018 and 2023, City of Johannesburg ranked the highest compared to the other regional economies.

4.1.1 Gross Value Added by Region (GVA-R)

The City of Johannesburg Metropolitan Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value added* produced in the local economy. The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the City of Johannesburg Metropolitan Municipality.

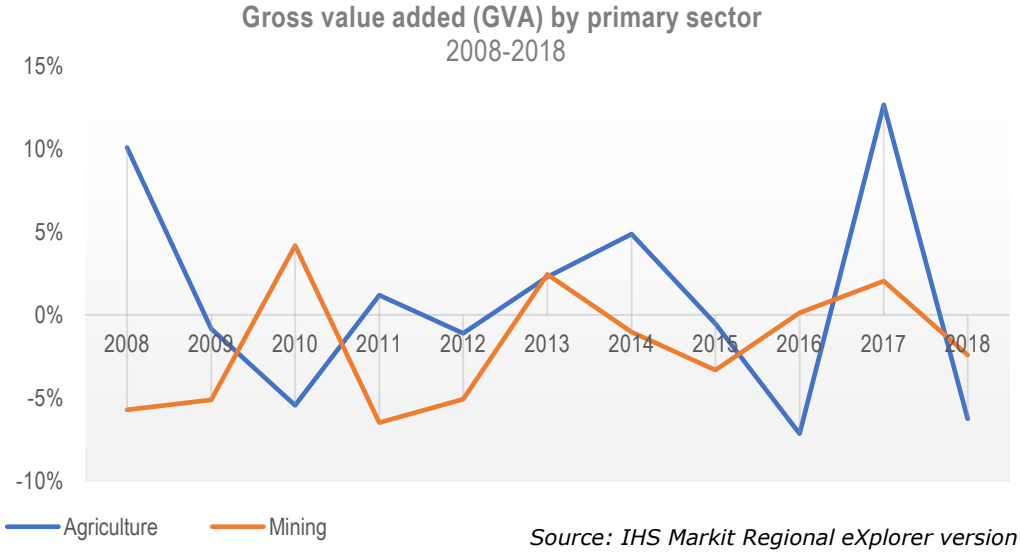
In 2018, the finance sector is the largest within City of Johannesburg Metropolitan Municipality accounting for R 182 billion or 28.1% of the total GVA in the metropolitan municipality's economy. The sector that contributes the second most to the GVA of the City of Johannesburg Metropolitan Municipality is the community services sector at 24.7%, followed by the trade sector with 14.7%. The sector that contributes the least to the economy of City of Johannesburg Metropolitan Municipality is the agriculture sector with a contribution of R 1.77 billion or 0.27% of the total GVA.

City of Johannesburg
PICTURE: Obuaah DaPiaao/Usplash



4.2 Primary Sector

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in City of Johannesburg Metropolitan Municipality from 2008 to 2018.

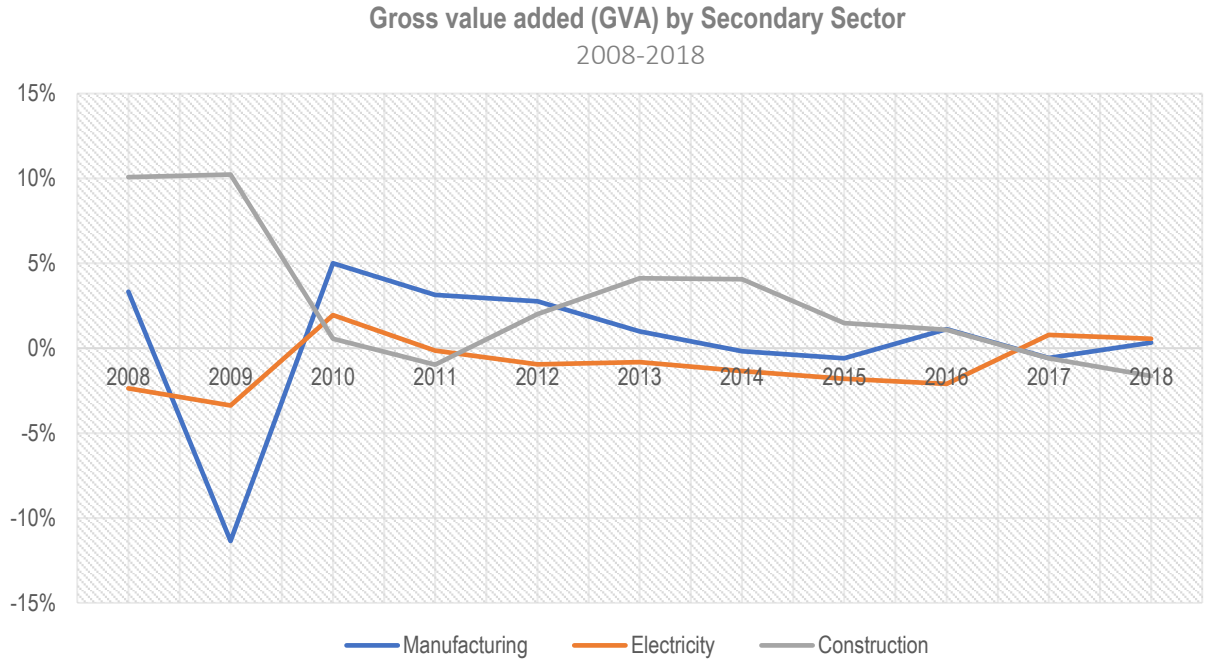


Source: IHS Markit Regional eXplorer version 1692

Between 2008 and 2018, the agriculture sector experienced the highest positive growth in 2017 with an average growth rate of 12.6%. The mining sector reached its peak of 4.2% in 2010. The agricultural sector experienced the lowest growth for the period during 2016 at -7.1%, while the mining sector reaching its lowest point of growth in 2011 at -6.5%.

4.3 Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in City of Johannesburg Metropolitan Municipality from 2008 to 2018.



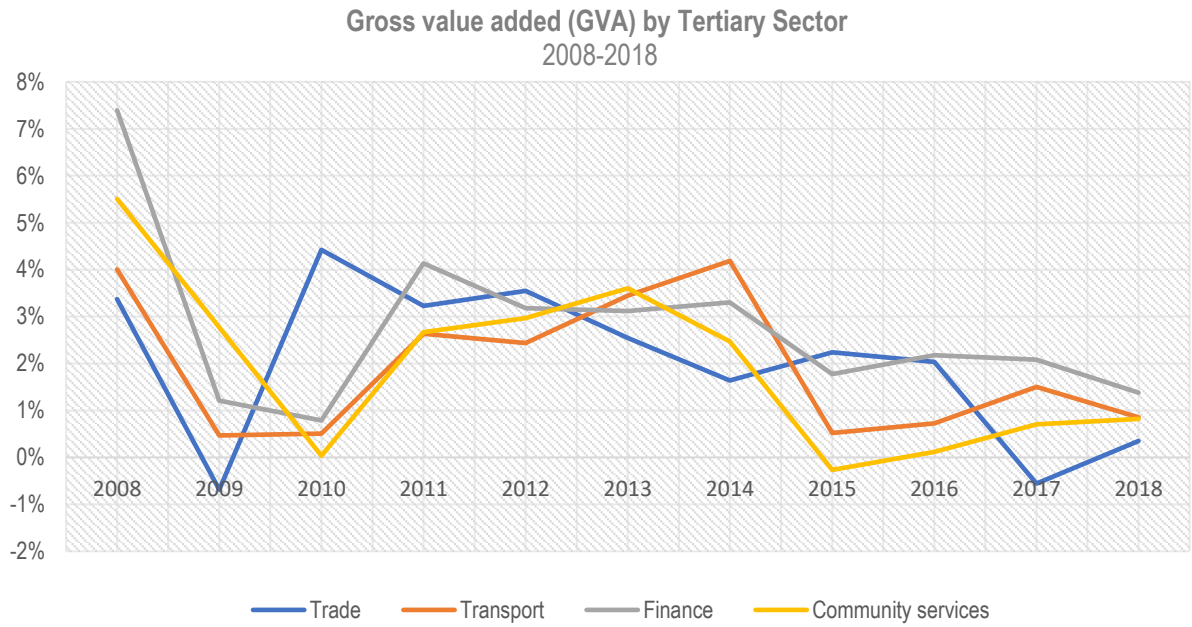
Source: IHS Markit Regional eXplorer version 1692

Between 2008 and 2018, the manufacturing sector experienced the highest positive growth in 2010 with a growth rate of 5.0%. The construction sector reached its highest growth in 2009 at 10.2%. The manufacturing sector experienced its lowest growth in 2018 of -11.4%, while construction sector reached its lowest point of growth in 2018 a with -1.6% growth rate. The electricity sector experienced the highest growth in 2010 at 1.9%, while it recorded the lowest growth of -3.4% in 2009.

*"IT IS ESTIMATED THAT THE **INFORMAL SECTOR** ACCOUNTS FOR BETWEEN 7 AND 13% OF THE TOTAL ECONOMY OF THE CITY"*

4.4 Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in City of Johannesburg Metropolitan Municipality from 2008 to 2018.



Source: IHS Markit Regional eXplorer version 1692

The trade sector experienced the highest positive growth in 2010 with a growth rate of 4.4%. The transport sector reached its highest point of growth in 2014 at 4.2%. The finance sector experienced the highest growth rate in 2008 when it grew by 7.4% and recorded the lowest growth rate in 2010 at 0.8%. The Trade sector had the lowest growth rate in 2009 at -0.7%. The community services sector, which largely consists of government, experienced its highest positive growth in 2008 with 5.5% and the lowest growth rate in 2015 with -0.3%.

4.5 Informal Economy

It is estimated that the informal sector accounts for between 7 and 13% of the total economy of the City.

5. Service Delivery Analysis

5.1 Access to Services

Provision of basic services to the community of Johannesburg is comparatively high with the majority of households (both formal and informal) enjoying access to piped water (98.8%), sanitation (96.4%), and electricity (92.3%).

However, there continues to be a deficit, particularly in informal settlements where less than half of the households have access to basic sanitation. This backlog is exacerbated by the high population growth and proliferation of informal settlements arising from land invasion that have resulted in 211 informal settlements between 2016 and now referred to in the previous section. The number of households in the city has increased by an average annual rate of 3% from 2007 to 2017. The development diamond below indicates the level of development relative to the national average (HIS Global Insight, 2019). There are a total of 1.8 million households in the city. Of these, the following table shows the service observed:[5]

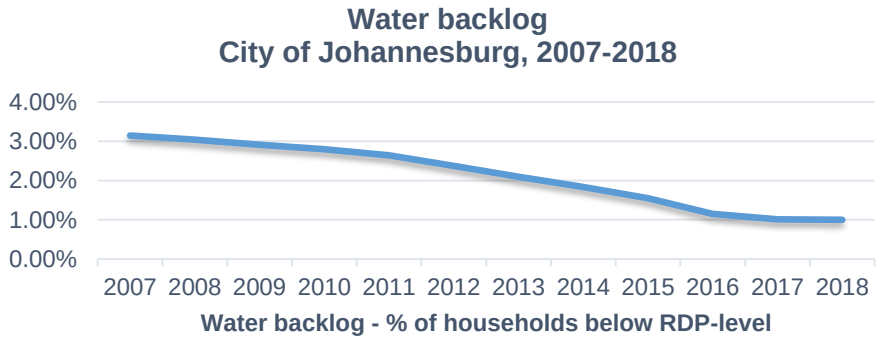
CoJ Access to Households Services

Service	Households Serviced	Backlog in Households	Backlog %
Housing (formal dwellings)	75.1%	448 200	24.9%
Water	98.8%	22 200	1.2%
Sanitation	96.4%	66 601	3.6%
Electricity[6]	92.3%	133 540	7.7%
Refuse removal	92.9%	131 352	7.1%

[5] Serviced figures sourced from StatsSA General Household Survey 2018
[6]Source: IHS Markit Regional eXplorer version 1870

5.2 Water

A total of 1.47 million (98.4%) households in the city have access serviced through yard connection in formalised areas and through communal standpipes within a maximum walking distance of 200 metres in informal settlements. The City has been successful in reducing water backlogs over time. It can be seen that the percentage of households has shown a significant decrease, dropping annually by -7.14% between 2007 and 2018.

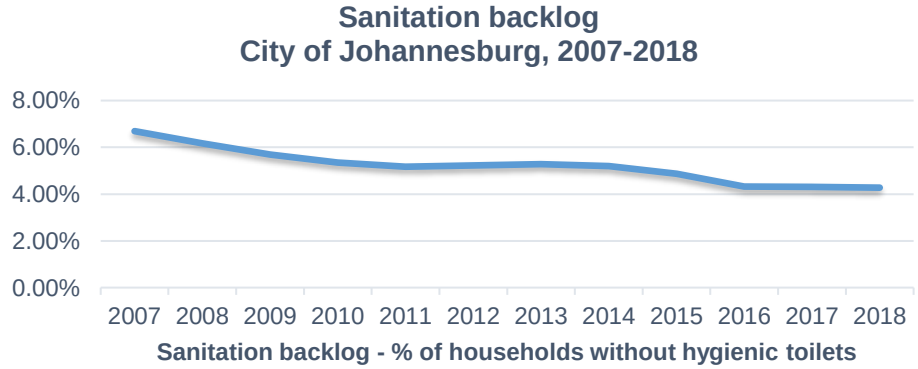


Source: IHS Markit Regional eXplorer version 1870

5.3 Sanitation

A total of 1.36 million (92.7%) of all households in the city of Johannesburg have access to sanitation through individual sewer connection to properties in formalised areas and at basic level through VIPs and ablution blocks in informal settlements. The sanitation backlog (number of households without hygienic toilets) has been steadily decreasing in the past 10 years, in 2018 there were 113 899 households with no access to basic level of sanitation which is reduced to 109 065 in 2019.

The City has made advances in the backlog associated with sanitation, but there is still more work to be achieved. The percentage of households without hygienic toilets has decreased annually at -1.05% between 2007 and 2018.



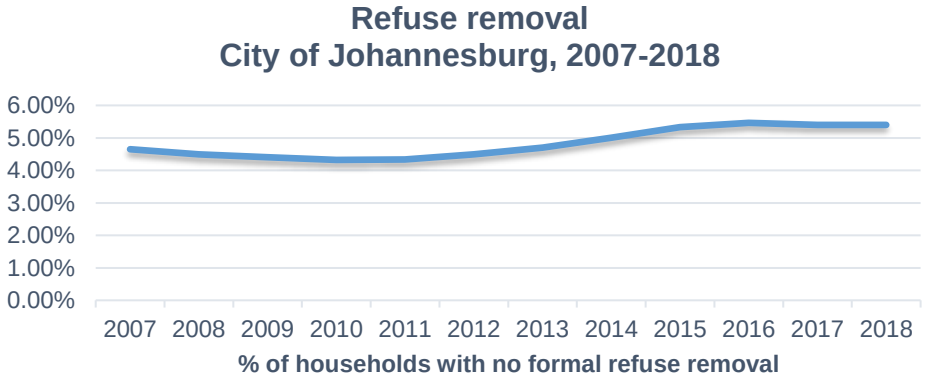
5.4 Human Settlements

Approximately 1.4 million (75.1%) of all households in the city live in formal dwellings.[7] The housing backlog is a major concern for the City. The formal dwelling backlog is currently at 24.9%. This has worsened from 18.5% in 2017, due inward migration and other factors. To add to this, not only has the number of households living in informal settlements increased but the backlog as a proportion of total household dwelling units has been growing at a rate of about 1.81% annually.

The housing backlog is conservatively estimated at 448 200 units with an average delivery of only 3 500 housing units per year. This shortage has in part led to the development of over 211 informal settlements, which further complicates the City's infrastructural challenge. The housing backlog comprises of informal settlements, overcrowding in the hostels, the non-regulated backyard rental, inner city overcrowding and homeless people in general.

5.5 Waste Management

The City collects and removes 1.72 million (92.9%) households' refuse weekly. An additional 11 100 (0.6%) households have their refuse removed less often than weekly by the City. 94 351 (5.1%) of households make use of communal refuse dumps, while 14 800 (0.8%) of household use their own refuse dump, and 9 250 (0.5%) of households reportedly have no refuse removal. A total of 131 352 (7.1%) of households experienced backlogs (below formal once weekly collection). Over a ten-year period this rate has increased.



Source: IHS Markit Regional eXplorer version 1870

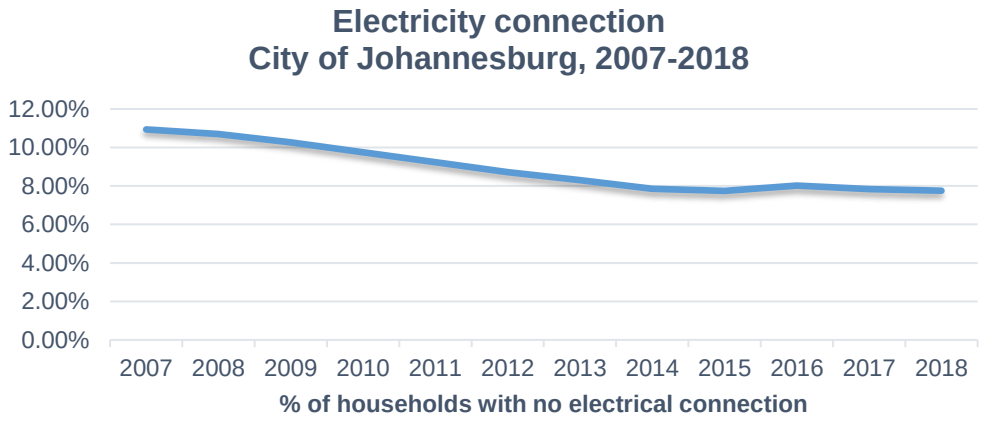
[7] Source: IHS Markit Regional eXplorer version 1870

In spite of servicing more households than ever before, the backlogs associated with refuse removal continue to grow.

5.6 Electricity

A total of 1.6 million (92.3%) households have electricity which they use for multiple purposes, while 12 806 (0.8%) households have electricity for lighting only. These figures include households that use solar or alternative energy sources. However, approximately 133 540 households (7.7%) have no electrical connection. On average this figure has increased at 0.45% per year since 2007. Although, access to electricity in the city is relatively high (>90%), the City has not managed to achieve its access target of 97%. The lack of electricity in the city continues to be most prevalent in informal dwellings (backyard shacks) and informal settlements (households residing on un-proclaimed land zoned for development.

The complexities faced by the City in respect of energy are not just about supply. One of the critical challenges the City faces is the cost and demands of constant maintenance and upgrading of the energy infrastructure within the city, to enable appropriate, secure and reliable distribution – with this challenge worsened by illegal connections, cable theft and vandalism.



Source: IHS Markit Regional eXplorer version 1870

The City is making some progress in respect to electrical connections, although the going is slow and the stable provision of energy remains a critical challenge for the nation. Between 2007 and 2018, the percentage of households with no electrical connection has decreased.

6. Governance And Management

6.1 Municipality performance

For the past five years, the City has been consistent in attaining and maintaining its good governance principles. This evident in their financial performance over the period.

All values: R'000	2018/19	2017/18	2016/17	2015/16	2014/15
AUDIT OUTCOME	Financially unqualified	Financially unqualified	Financially unqualified	Financially unqualified	Financially unqualified
FINANCIAL PERFORMANCE					
Property rates	12 577 368	9 227 624	7 912 381	8 138 059	7 674 889
Service charges	28 045 677	25 283 499	25 092 442	23 328 536	21 504 935
Investment revenue	281 240	467 424	624 146	636 949	382 240
Transfers recognised - operational	7 883 368	7 367 718	6 740 131	6 186 022	5 987 772
Other own revenue	3 240 355	2 505 778	2 482 636	2 803 171	2 886 601
Total Revenue (excluding capital transfers and contributions)	**52 028 010**	**44 852 043**	**42 851 737**	**41 092 737**	**38 436 4**

6.2 Municipality Capacity

The City of Johannesburg has 29 665 posts of which 2 193 are vacant giving it a 7,39% vacancy rate, which is lower than the 2013/14 vacancy rate of 14% but higher than the 2016/17 financial year vacancy of 7,12%. The highest level of vacancies are in the administrative executive level at 41,1%. Despite the challenges in youth unemployment the second highest vacancies are in the sports and recreation area. The electricity area has the least vacancies at 4,1%.

7. Projects to diversify and grow people and the economy

7.1 Social Development Projects

The Department of Social Development has set aside about 16.5 million for projects such as drug rehabilitation centres, child and youth care centres as well as multi purposes centres throughout the City.

The Department of Sports, Arts, Culture and Recreation has planned the following project to the value R2 million.

PROJECT / PROGRAMME	PROJECT DESCRIPTION	TYPE OF INFRASTRUCTURE
Drieziek Community Library	Construction of a new community library	Library & Archives Centres
Naturena Community Library	Construction of a new community library	Library & Archives Centres
Operation Mabaleng	Construction of a sports facility	Sports Facility

7.2 Economic & Infrastructure Projects

The focus for capital investment in the 2020/21 MTEF is balanced between firstly, ensuring that the current infrastructure and facilities are properly maintained and functional, and secondly, to ensure adequate investment to respond to urbanisation and growth needs.

a. Refurbishment and upgrading of existing infrastructure are prioritised in terms of the asset management plans and life cycle cost of infrastructure. The Consolidated Infrastructure Plan, (CIP), provides guidance and quantifies the need for investment in order to maintain functionality of the existing networks.
b. The focus for investment in Spatially Targeted Investment Areas, (STIAs), are:
    I. Inner City
    II. Corridors of Freedom- connecting strategic nodes through an affordable and accessible mass public transport system
    III. Deprivation and Informal Settlement areas
    IV. Secondary Economic Nodes

In order to consolidate Johannesburg's position as Africa's financial and technological nerve centre and pre-eminent hub for innovation, research and development, the various spheres of government and private sector have partnered with the City to embark on:

- Significant developments taking place in Rosebank, Sandton, Midrand and Fourways.
- Inner-city regeneration has just started and will get a major boost with the release of more derelict building and the reconstruction of the Provincial Government Precinct.
- New private sector-led developments current being planned in the North (Lanseria Airport City) and South (Masingita, Afribizz, etc.);
- Revitalisation of townships.

Together with the private sector, the City is looking at unlocking more than R150 billion of private investments in Johannesburg over a ten-year period. In addition to the

above, the City has also identified some high impact programmes that will be implemented in the 2020/21 financial year:-

Region	Location
Region A **(storm water, sewer, tarring of roads)**	Ivory Park (the whole sewer system), Ebony Park, Rabbie Ridge, Mayibuye, Kalfontein
Region B **(tarring of roads, sewer system, storm water, housing development)**	Rivelea
Region G **(tarring of roads, storm-water systems, sewer, housing development)**	Kliptown, Eldarado Park, Orange Farm, Driezik, Lakeside

8. Key Recommendations

The main developmental issues emerging from the profile of the City of Johannesburg can be summarised as follows:

a. The City experiences high volumes of domestic migration - i.e. people migrating from other provinces in South Africa to Johannesburg; approximately 30% of Johannesburg's population is made up of people who were born in other provinces. In 2017/18 the City experienced a monthly inflow of migrants of almost 16 000 people.
b. With the population of the City being fairly youthful, youth unemployment remains a critical challenge, with the rate of youth unemployment at almost 40% exceeding the national average of 37.5%.
c. There is a need to maximise on the city's economic strengths and competitive advantages by focusing on improving the ease of doing business in the city, exploiting opportunities for prospective investments and enhancing support to Small, Medium and Micro Enterprises (SMMEs) and new businesses
d. The advent of the COVID 19 in the country and specifically in the City will negate the City's efforts to optimally deliver on social and economic goals. However, the City's efforts for resilience provides some comfort that the City will rise above the COVID-19 pandemic.

*"TOGETHER WITH THE PRIVATE SECTOR, THE CITY IS LOOKING AT UNLOCKING MORE THAN **R150 BILLION** OF PRIVATE INVESTMENTS IN JOHANNESBURG OVER A TEN-YEAR PERIOD"*

cooperative governance
& traditional affairs
Department:
Cooperative Governance and Traditional Affairs
REPUBLIC OF SOUTH AFRICA

STAY SAFE
SAVE SOUTH AFRICA

2030 NDP