

# KWAZULU-NATAL SOCIO-ECONOMIC OUTLOOK

## Provincial Vision

**KwaZulu-Natal will be a prosperous Province with a healthy, secure and skilled population, living in dignity and harmony, acting as a gateway to Africa and the World.**



**Presentation by the KZN Provincial Planning Commission  
to the Provincial Executive Council Lekgotla  
26 February 2020**

# Introduction of current Members of the KZN Provincial Planning Commission

COMMISSIONERS	AREA OF EXPERTISE
Mr. Mzimkulu Msiwa (Chairperson)	Water Sector; Engineering & Business Management
Mr. Willies Mchunu (Deputy Chairperson)	Governance; Labour Relations; Peace and Stability Initiatives & Social Cohesion and Moral Regeneration
Prof Nqabomzi Gawe	Tertiary Education & Geography
Prof Ronald Green-Thompson	Health & Governance
Dr Lungile Bhengu	Social Development; Community Development; Rural Development & Policy Development
Mr. Frikkie Brooks	Strategic Planning, Spatial Planning; Development Planning and Facilitation & Governance;
Prof Urmilla Bob	Environmental Science; Socio-Economic Development; Research Methodologies & Monitoring and Evaluation
Mr. Michael Mtshali	Agriculture; Rural Development & Community Development
Dr Thokozani Nzimakwe	Public Sector Governance; Local Economic Development & Municipal Finance

# Framework of Presentation

- In selecting an appropriate framework for presenting this KZN Socio-Economic Outlook, the following options were considered:
  - The National Development Plan adopted in 2011;
  - The 2016 KZN Provincial Growth and Development Strategy (PGDS); or
  - The 2019 - 2024 Medium Terms Strategic Framework (MTSF).
  
- The MTSF was selected as a basis for this outlook on the basis of it being the most recent government medium term planning instrument, aligned to the 2019 election manifesto of the Ruling Party; and
  
- This presentation also serves to emphasise the importance of maintaining a clear line of sight and full alignment between the strategies and plans of government at all spheres of government;

# 2019 -2024 MTSF as Framework for Presentation

## ➤ The Seven MTSF Priorities are:

- Economic transformation and job creation;
- Education, skills and health;
- Consolidating social wage through reliable and quality basic services;
- Spatial integration, human settlements and local government;
- Social cohesion and safe communities;
- A capable, ethical and developmental state; and
- Better Africa and World.

# 2019 -2024 MTSF as Framework for Presentation

## ➤ The Five MTSF Enablers are;

- Provision of reliable and affordable Electricity;
- Provision of reliable and affordable Water;
- Reliable effective and efficient Rail services;
- Reliable effective and efficient Ports; and
- Managing and mitigating Climate Change.

## ➤ The Three MTSF Cross cutters are:

- Youth;
- Women; and
- People with Disabilities.

# The Eight Provincial Priorities adopted at June 2019 Lekgotla

## ➤ The Eight Provincial Priorities are:

- **Basic Services (especially access to clean potable water)**
- **Job Creation**
- **Growing the Economy**
- **Growing SMMEs and Cooperatives**
- **Education and Skills Development**
- **Human Settlement and sustainable livelihood**
- **Build a Peaceful Province**
- **Build a caring and incorruptible government**

# Economic Transformation and Job Creation

Linking to Provincial Priorities related to:  
Job Creation, Growing the Economy, Growing SMMEs and Cooperatives

➤ Focus on:

- Increased employment creation;
- Investing in the economy for Inclusive Growth;
- Broadening ownership in the economy;
- An Industrial Plan to support localisation;
- Innovation driven by digital and data revolution;
- Reduce concentration and monopolies;
- Develop a Macro Economic Framework; and
- Reducing illicit activity and corruption.

# Economic Transformation and Job Creation

**Linking to Provincial Priorities related to:  
Job Creation, Growing the Economy, Growing SMMEs and Cooperatives**

- **Inclusive, expanded and sustained economic output is a fundamental driver for economic transformation and job creation.**
- **For everyone to have a larger slice of the cake, the size of the cake has to be increased first.**
- **Whilst growing the economy, it must at the same time be radically transformed to create opportunities for those previously marginalised to enter and participate in the mainstream economy.**
- **Creating employment, reducing poverty and inequality and thus improving the socio-economic outlook is only possible through successful Radical Economic Transformation and Job Creation.**



# Economic Transformation and Job Creation

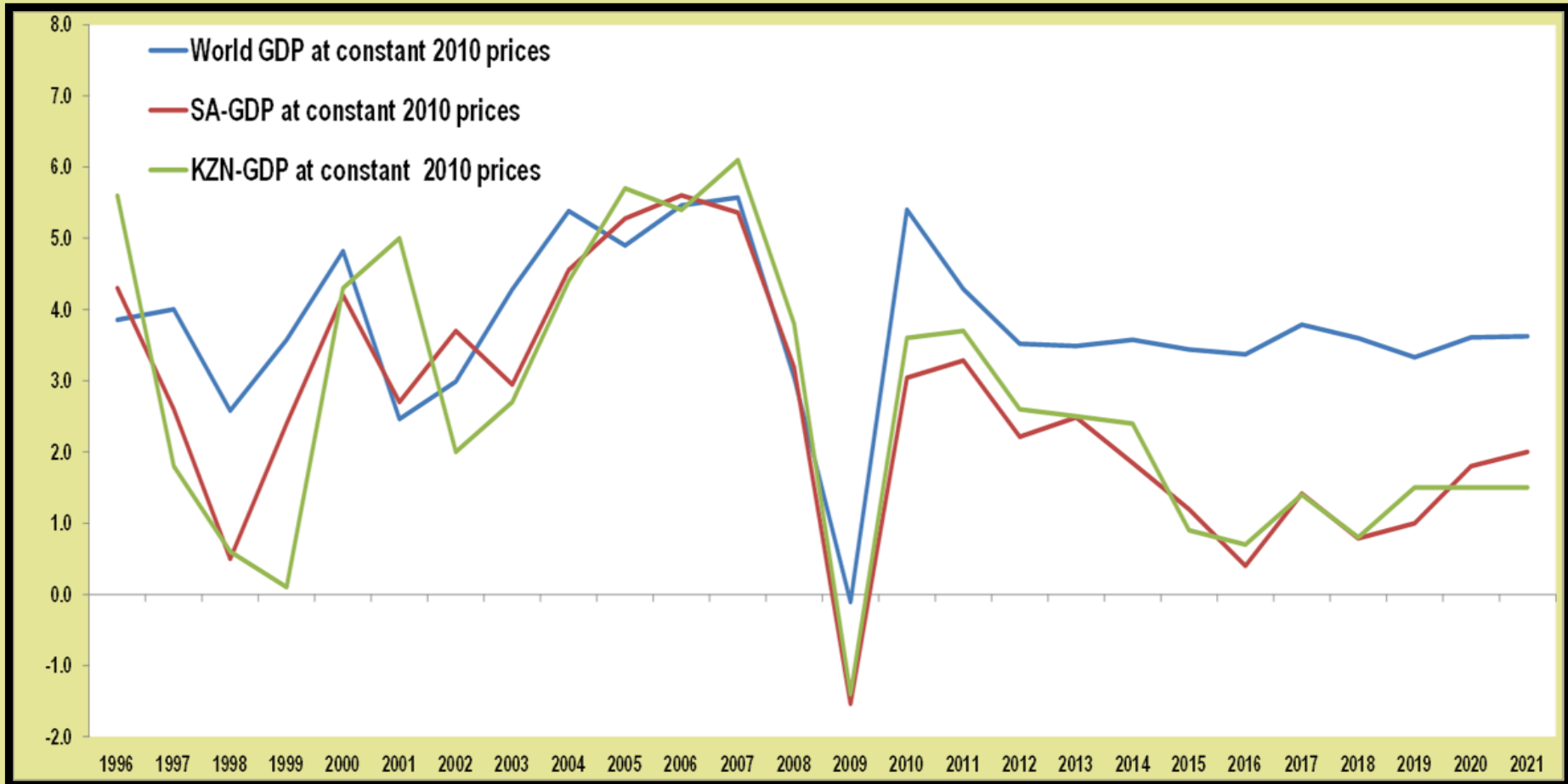
- Events such as the outbreak of the Corona virus, uncertainties around Brexit and increasing trade tensions between in particular the USA and China are contributing to a negative Global financial outlook;
- The USA decision to revoke World Trade Organisation (WTO) subsidy preferences for RSA goods, the reduced downgraded projection of the RSA economy for 2020 to 0.7% and a possible investment status downgrade is a clear indication of challenges to be faced in the year ahead;
- Poor domestic economic growth has already impacted negatively on both transformation and job creation programmes, as well as service delivery in general and this trend is likely to continue in 2020;
- Poor performance of KZN key growth sectors such as agriculture, manufacturing and tourism are a source of serious concern;

# Economic Transformation and Job Creation

- High crime rate a mayor deterrent for investment and economic growth;
- The current pace and outcomes of the land reform programme is counter productive to economic transformation and job creation;
- Slow delivery of appropriately serviced and zoned land for industrial development outside SEZs is delaying and limiting uptake of investment interest;
- Unlawful business intimidation is still negatively affecting investment confidence;
- Greater emphasis on and support for catalytic projects as opportunities for economic transformation and job creation is required; and
- Slow progress with economic transformation and rising unemployment, in particular youth employment, poses serious risks for socio-economic stability and outlook;

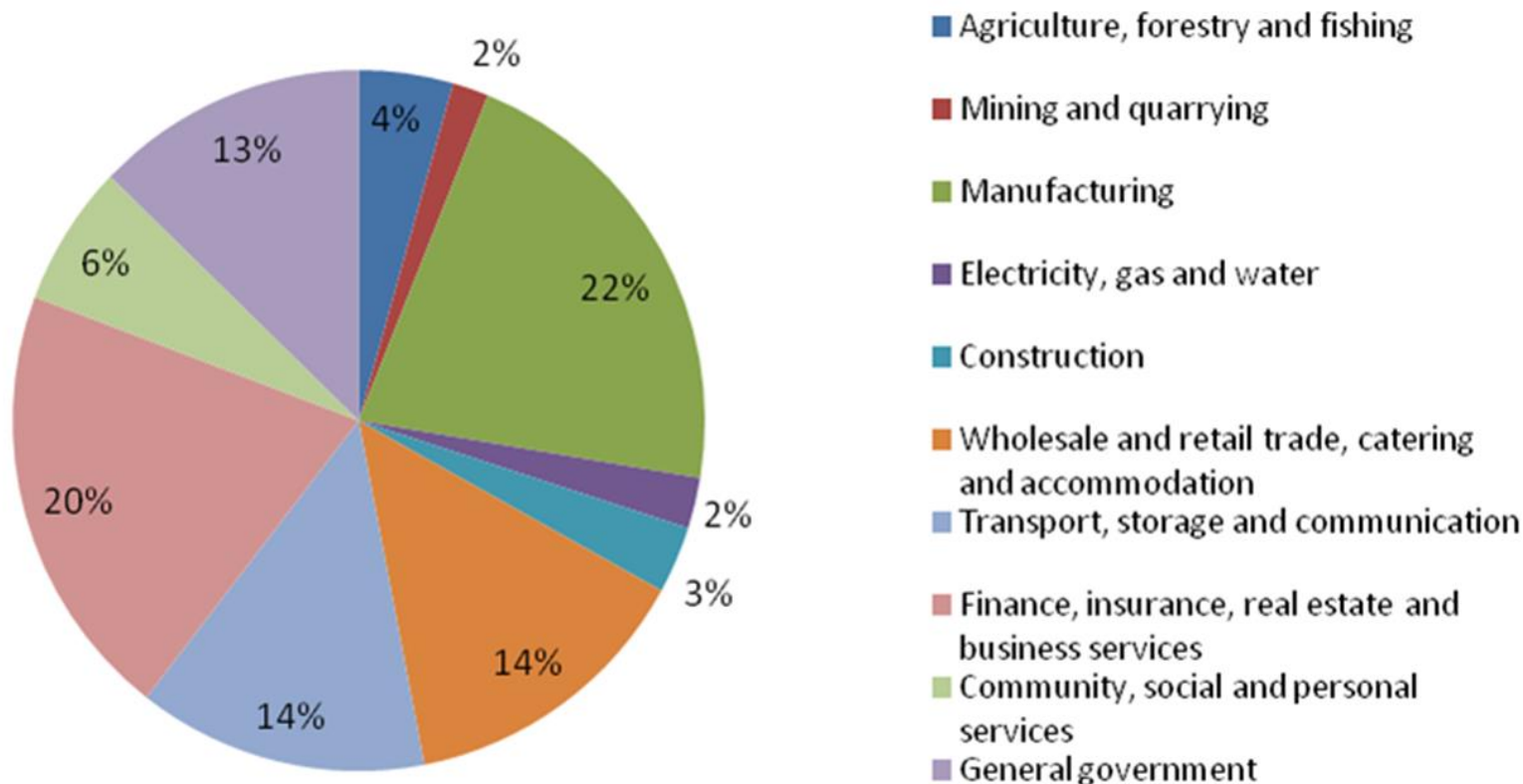
# Economic Transformation and Job Creation

## KZN Economic Performance and forecast



# Economic Transformation and Job Creation

## KZN Economic Sectors



# Economic Transformation and Job Creation

## Employment per Sector in KZN as at December 2019:

SECTOR	Number of persons employed
Formal Sector	1 824 000
Informal Sector	466 000
Agriculture	162 000
Private Households	212 000
<b>TOTAL</b>	<b>2 644 000</b>

Number of persons employed

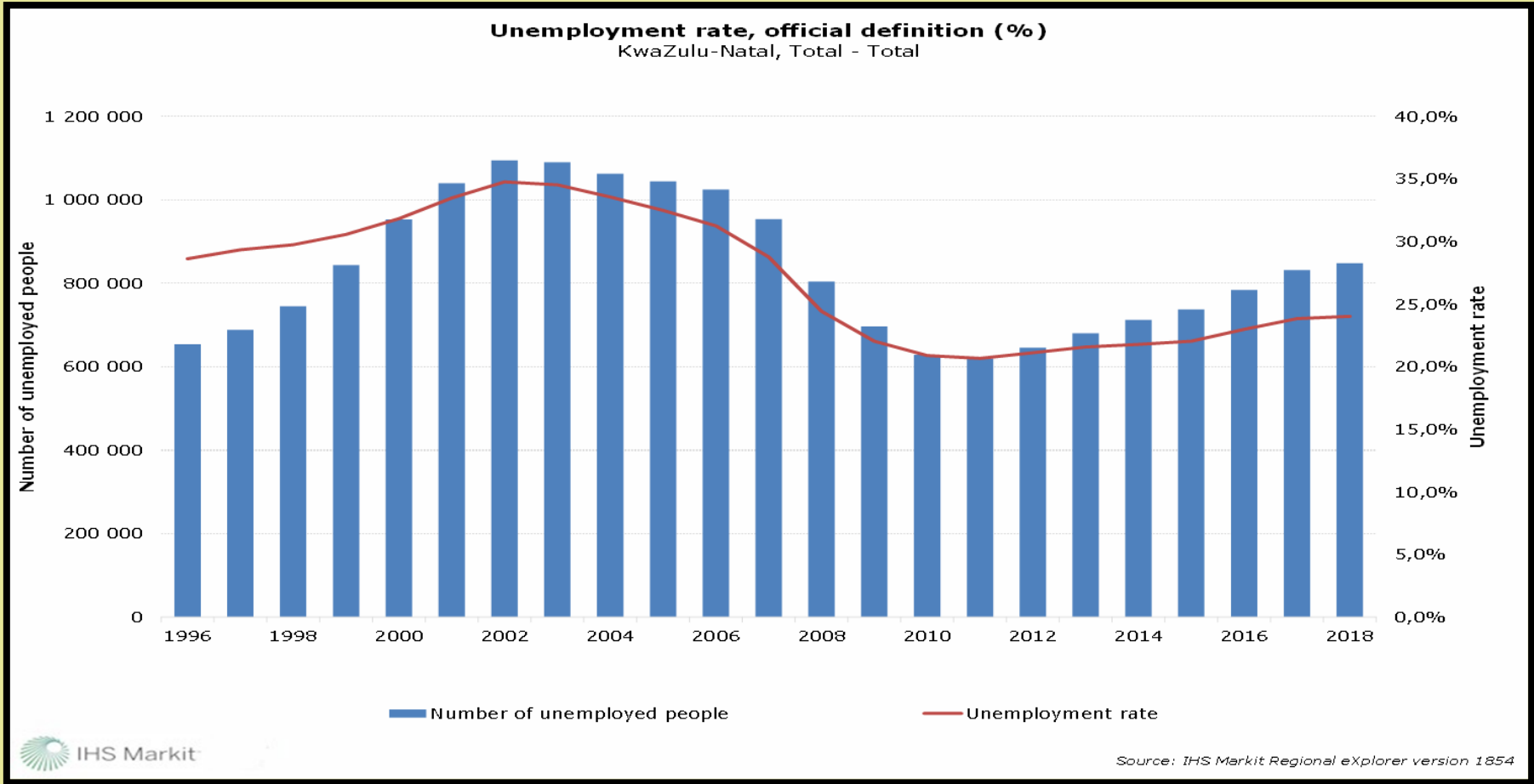


- Formal Sector
- Informal Sector
- Agriculture
- Private Households

Source: STATS SA QLFS 2019 Q4

# Economic Transformation and Job Creation

## KZN Official Unemployment Rate – Narrow Definition



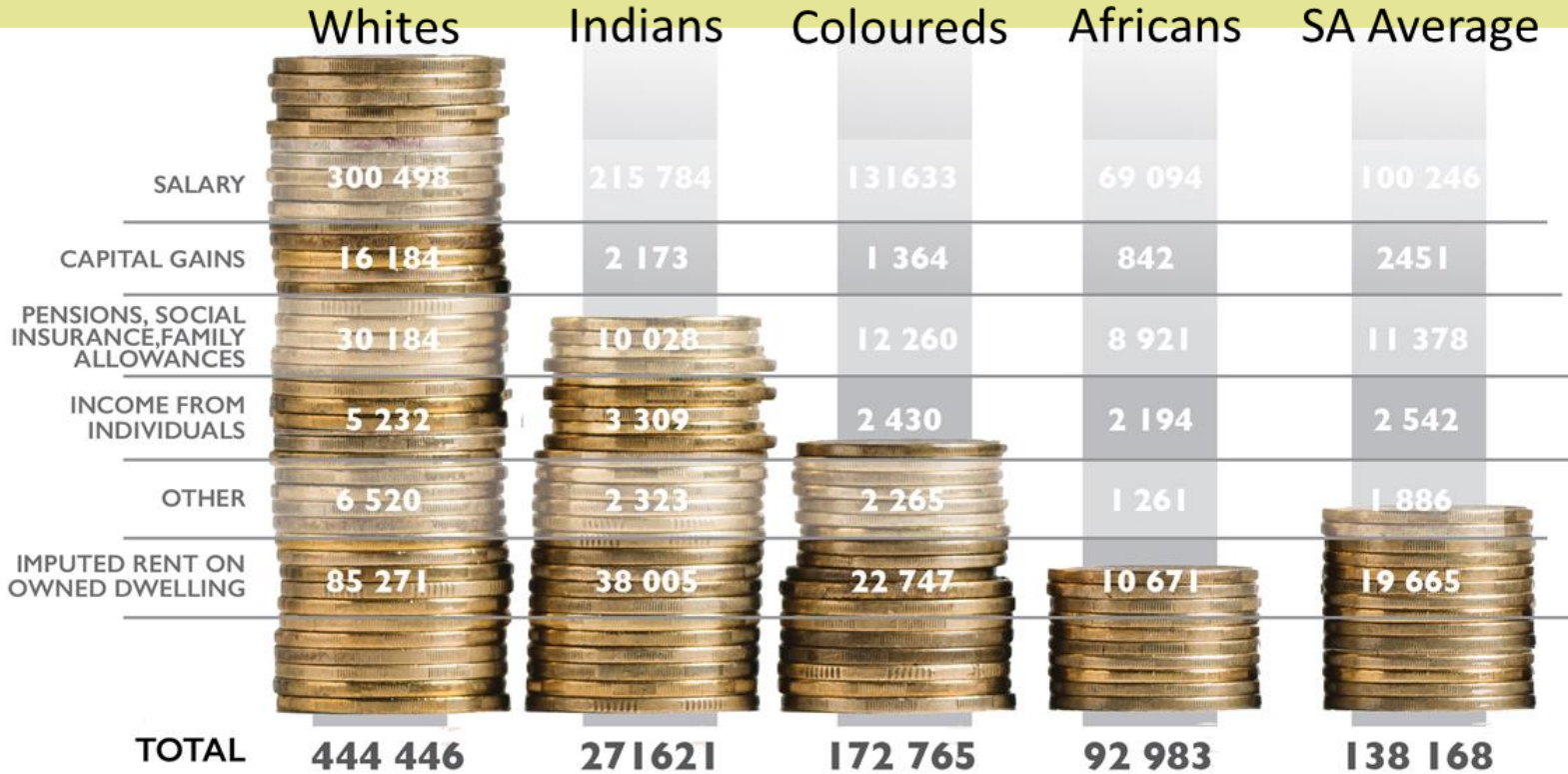
# Economic Transformation and Job Creation

## KZN Expanded Unemployment Rate as at December 2019

KZN Expanded Unemployment Rate	%	% Year on Year Trend Dec 2018 – Dec 2019
Metro	30.5%	+ 0,6%
Non-Metro	48.7%	+ 0,8%
<b>TOTAL</b>	<b>41,9%</b>	<b>+ 0,6%</b>

# Economic Transformation and Job Creation

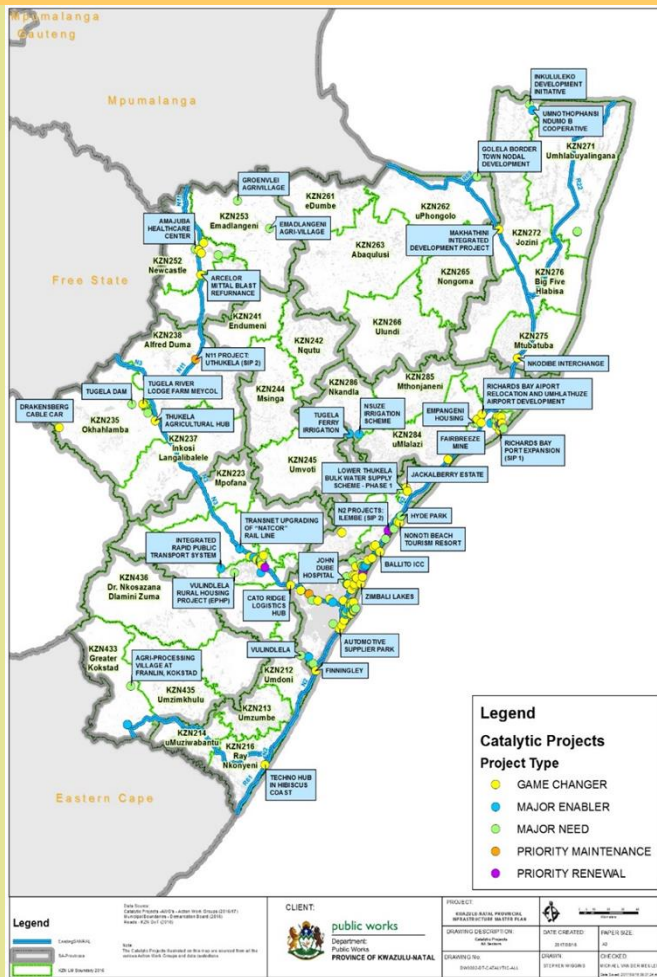
## KZN Income Inequality





# Economic Transformation and Job Creation

## KZN Catalytic Projects



PROJECT NAME	INFRA TYPE	PUBLIC/ PRIVATE	COMMUNITY/ CITIZEN IMPACT
AIRPORT RAPID RAIL TRANSIT	MAJOR ENABLER	PUBLIC	METRO
AUTOMOTIVE SUPPLIER PARK	GAME CHANGER	PUBLIC	METRO
UMKHOMAZI WATER PROJECT (SMITHFIELD & IMPENDLE DAMS)	MAJOR ENABLER	PUBLIC	PROV-SUBREGION
BRIDGE CITY - EFFIGHAM DEV JOINT VENTURE	GAME CHANGER	PRIVATE	MUNIC-SUBREGION
CANELANDS INDUSTRIAL ESTATE	GAME CHANGER	PRIVATE	METRO
CATO RIDGE LOGISTICS HUB	GAME CHANGER	PRIVATE	NATIONAL
CENTRUM SITE AND MUNICIPAL COMPLEX	GAME CHANGER	PUBLIC	METRO
CLAIRWOOD RACECOURSE	GAME CHANGER	PRIVATE	METRO
DURBAN DIG-OUT PORT (SIP 2)	GAME CHANGER	PUBLIC	NATIONAL
DURBAN FILM STUDIO	GAME CHANGER	PRIVATE	METRO
DURBAN DIG-OUT PORT (SIP 2)	GAME CHANGER	PUBLIC	NATIONAL
DURBAN FILM STUDIO	GAME CHANGER	PRIVATE	METRO
DR PIXLEY KA ISAKA SEME MEMORIAL HOSPITAL	MAJOR ENABLER	PUBLIC	MUNIC-SUBREGION
DUBE TRADE PORT MEGA INDUSTRIAL PARK	GAME CHANGER	PRIVATE	PROVINCE
DUBE TRADE PORT SEZ (SIP 2)	GAME CHANGER	PUBLIC	PROVINCE
DURBAN AEROTROPOLIS (SIP 2)	MAJOR ENABLER	PUBLIC	PROV-SUBREGION



# Education, Skills and Health

## Linking to Provincial Priorities related to: Education and Skills Development,

- Economic transformation and job creation will not materialise if the human resource capacity of KZN is not educated, skilled, healthy and responsive to the growth and developmental needs of the province.
- Persons without appropriate levels of education and skills, as well as experiencing health challenges, will most likely not be able to participate a transformed economy and there is a high risk that they will remain unemployed.
- Good education outcomes are reliant on a stable, safe and healthy family and an enabling social environment.
- Education, skills development and good health status is therefore essential to improve the socio-economic outlook for the Province.

# Education, Skills and Health

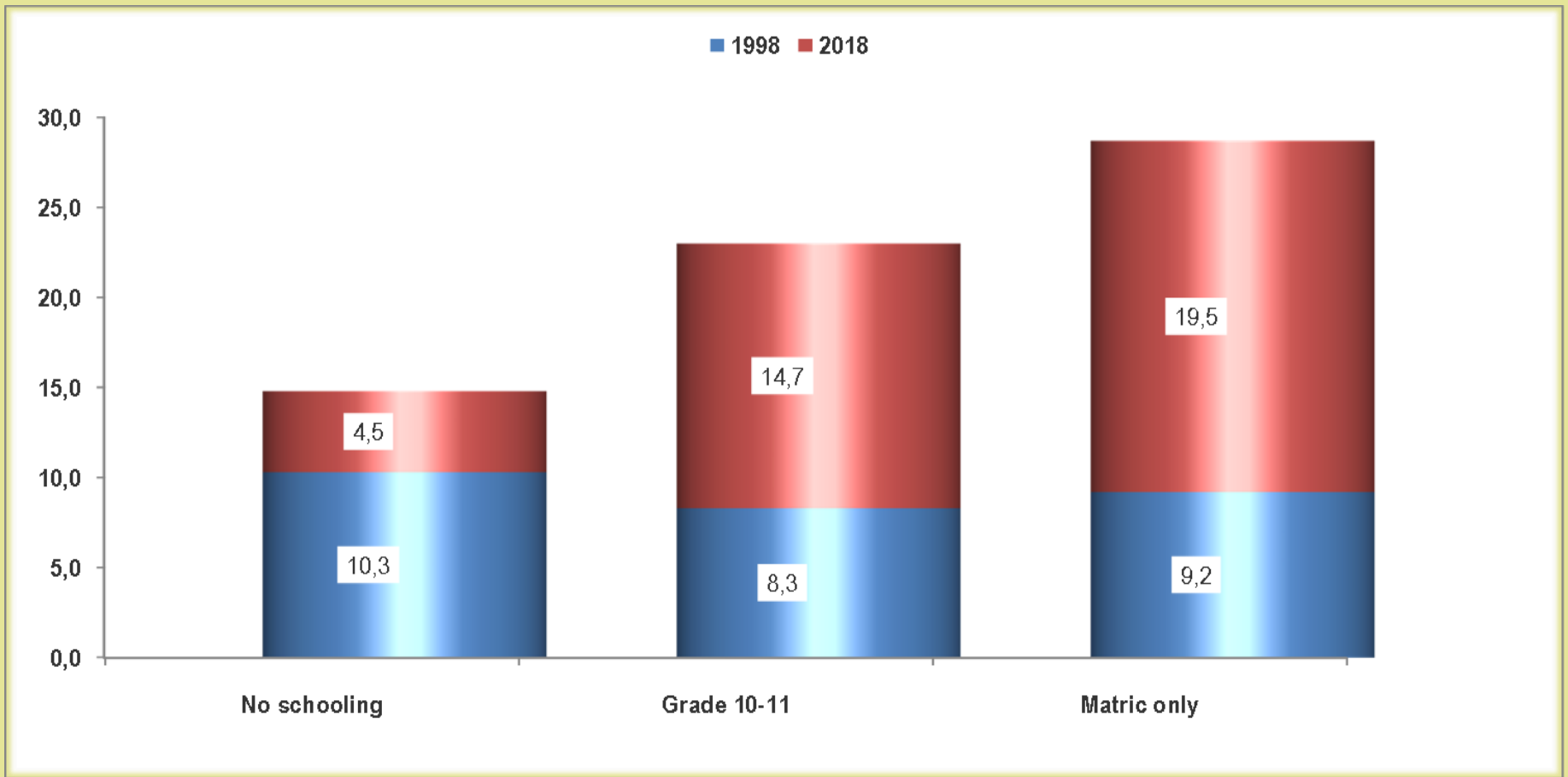
- Seamless progression through all phases of education, from ECD to Adult learning is essential for a positive socioeconomic outlook;
- Although universal access to primary and secondary education has been achieved, universal access to quality education remains a challenge;
- Move of ECD function from DSD to DED to be concluded to enable the expansion, strengthening and standardisation of ECD as a foundation layer for all levels of education and skills development;
- The dropout rate from Grade 1 – 12 is still too high, skewing measuring of educational outcomes;
- Literacy and numeracy international benchmarks are not being met;
- Inadequate focus on emotional well being and reskilling of educators;
- Education outcomes are still not bridging the current skills gap and is not adequately focused on opportunities presented by 4IR;

# Education, Skills and Health

- The public tertiary education sector in the Province is failing as witnessed by lack of capacity, low enrolment rates, continuous disruptions, lawlessness and destruction of property and facilities;
- Relevance of research and post graduate outcomes to improving the socio-economic outlook of the Province is seriously questioned;
- Rising graduate unemployment is a growing concern amidst a strong drive to offer free tertiary education;
- Life expectancy is starting to decline again which is largely due to unnatural deaths and non-communicable or lifestyle diseases;
- Mother to child transmission of HIV/Aids reduced dramatically but rate of new HIV/AIDS infections is high and still increasing;
- Severe shortage of medical professionals, in particular in the public sector, is hampering improved health services; and
- Delays and slow progress made with implementation of NHI is starting to raise doubts as to whether or not this is a viable initiative and if it will ever reach implementation.

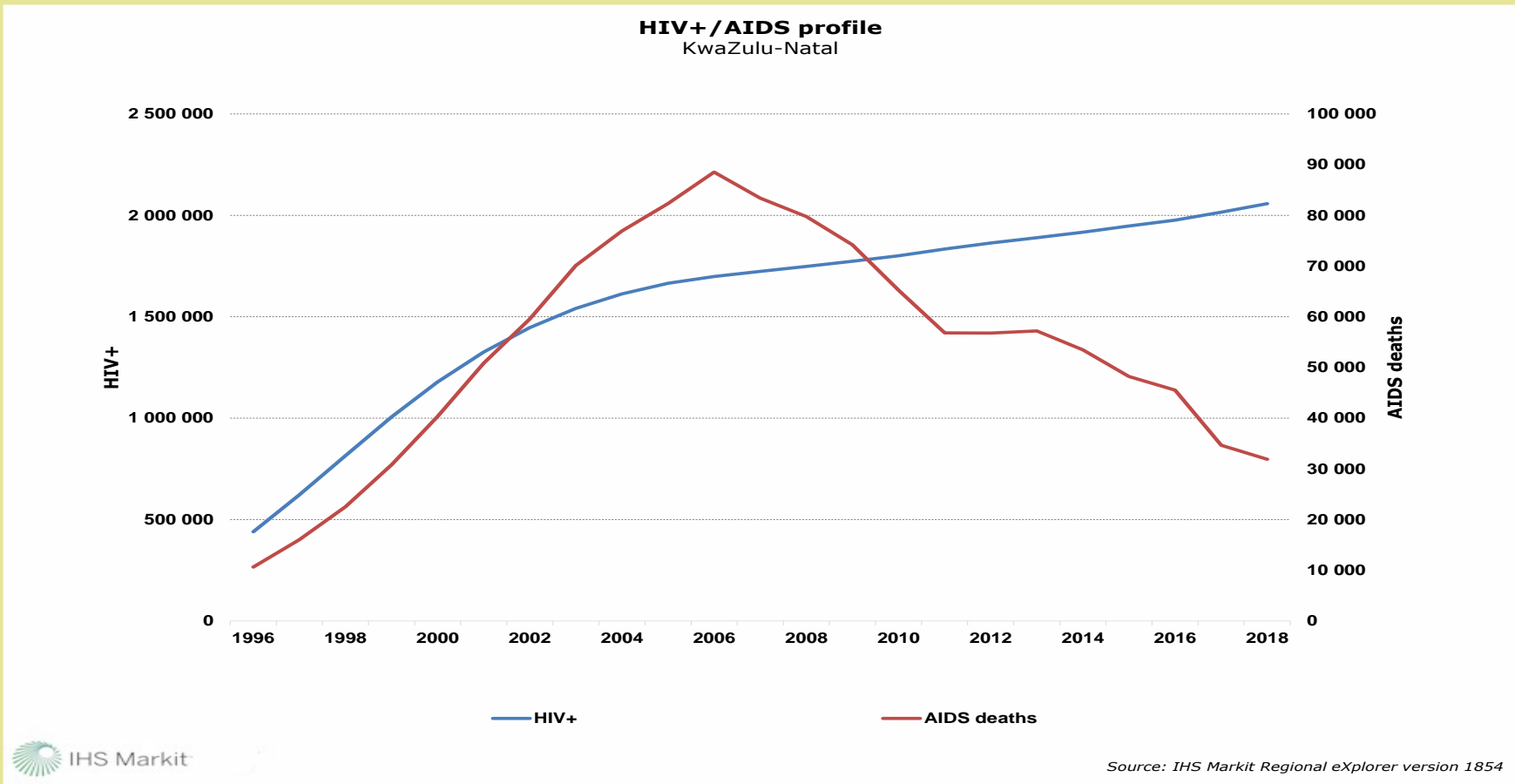
# Education, Skills and Health

## KZN Education 1998 - 2018



# Education, Skills and Health

## KZN Population Dynamics



# Education, Skills and Health

## KZN skills challenges within context of 4IR

World's largest taxi company owns no taxis

The most popular media owner creates no content

Largest accommodation provider owns no real estate

Largest phone company owns no telecom infrastructure

World's most valued retailer has no inventory

Fastest growing bank has no actual money

The world's largest movie house owns no cinemas

Largest software vendor doesn't write the apps



# Consolidating social wage through reliable and quality basic services

Linking to Provincial Priorities related to:  
Basic services with emphasis on access to clean potable water

- Family and community structures forms the bedrock of society and if this bedrock is not solid, optimal social development, human resource development and by implication economic development and transformation will be delayed.
- Persons and communities must receive basic services, be socially secure, be food secure and shrug off poverty for the socio-economic outlook for the Province to improve.
- All factors impacting on the Multiple Index of Deprivation must be advanced for the social wage to be consolidated and the socio-economic outcome of the Province to improve.

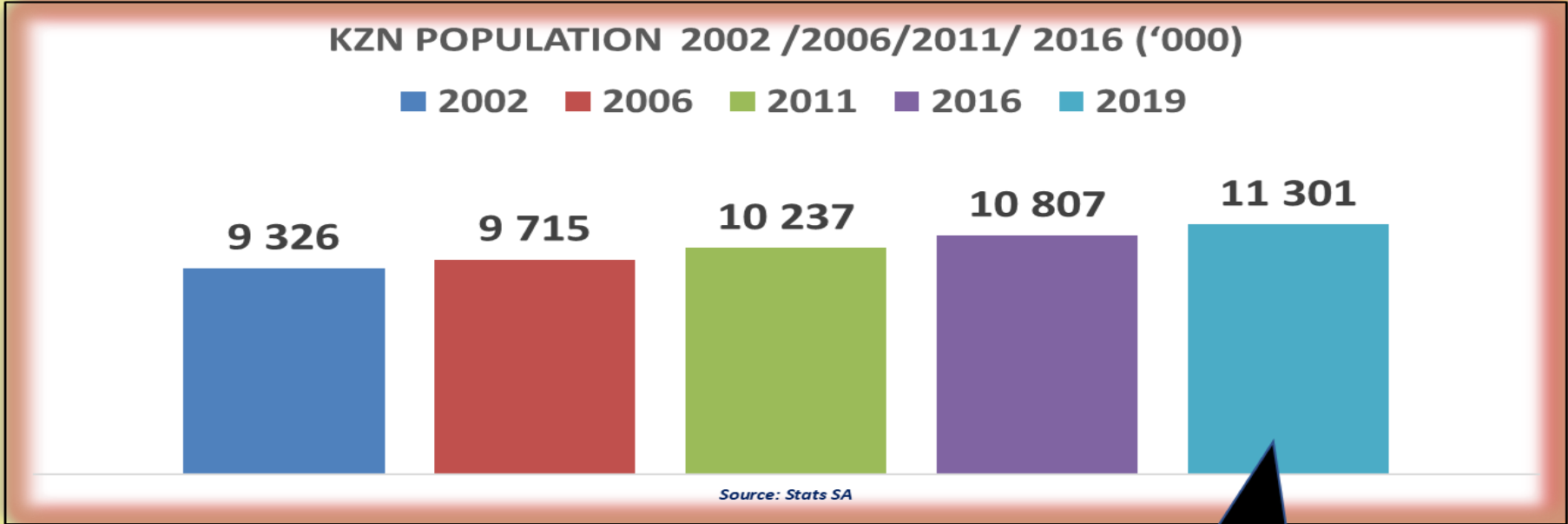


# Consolidating social wage through reliable and quality basic services

- Although absolute poverty is decreasing at a slow to moderate rate, the intensity of poverty is increasing;
- The Dependency Ratio, as an indicator of the number of persons reliant on a single source of income is still unacceptably high;
- The number of grant dependent persons and households are increasing at an unsustainable rate;
- Unintended consequence of some social grants are counter productive to an improved socio-economic outlook;
- Fertility rate in KZN is still substantially higher than the national average compounding high poverty and unemployment rates; and
- Increased focus is required on primary health care initiatives, particularly directed at women and child health, as well as on family planning services.

# Consolidating social wage through reliable and quality basic services

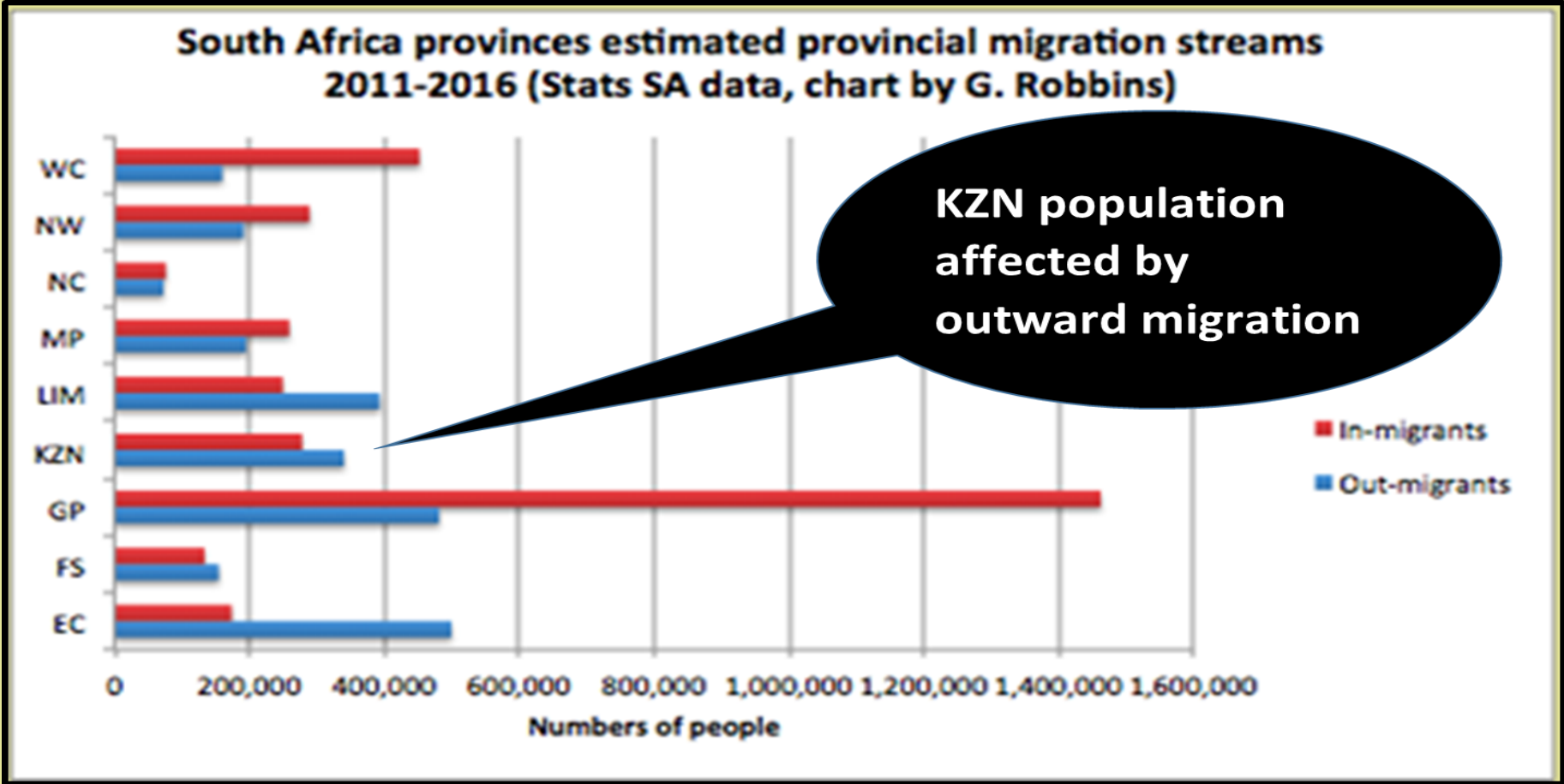
## KZN Population Growth Dynamics



19.2% of RSA population

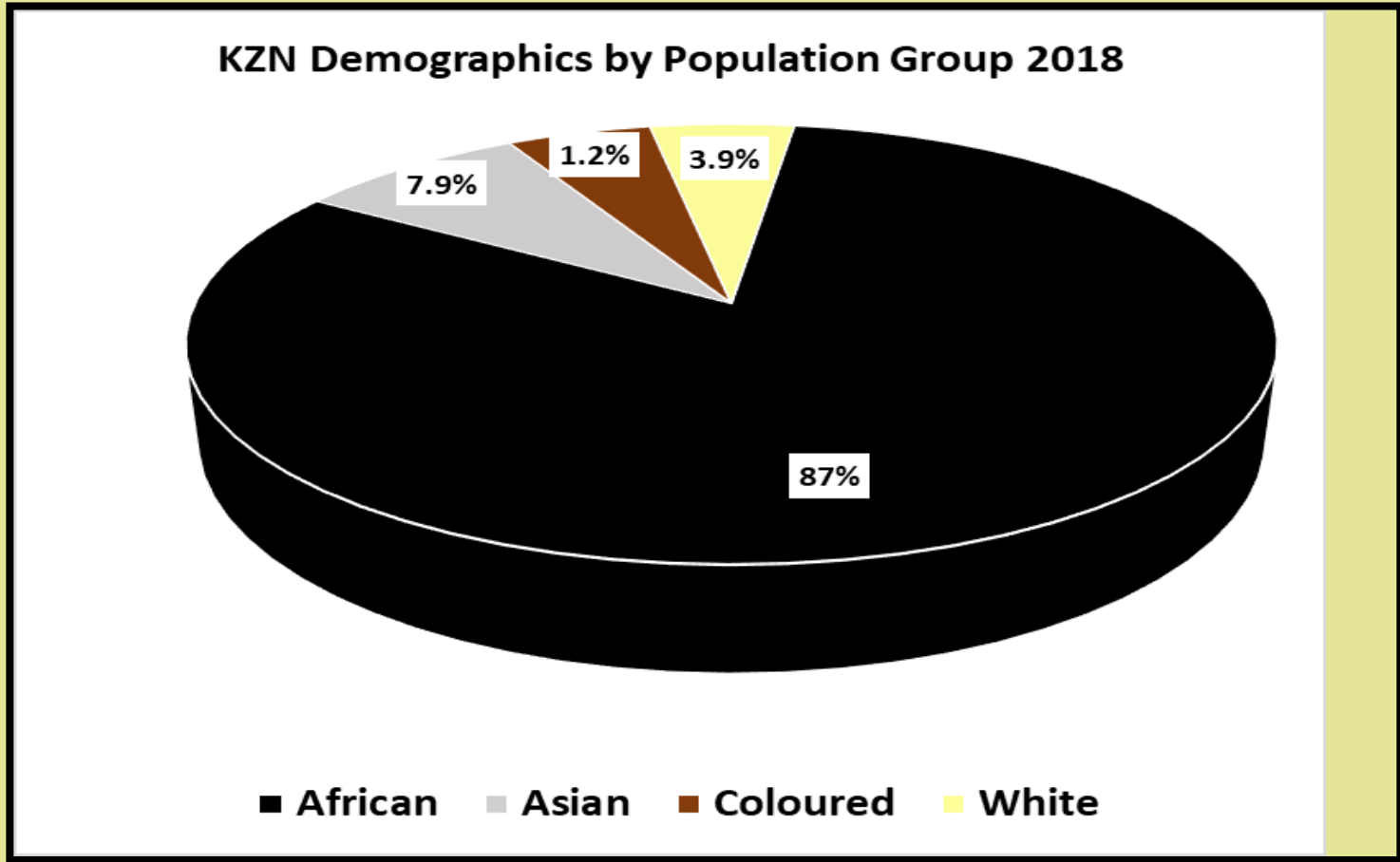
# Consolidating social wage through reliable and quality basic services

## KZN Population Migration Dynamics



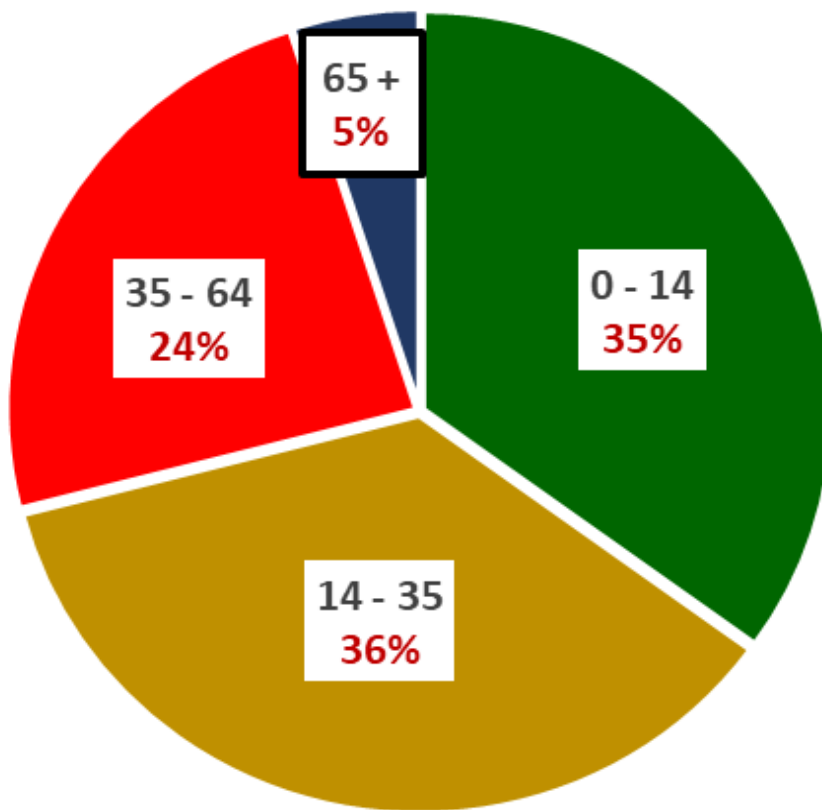
# Consolidating social wage through reliable and quality basic services

## KZN Population Racial Composition Dynamics



# Consolidating social wage through reliable and quality basic services

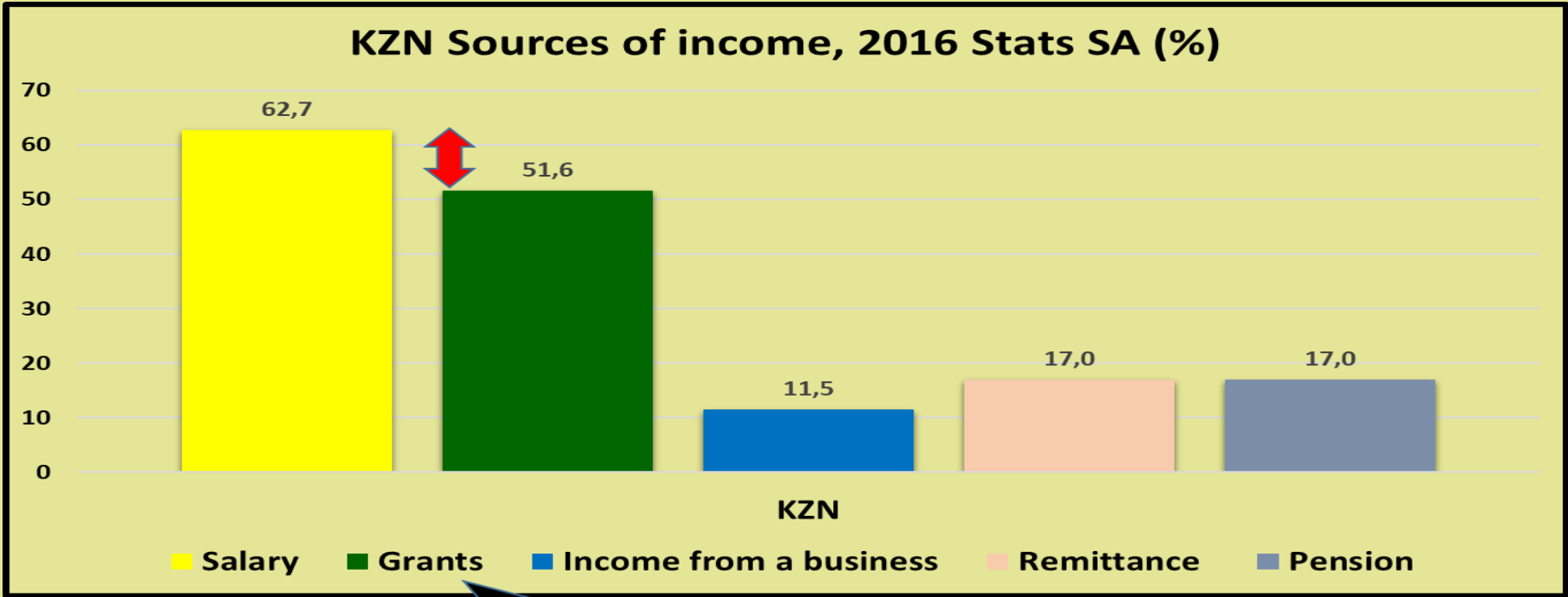
## KZN Population Age Dynamics



- 71% of KZN population is in the age group 0 - 35;
- Only approximately 50% of population is of working age;
- Resulting in a high dependency ratio

# Consolidating social wage through reliable and quality basic services

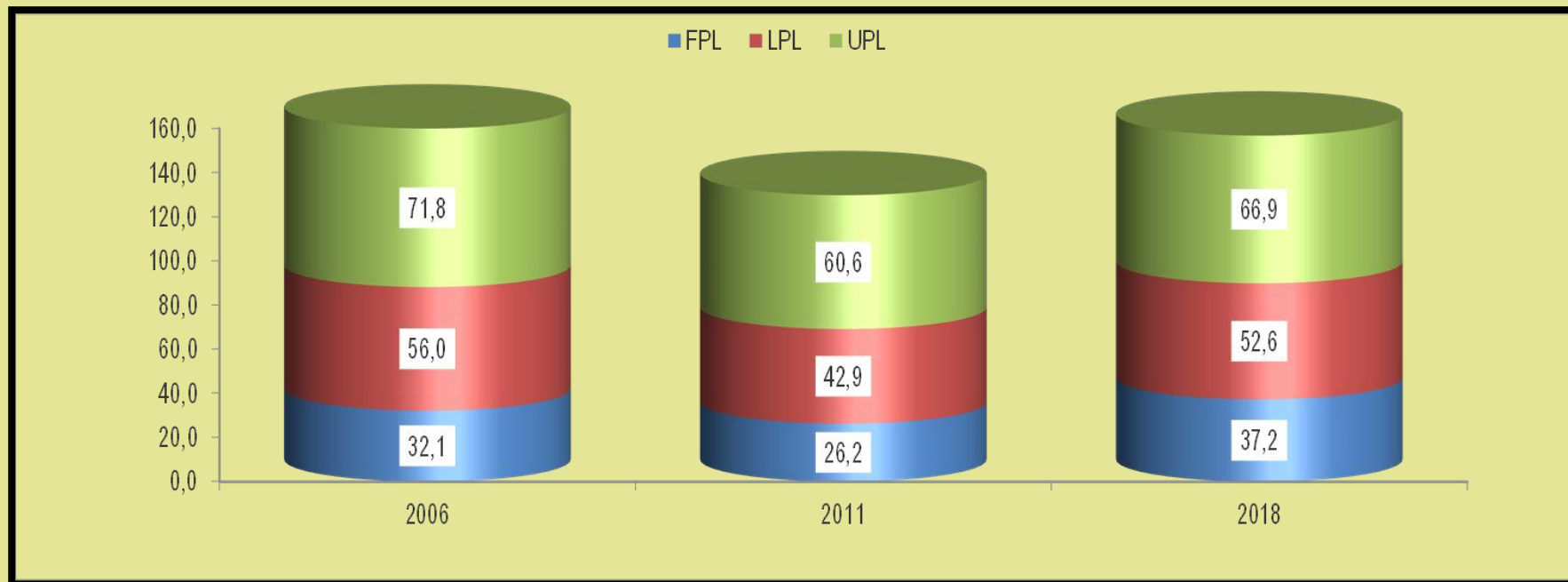
## KZN Population Social Grant Dynamics



**High grant dependency**

# Consolidating social wage through reliable and quality basic services

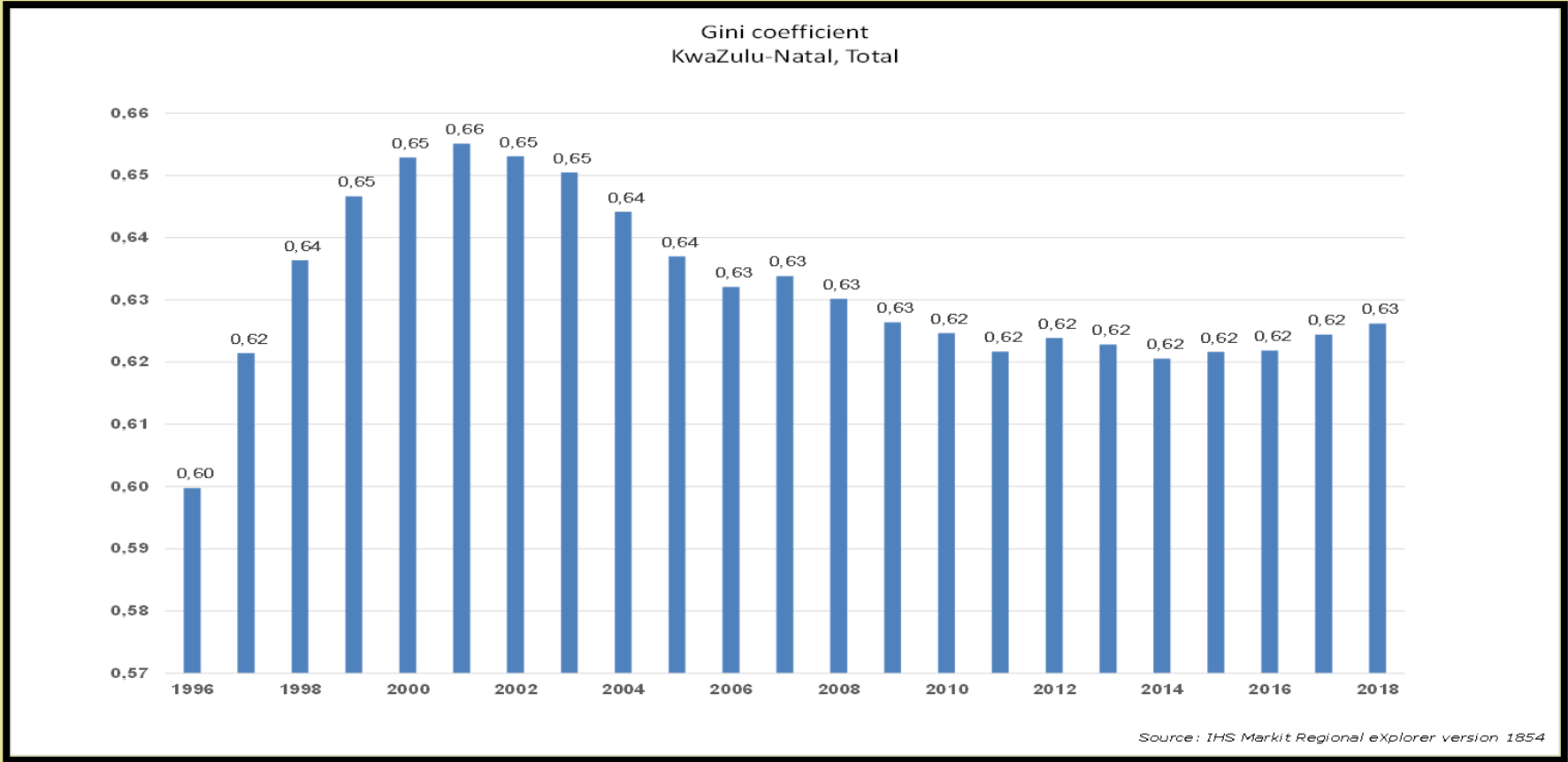
## KZN Population Poverty Dynamics



- FPL – Food Poverty Line
- LPL – Lower Bound Poverty Line
- UPL – Upper Bound Poverty Line

# Consolidating social wage through reliable and quality basic services

## KZN Population Dynamics





# Spatial integration, human settlements and local government

Linking to Provincial Priorities related to: Human Settlement and sustainable livelihood, as well as building a caring and incorruptible government

- Socio-economic development happens within a particular geographic location and therefore has a strong spatial connotation.
- As a result of previous segregation policies, the standard and level of socio-economic development is not equitably progressed throughout the Province.
- Spatial integration is dependent on sound and seamless spatial planning, directing spatial investment decisions towards improved integration.
- The socio-economic outlook for the Province must therefore also be spatially defined.

# Spatial integration, human settlements and local government

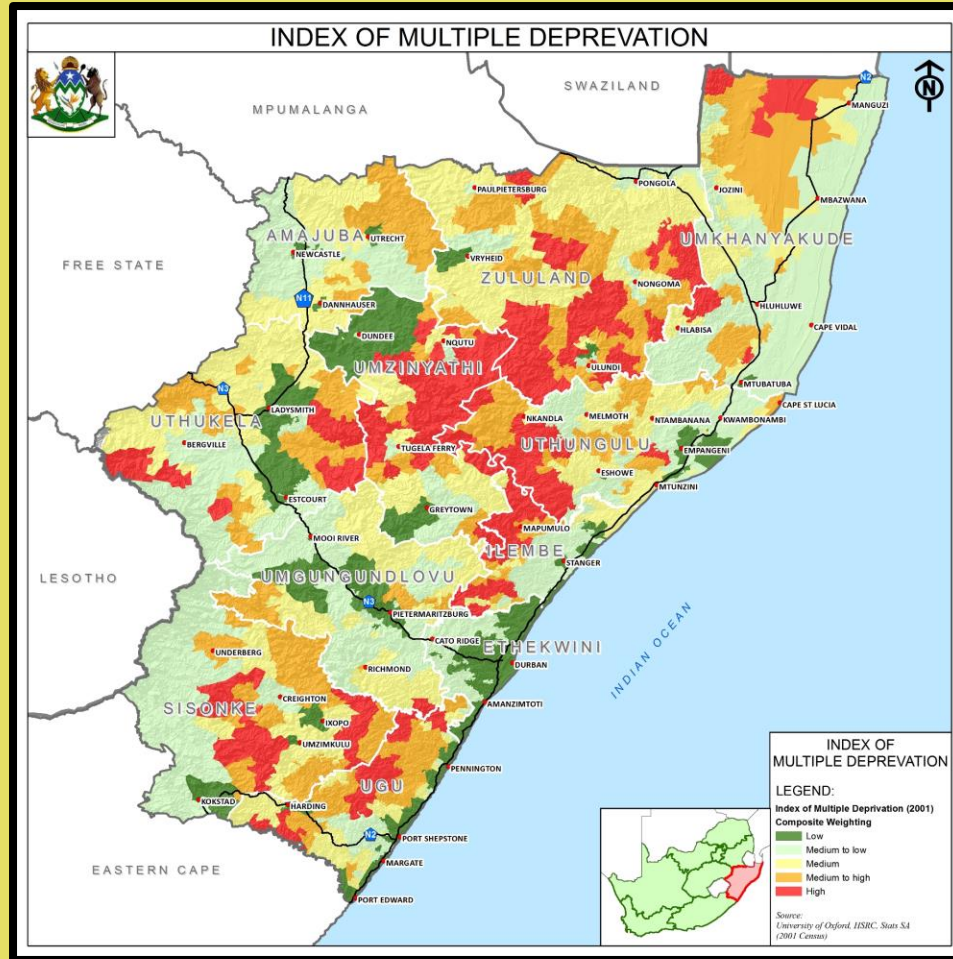
- Rate of urbanisation is counter productive to an anticipated outcome of spatial integration and implications are to the detriment of both urban and rural areas;
- Tensions between municipalities and traditional leadership regarding land management responsibilities is impacting negatively on spatial planning and development;
- Slow progress in concluding land reform projects and resultant negative impact on commercial farming is exacerbating urbanisation trends;
- Pre 1994 land ownership and tenure practices and slow progress with tenure upgrade land reform programmes are perpetuating discrimination and marginalisation of both urban and rural communities;
- Lack of appropriately serviced and zoned land outside of the SEZs is hampering regional development and is contributing to rapid urbanisation to primary and secondary cities;

# Spatial integration, human settlements and local government

- Programmes aimed at promoting Township and Rural Economies are yet to make inroads to persistent segregation;
- The housing backlog is slowly declining but the percentage of households with secure form of land tenure is still very low;
- Housing programmes are still not translating optimally to integrated human settlements and broader spatial integration;
- Slow progress with rollout of municipal land use management schemes resulting in:
  - lack of security of land use,
  - long protracted development approval processes,
  - integration of previously marginalised areas; and
  - limiting socio-economic outlook.
- The District Development Model holds promise of addressing this priority if successfully implemented and adequately resourced.

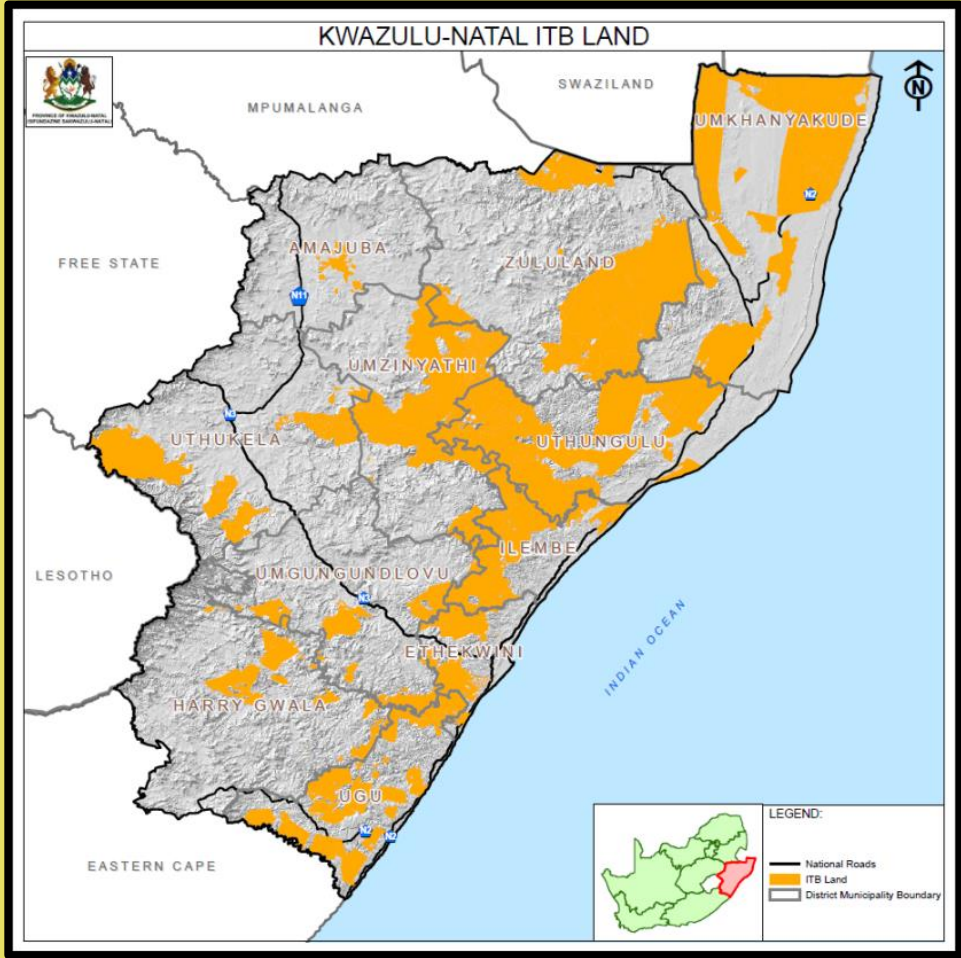
# Spatial integration, human settlements and local government

## Spatial Distribution of Poverty



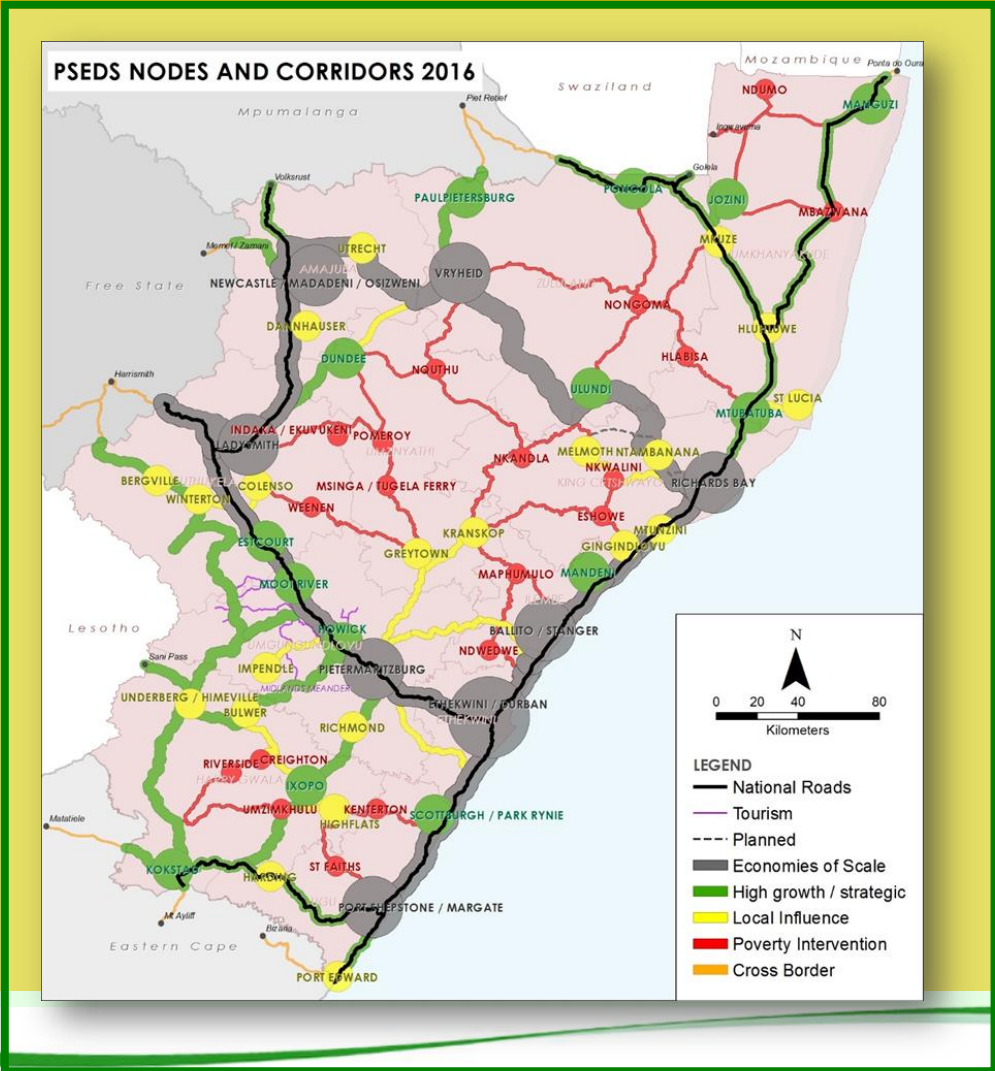
# Spatial integration, human settlements and local government

## Spatial Distribution of Communal Ownership



# Spatial integration, human settlements and local government

## KZN Nodes and Corridors

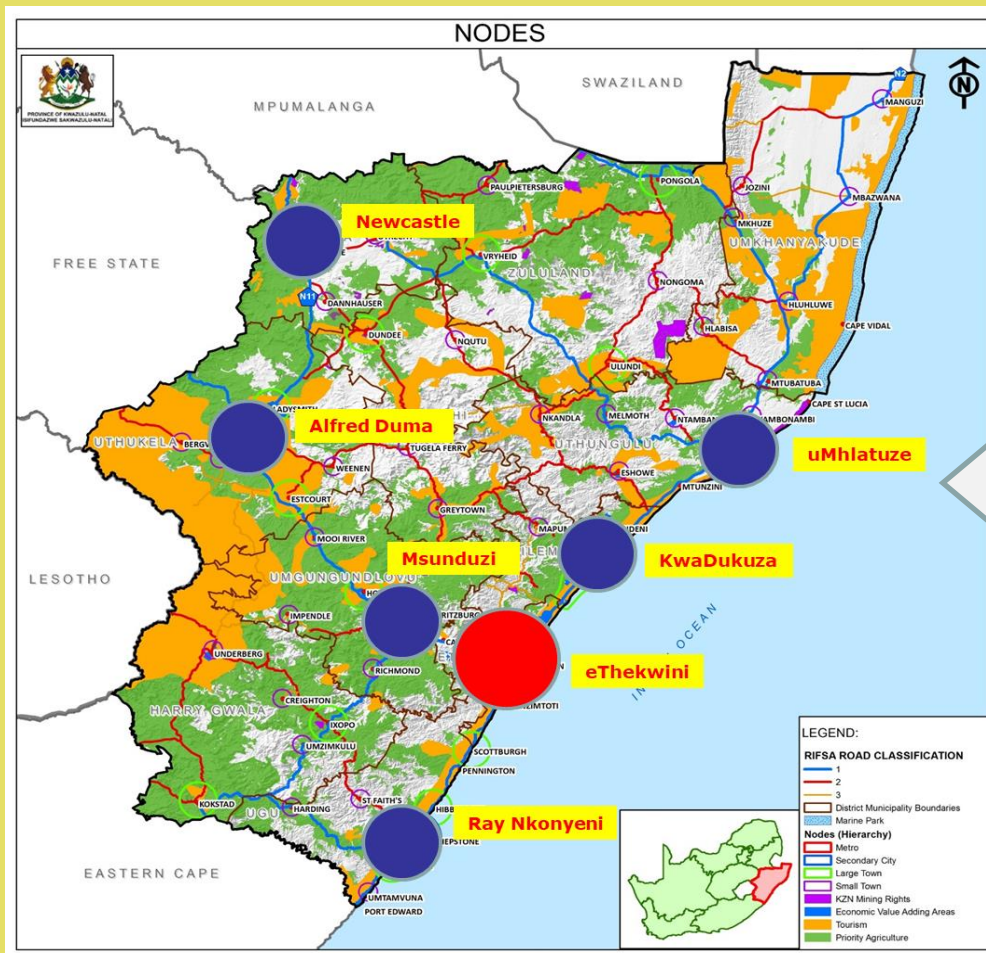


"KZN as a prosperous Province with healthy, secure and skilled population, living in dignity and harmony, acting as a gateway between Africa and the World"

# Spatial integration, human settlements and local government

## KZN Urbanisation Trends

Urban / Rural Tensions

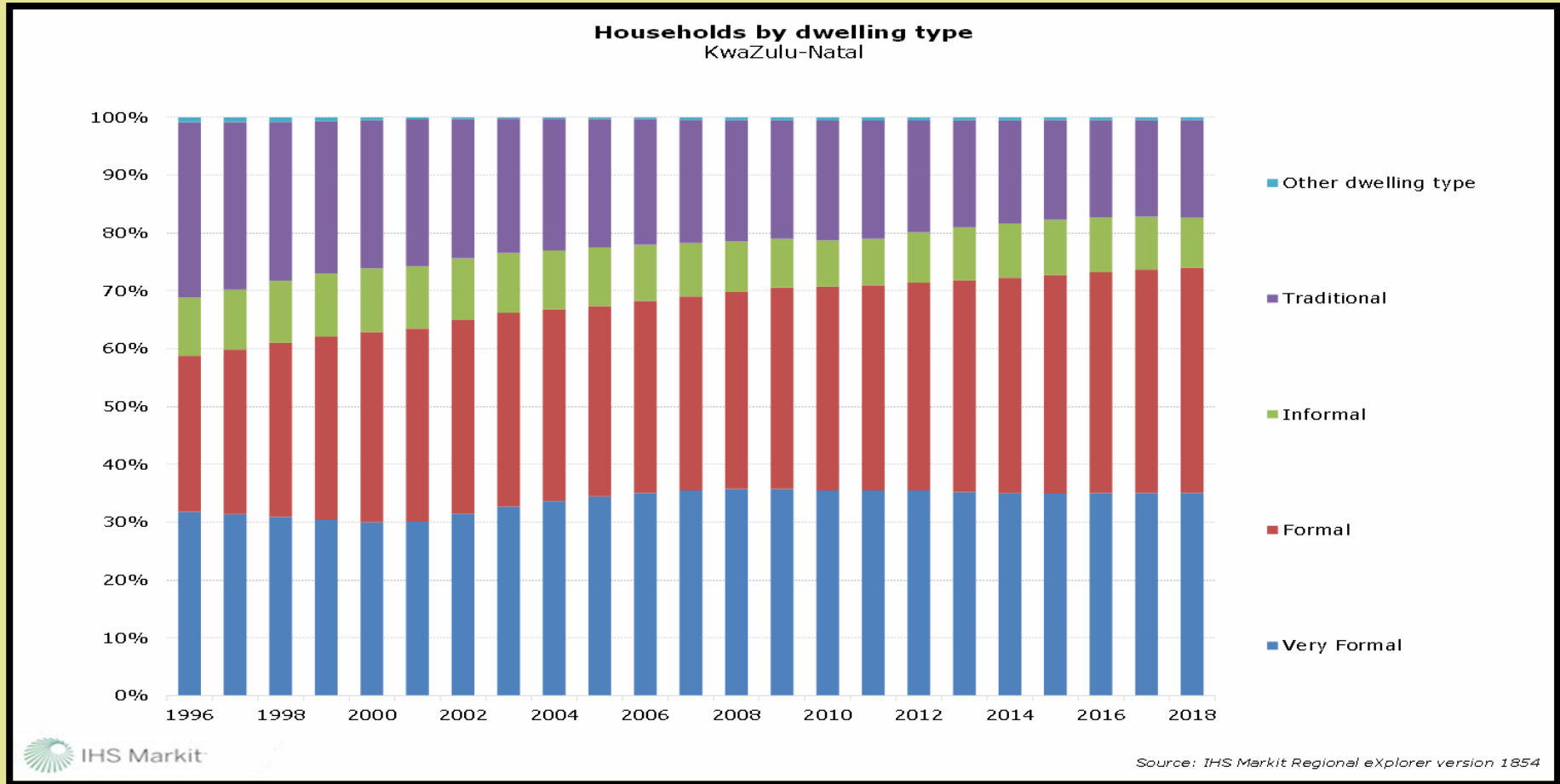


Urbanisation has already led to a situation where 58% of the population of the Province live in 7 Municipalities



# Strategic Infrastructure

## KZN Household Types





# Social cohesion and safe communities

## Linking to Provincial Priorities related to: Building a Peaceful Province

- It is cause for considerable concern that in spite of 25 years of democracy and extensive government investment to improve the quality of life of all our people our social stability is still at risk and is being undermined by division, social ills and crime.
- It is acknowledged that radical economic transformation and job creation aimed at expanding ownership in the economy by currently disadvantaged sections of society, is essential for advancing and deepening social cohesion, moral regeneration and communities that feel and are safe.

# Social cohesion and safe communities

- Sporadic outbreaks of intolerance against African migrants and foreign nationals, as well as continued racist utterances and political intolerance, is still cause for concern;
- Current migration and urbanisation trends is exacerbating an already tense situation and cannot be left unattended;
- Rising levels of despair and frustration about deteriorating socio-economic conditions and the apparent inability to stem this, is posing a serious risk to the stability of our Province;
- The dream of a “Rainbow Nation” which lives works and play in unison, peace and harmony is eluding us and is being further eroded by crime and moral decay;
- The KZN Social Cohesion and Moral Regeneration Council established in 2018 to drive KZN SC&MR Strategy is still not functional; and
- Overall crime statistics is showing general improvement, but drug related crimes, murder, gender related and cross border crimes are on the rise.

# A capable, ethical and developmental state

Linking to Provincial Priorities related to:  
Building a caring and incorruptible government

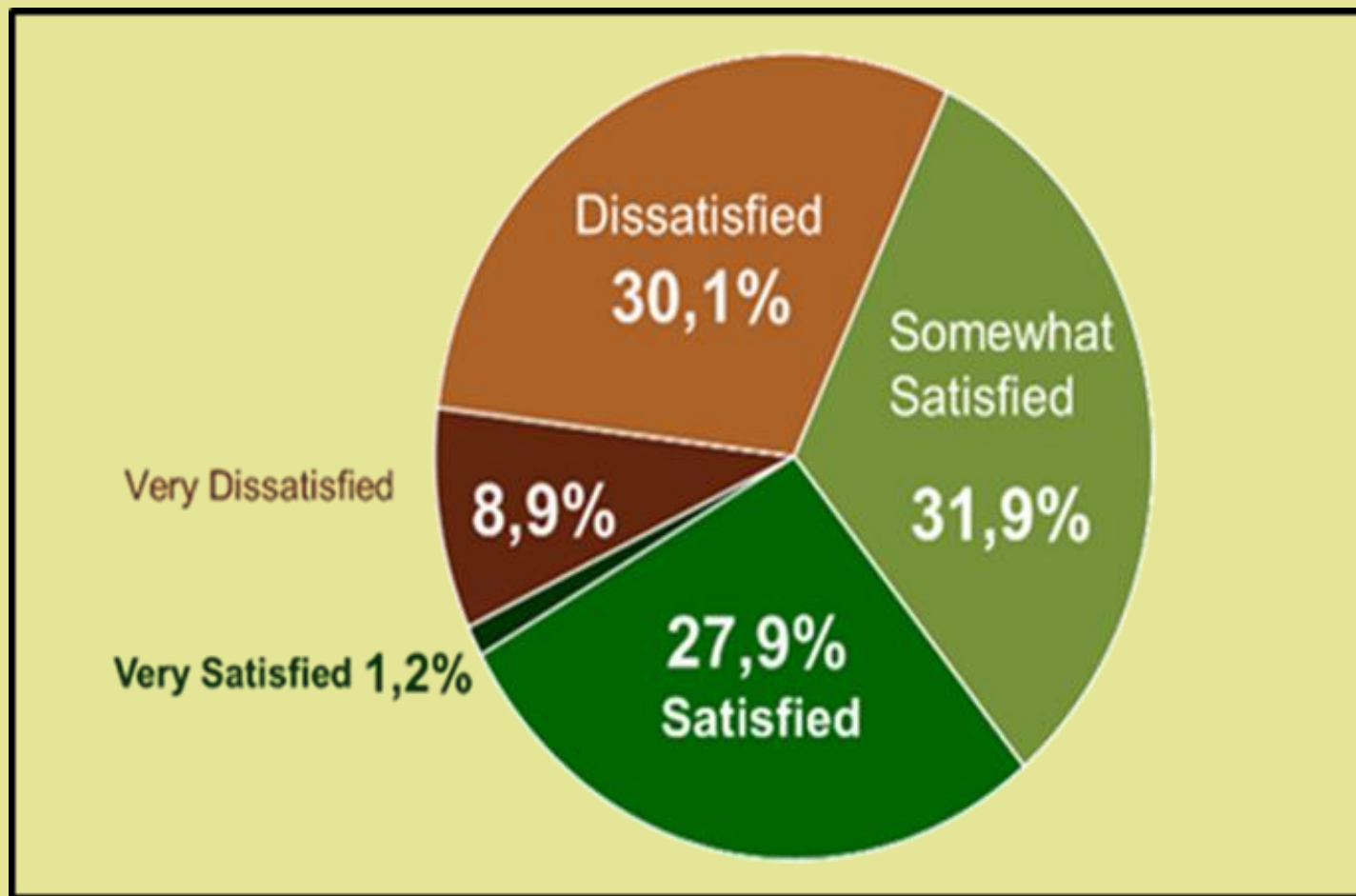
- Sound socio-economic development requires sound governance to ensure optimal results.
- Ineffective or poor governance results in inefficient application of resources and wastage, impacting negatively on socio-economic growth and development.
- The focus going forward must be on:
  - Renewing a capable and developmental state; and
  - Fighting Corruption and promoting integrity.

# A capable, ethical and developmental state

- Poor implementation of policy;
- Poor intergovernmental cooperation, alignment and coordination across the spheres of government is impacting negatively on service delivery and impacts negatively on socio-economic outlook. This can be addressed through successful implementation of the District Development Model;
- Capacity challenges as witnessed by high vacancy rate and high staff turnover impacting negatively on service delivery;
- Good governance compromised by mismanagement and maladministration with resultant fraud and corruption, as accentuated by poor audit outcomes (provincial, municipal and SOEs);
- Lack of consequence management where there is clear evidence of incompetence and non-compliance with regulatory requirements;
- The state of municipal governance, as the sphere of governance closest to communities, is of serious concern; and
- Citizens are losing confidence in the ability of government to improve their socio-economic outlook.

# A capable, ethical and developmental state

- Citizen Satisfaction Survey Results indicating declining levels of satisfaction with government services.



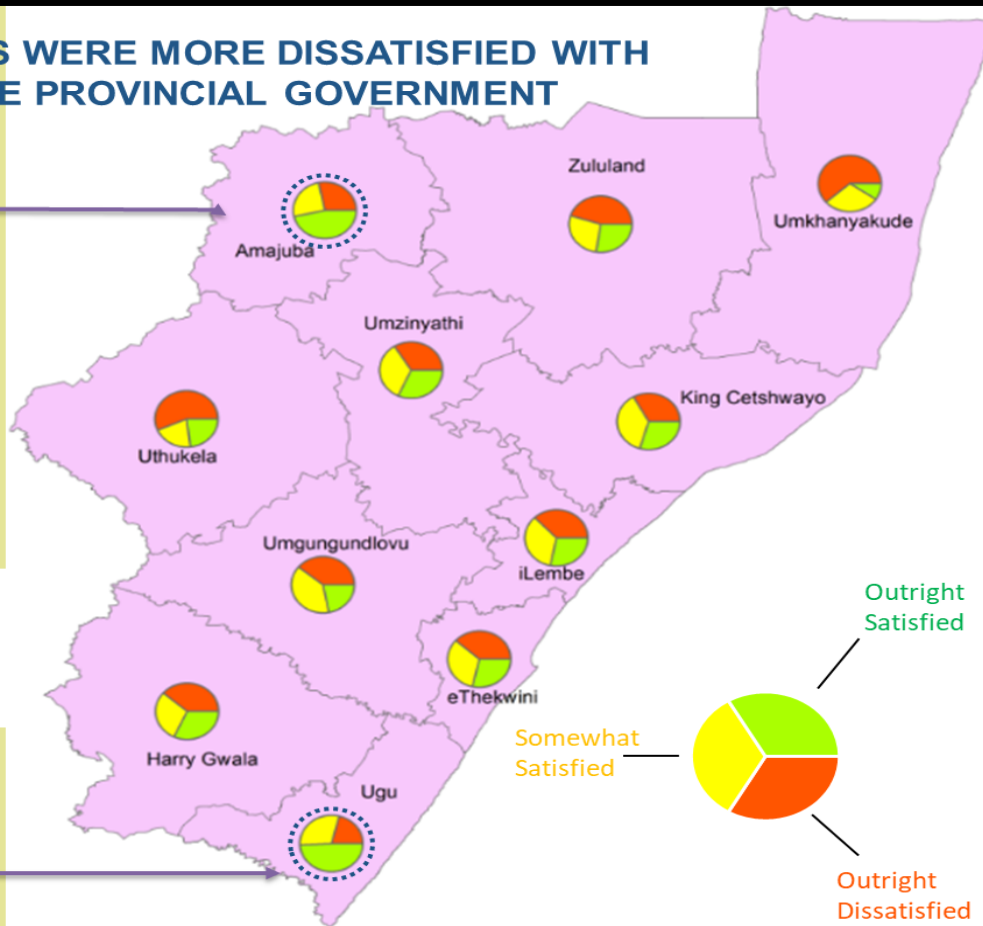
# A capable, ethical and developmental state

- Citizen Satisfaction Survey Results indicating declining levels of satisfaction with municipal government services.

**RESIDENTS IN 9 OUT OF 11 DISTRICTS WERE MORE DISSATISFIED WITH THE OVERALL PERFORMANCE OF THE PROVINCIAL GOVERNMENT RATHER THAN SATISFIED.**

*OUTRIGHT LEVELS WITH OVERALL PERFORMANCE OF THE PROVINCIAL GOVERNMENT BY DISTRICT*

*Only in Ugu (49,3%) and Amajuba (46,5%) districts does Outright satisfaction exceed proportions of those who rated the provincial government as outright dissatisfied*



# A capable, ethical and developmental state

- Citizen Satisfaction Survey Results indicating government services delivery priorities.
- This is what Citizens believe will improve their socio-economic outlook:

	Age group	Priority 1	Priority 2	Priority 3
senior	60+	Job creation	Provision of housing	Growing the economy
	36 – 59	Job creation	Provision of housing	Fighting corruption
youth	15 – 35	Job creation	Provision of housing	Education & skills development

# Better Africa and World

No direct Provincial Priority to relate to

- Focus is on:
  - Foreign Direct Investment;
  - Growth in Tourism;
  - AU Agenda 2063;
  - Exports;
  - The tripartite free trade area; and
  - Trade facilitation frameworks.



# Better Africa and World

- The Vision of the Province includes clear reference to being gateway to Africa and the World;
- This gateway status and aspiration is directly linked to regional infrastructure connectivity via sea, air road and rail;
- KZN in regional context bordering three neighbouring African Countries, two of which are land locked, providing an ideal base for regional integration;
- Need for renewed focus on corridors linking KZN to neighbouring Countries, such as Lebombo SDI Corridor and linkage with Maputo via new Manguzi border post;
- Requires that we are extremely sensitive to issues of social cohesion, xenophobia and embrace foreign businesses and tourists in our Province; and
- Promote catalytic projects as basis to attract direct foreign investment and improve international linkages.

# The MTSF Enablers

1. Provision of reliable and affordable Electricity;
2. Provision of reliable and affordable Water;
3. Reliable effective and efficient Rail services;
4. Reliable effective and efficient Ports; and
5. Managing and mitigating Climate Change

# The MTSF Infrastructure Enablers

- Adequate and appropriate infrastructure is a key enabler for social and economic growth and development.
- Integration and alignment of all infrastructure sectors (sea and air ports, road and rail, water and sanitation, electricity and ICT, education and medical facilities, human settlements, as well as economic infrastructure is an essential vehicle to improve the socio-economic outlook for the Province.

# The MTSF Infrastructure Enablers

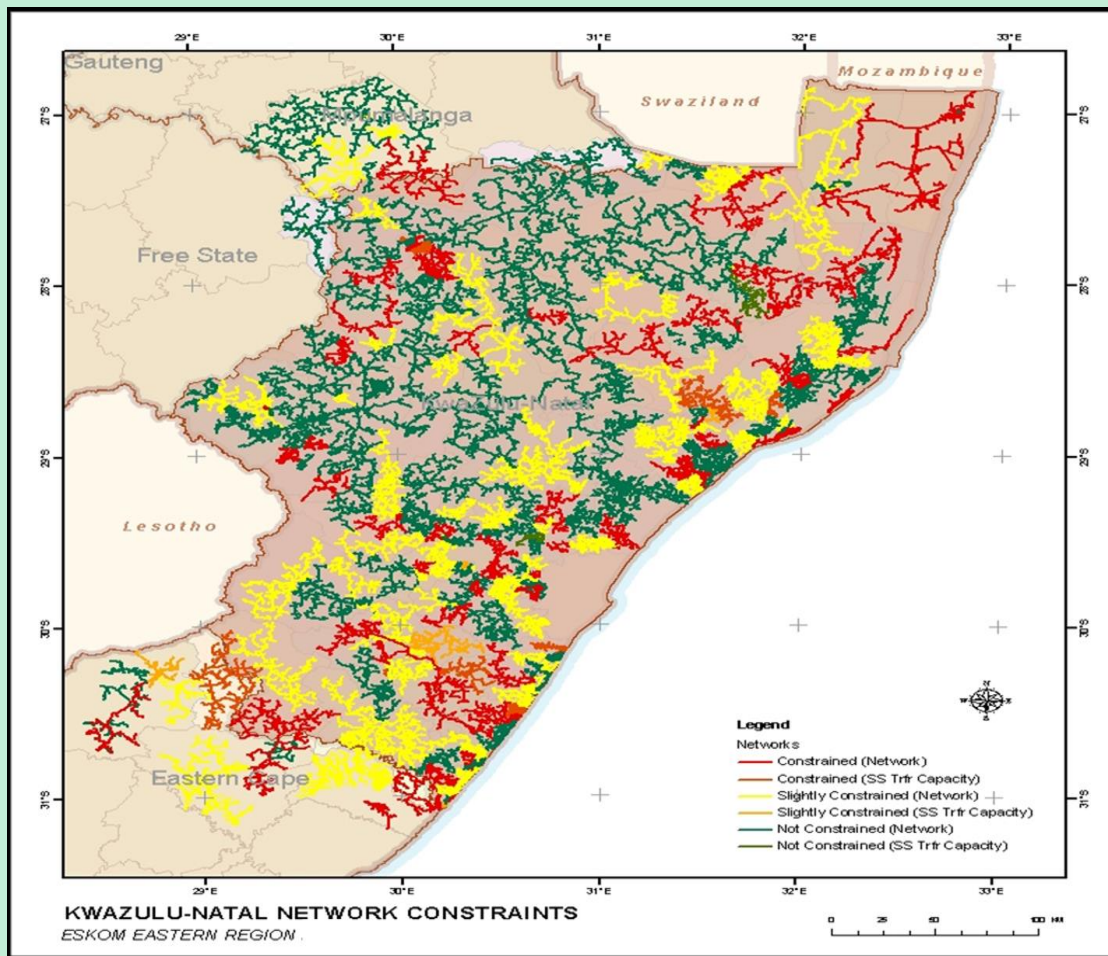
- Declining investment in infrastructure development is impacting negatively on economic development prospects and job creation;
- Encouraged about the contributions to economic growth made by King Shaka International Airport and Dube Trade Port as witnessed by increased tourism and freight movements;
- Port inefficiencies cause for serious concern, in particular for a Province aspiring to increase its gateway status;
- An unsustainable road to rail ratio remains a serious cause for concern, emphasising the need for multi-modal facilities on primary corridors to improve efficiencies and grow the economy;
- Standards and status of water infrastructure is declining rapidly and the aftereffects of recent drought is still lingering;
- Unreliability and cost of electricity is having a serious negative impact on the socio-economic outlook of the Province;

# The MTSF Infrastructure Enablers

- Opportunities exist to improve energy deficit, whilst transforming and expanding participation in energy generation and promoting environmental sustainability at the same time through Independent Power Producers;
- ICT connectivity and speed are still very poor and expensive, stifling participation in 4th Industrial Revolution opportunities;
- Although good progress has been made in providing basic services to communities, a shortage of bulk infrastructure due to high capital cost and poor maintenance is slowing down the rate of connections; and
- Loss of confidence in SOEs such as Eskom, Transnet, SAA and IDC to play their role in improving KZN socio-economic outlook.

# The MTSF Infrastructure Enablers

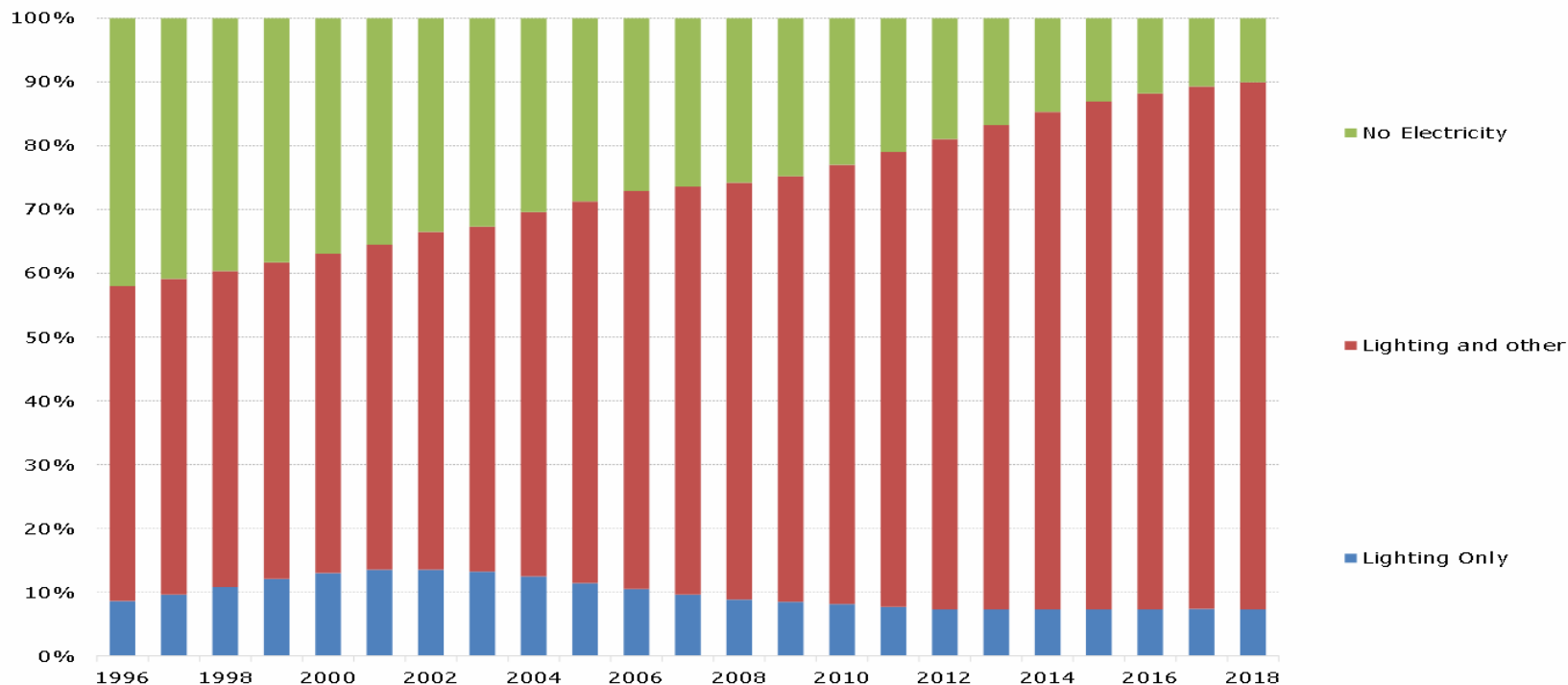
## KZN electricity grid constraints



# The MTSF Infrastructure Enablers

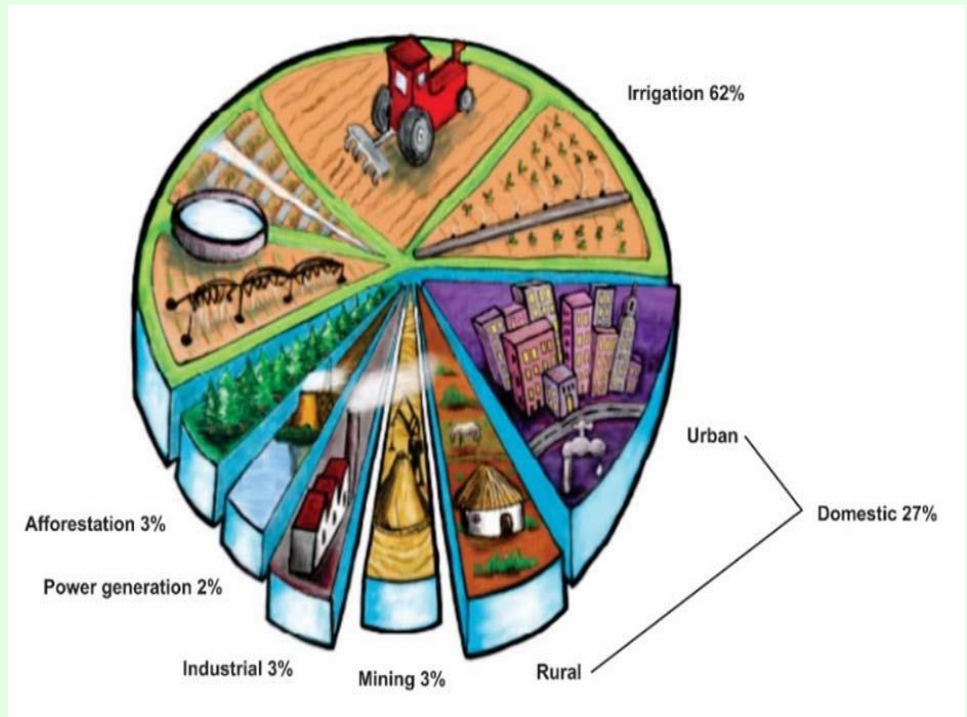
## KZN electricity household connections

Households by electrical connections  
KwaZulu-Natal



# The MTSF Infrastructure Enablers

## KZN Water Security

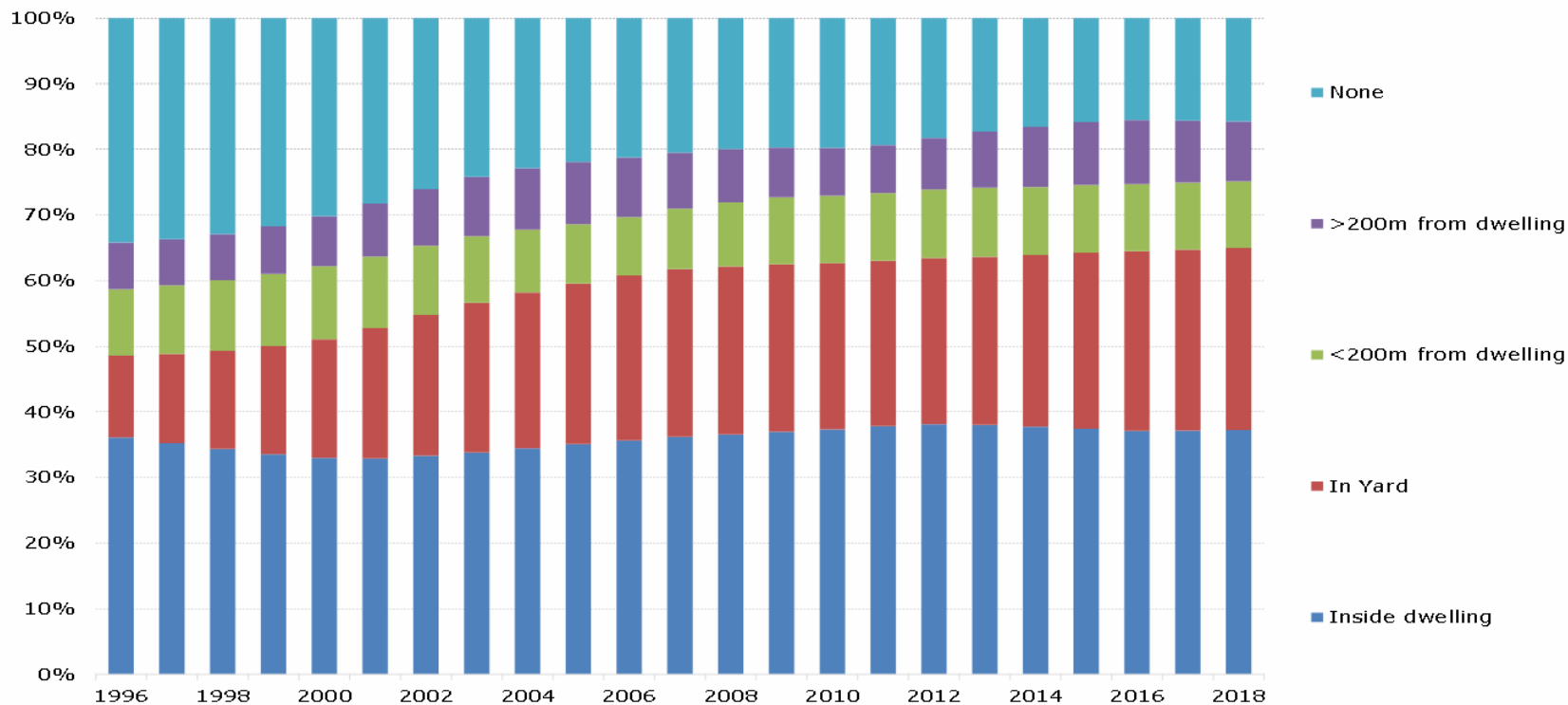




# The MTSF Infrastructure Enablers

## KZN Household Water Connections

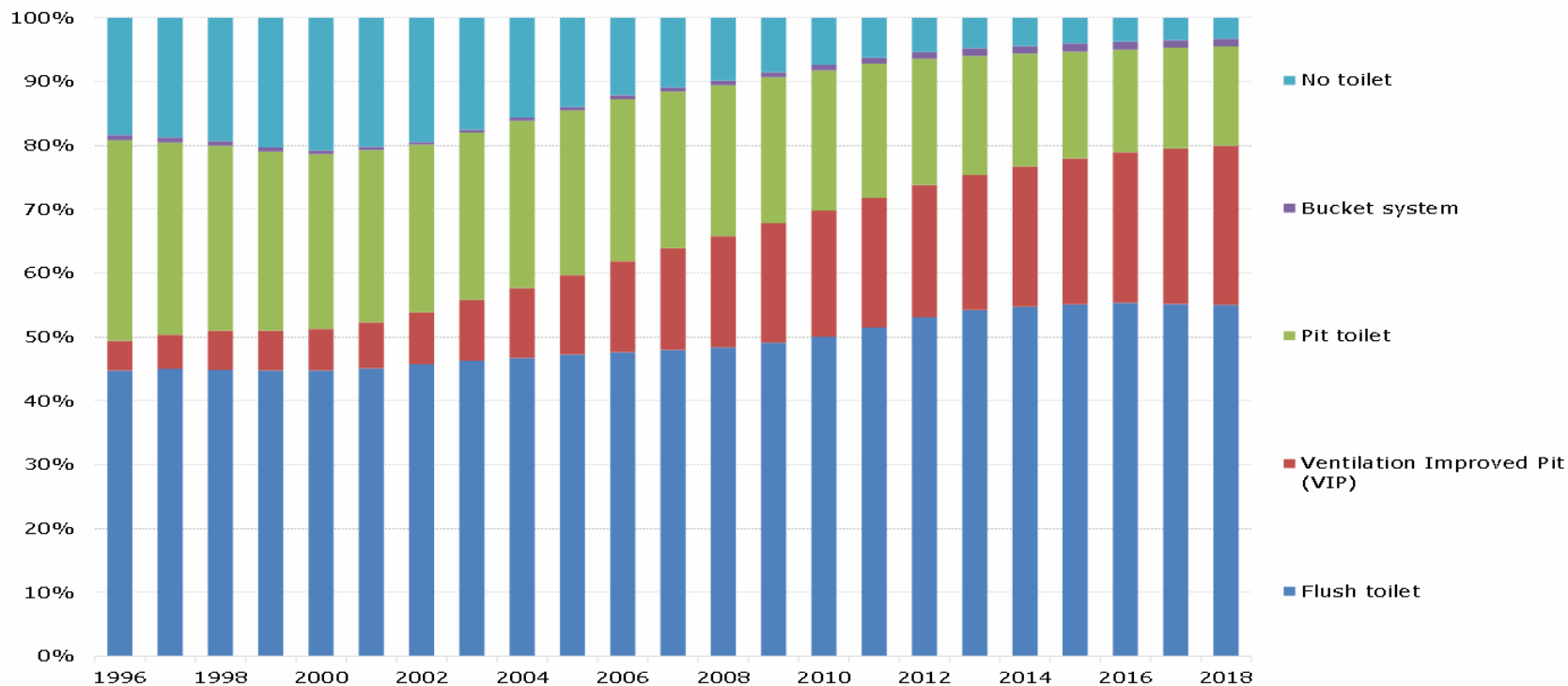
Households by water infrastructure  
KwaZulu-Natal



# The MTSF Infrastructure Enablers

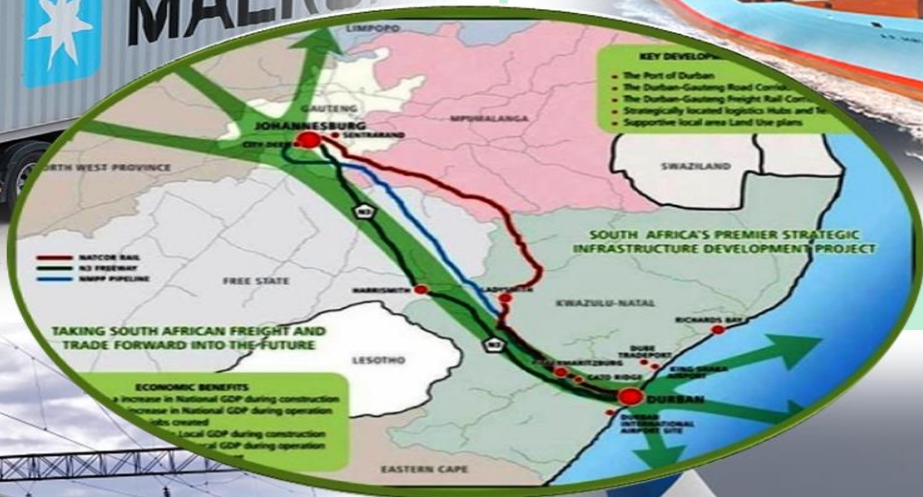
## KZN Household Sanitation Facilities

Households by toilet facilities  
KwaZulu-Natal



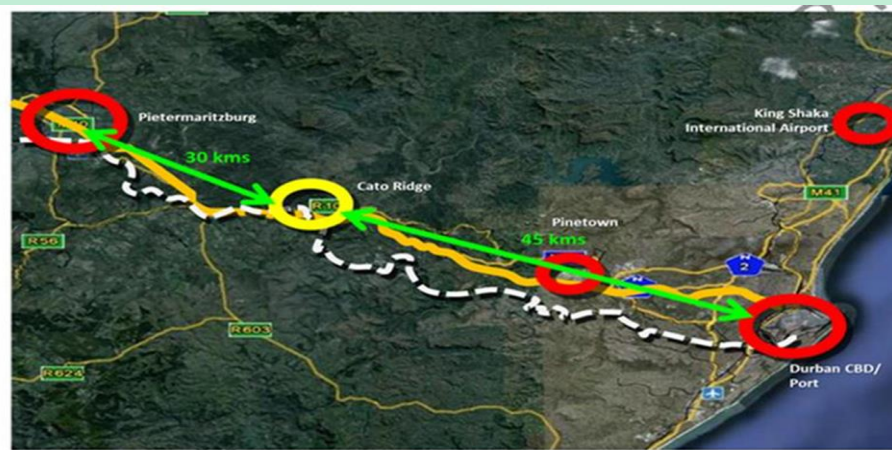
# The MTSF Infrastructure Enablers

## KZN Multi-Modal Transport Focus



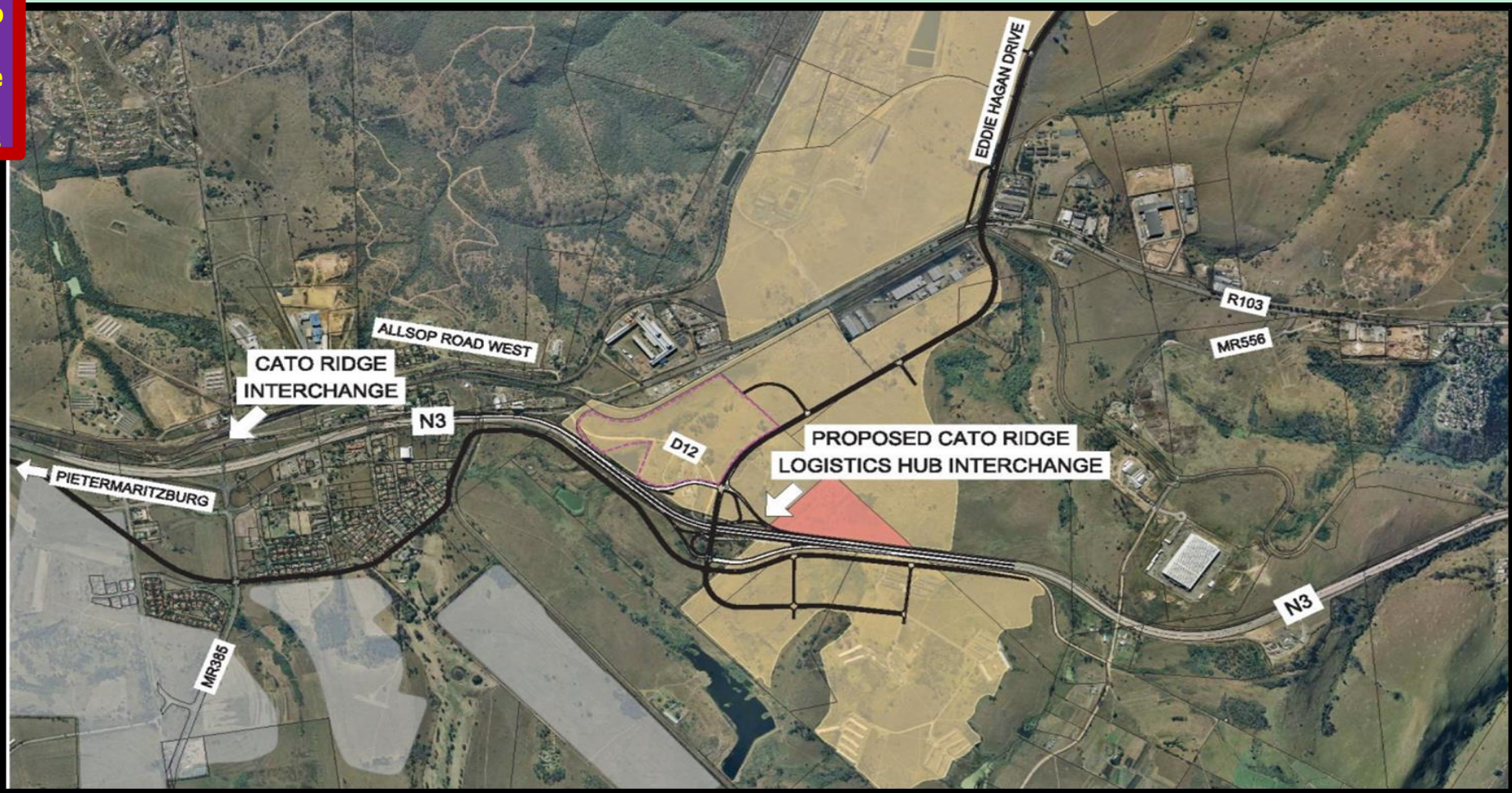
# The MTSF Infrastructure Enablers

## Durban Port challenges of congestion



# The MTSF Infrastructure Enablers

## Cato Ridge Dry Port



# Managing and mitigating Climate Change

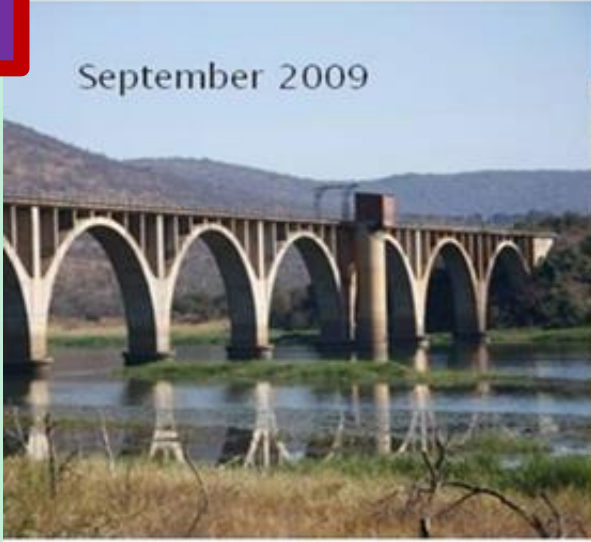
- The environment is the platform on which economies and societies are built.
- If we build this in a manner that is not sustainable, the platform on which we build will inevitably collapse and destroy all the gains we have made.
- Environmental sustainability is therefore essential to maintain and improve the socio-economic outlook for the Province.

# Managing and mitigating Climate Change

- Unsustainable land management practices in particular on communal rural land, such as overgrazing, is diminishing critical bio-diversity and promoting soil erosion;
- This is reducing the potential production yield and impacts negatively on food security and the overall socio-economic outlook;
- Inadequate waste management services is depriving communities from living in a clean and dignified environment;
- Regressing standards of waste water treatment is resulting in declining Green Drop Rating, further depleting already scares water resources;
- The slow progress with renewable energy projects contributes to energy insecurity and is contributing to a negative carbon footprint; and
- Drought and floods have resulted in a need for funds to be redirected to provide relief to affected communities, damaged infrastructure and protect food security.

# Environmental Sustainability

## KZN Clear impact of Climate Change





# Environmental Sustainability

## KZN Clear impact of Climate Change



# **Youth, Women and People with Disabilities**

- **In pursuing all the MTSF Priorities and Enablers, there must be a dedicated drive to focus on the plight of Youth, Women and People living with Disabilities.**

# Conclusions

- **Based on the latest Citizen Satisfaction Survey, the top priorities that must be attended to, to improve the socio-economic outlook are:**
  - **Growing the economy to create employment;**
  - **Provide appropriate housing inclusive of basic services;**
  - **Preventing crime;**
  - **Eradicating fraud and corruption;**
  - **Improving quality of education and skills development programmes; and**
  - **Maintaining and expanding infrastructure to support both social and economic services.**

# Key Areas moving forward

- Good policies and plans, but... **need more focus on implementation.**
- Focus is to be on expediting service delivery and streamlined processes and systems, including sharpening our OSS approach... **Do more with less**
- Enabling environment to attract investment and fast track initiatives to transform the economy for inclusive growth... **Increase the size of the cake so that everyone can have more thereof.**
- Improve education and skills development for inclusive economic growth ... **Prioritise quality education and skills development as key enablers for growth and development.**
- Improve access to and quality of health care... **A healthy community requires healthy individuals.**
- Social cohesion and moral regeneration and protecting vulnerable groups... **Building a united Country and Province requires building a Nation that can live in dignity and harmony. Equity implies equal opportunities for all.**

# Key Areas moving forward

- Integrated infrastructure development, that promote spatial equity, guided by the PGDS, PSDF and Infrastructure Master Plan ... **Adequate and appropriate infrastructure is required to move the Province to a desired prosperous future.**
- Acknowledge the impact and demands of rapidly transforming and evolving technologies... **We must ensure that we can enter the new technology race as an able competitor.**
- There has to be a continued and sustained focus on catalytic initiatives and projects... **Strategies and plans determines direction, but projects determine outcomes and impact.**
- Refocus efforts on environmental sustainability, biodiversity economy and climate change. **We have to treat the environment with respect if we expect the environment to treat us with respect.**
- Strengthening governance, building the capacity of the state and reducing fraud and corruption, communication, community engagement and partnerships (business, labour and civil society)... **Work towards being acknowledged as a caring and competent government and build partnerships through the District Development Model.**

# Key Areas moving forward

- The enhancement of governance structures and processes must at all times be a key focus area. This requires the continues monitoring and evaluation of governance performance at all levels, linked to accountability frameworks in the form of performance agreements and risk management strategies to expose and mange poor performance and to mitigate and manage potential risks. ..**“do right even if no one is looking”**.
- There is now an even more critical need to emphasise the concept of an urban rural continuum, instead of an urban rural divide. ..**Spatial Equity aims at ensuring that all areas of the Province are developed to their own full potential.**
- In recognition of the triple challenges of poverty, inequality and unemployment, **government must continue to drive a clear programme to advance radical socio-economic transformation, and that this must find expression in all facets of our work at all levels of society**
- In order to provide a sound platform for intergovernmental coordination and to ensure full buy-in of non-governmental partners, **the KZN PGDS, as a social compact between Government, Business, Labour and Civil Society, must be reviewed to secure a uniform point of departure for action in unity.**

# Recommendations

## It is recommended that the Lekgotla:

- (1) Notes this Socio-Economic Outlook as background information to all deliberations to follow at this Lekgotla;**
- (2) Supports the review of the PGDS, which must specifically be focused on:**
  - a) Strategies to attend to salient points outlined in this outlook;**
  - b) Alignment with the NDP via the 2019 – 2024 MTSF, as well as stated Provincial priorities of the current (6<sup>th</sup>) Administration;**
  - c) Be focussed on measures to improve and speed up implementation; and**
  - d) Strengthen monitoring and evaluation of impact and outcomes.**

***Siyabonga - Thank You***

***Growing KwaZulu-Natal Together  
to improve the socio-economic  
outlook of KZN***