

**ASSESSING LOCAL JOB CREATION AND EMPLOYMENT  
SUSTAINABILITY WITHIN GREENFIELDS HOUSING PROJECTS.  
CASE STUDIES OF WIGGINS UMKHUMBANE AND WESTRICH  
(DURBAN)**

**BY  
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## **ACRONYMS**

ANC	African National Congress
CC	Close Corporation
CMDA	Cato Manor Development Association
CMRA	Cato Manor Residents Association
CBOs	Community Based Organization
DBSA	Development Bank of Southern Africa
DEVCO's	Development Committees
DoH	Department of Housing
DoL	Department of Labour
EXCO	Executive Committee
EU	European Union
GC MDF	Greater Cato Manor Development Forum
GDP	Growth Domestic Product
Gear	Growth Employment and Reconstruction
HUZA	Human Settlement of Zambia
IDP	Integrated Development Plan
IDT	Independent Development Trust
ILO	International Labour Office
JOB	Job Opportunity Bureau
MEEC	Mpumalanga Economic Empowerment Corporation
MSP	Municipal Services Partnership
NGOs	Non Government Organizations
NURCHA	National Urban Reconstruction and Housing Agency
RDP	Reconstruction and Development Programme
SIDA	Swedish International Development Agency
SSE	Small Scale Enterprises
USAID	United States Agency for International Development



## **ABSTRACT**

Most low cost housing beneficiaries either work in the informal sector with little income to meet all their basic needs, or do not work at all. They live in poverty because many of them are unskilled, unemployed, poorly represented economically, politically and socially. Hence the new South African Housing Policy is said to be enabling the housing environment to play a more meaningful role in job creation and employment sustainability. This is said to be achieved through skills transfer and giving support to small businesses which are geared towards more labour intensive opportunities.

Job creation, in the context of this study, means training and the use of housing beneficiaries in housing construction. The provision of skills enhances beneficiaries to engage in self-employment programmes. Sustainability, on the other hand, looks at the use of dwelling units for small business purposes, the proximity of housing projects in relation to areas of employment, and the transfer of skills from place to place when required. After conducting a survey of 98 beneficiaries, the study revealed a lack of an effective mechanism for job creation and employment sustainability within greenfields housing projects.

In order to provide both guidelines and recommendations for the effective implementation of housing projects, this dissertation assesses the extent to which greenfields housing projects have been able to create and sustain employment opportunities for housing beneficiaries. Case studies used to assess this aspect are Wiggins uMkhumbane in Cato Manor and Westrich in Newlands West. This study outlines failures and successes in the manner in which the above mentioned housing projects were implemented in relation to the creation and sustainability of income generating activities.

This dissertation is structured as follows: The first chapter introduces the research problem, research question hypothesis, and the research method used to conduct the study. The second chapter provides both the conceptual framework and the literature review for the topic being investigated. International, national and local case studies are used to support the flow of the argument. Chapter three introduces the geographical and historical background of case studies in which the study was conducted. This historical background is linked to the topic of study to help to understand the phenomenon of employment. Chapter four deals with the presentation and analysis of data collected. The conclusion drawn from the findings and recommendations are found in chapter five.

## **1. INTRODUCTION**

It has been widely recognized that employment creation, income and access to housing and associated services are highly interrelated (UN, 1993). Income enables people and households to have access to the basic needs of their daily life. This income is normally generated through employment opportunities available to people.

When the government of National Unity came to power after the 1994 democratic elections, it was faced with many challenges that it had to start to deal with. One of those challenges was to create an enabling environment for the majority of poor black people to have access to employment opportunities. The aim of this was to redress the educational, social, economic and developmental imbalances that were caused by the practices of the apartheid government. To redress these imbalances, the African National Congress (ANC) and its allies introduced the Reconstruction and Development Programme (RDP) which comprised of a number of anti-poverty strategies. One of these strategies was that the delivery of low cost housing would be used as a mechanism to create employment opportunities for the poor. This strategy was believed to have a potential of redressing inequalities among the South African population through the provision of bulk infrastructure, including housing (Nair, 2003).

The African National Congress's Reconstruction and Development Programme document (1994) stated that a mass housing programme could help generate employment, skills and economic activities, both directly and indirectly, and also help ensure peace and stability in South Africa. A single national housing department would help to consolidate the previously fragmented approach to housing in a manner that could enhance population integration both socially and economically. The private sector and civil society were also declared to have important roles to play in expanding housing delivery and

financing capacity. The idea of incorporating small, medium size and micro enterprises owned and run by blacks was going to be adopted in the process of housing delivery. The National Housing Policy was intended to provide guidance and direction to this process through its objectives and strategies under which the housing delivery process should take place (The RDP, 1994). As the housing policy of South Africa was envisaged to stimulate various economic sectors, it was regarded as one of the important sub-elements of the national macroeconomic policy. The Department of Housing, therefore both at national, provincial and municipal level is supposed to use low cost housing projects to try and bridge the poverty gap between the black and white communities of the South African population (Baumann, 2004).

In South Africa's housing policy, inadequate shelter is normally attributed to poverty and lack of sufficient income. The policy acknowledges that people are inadequately housed because they lack sufficient income to participate effectively in the housing market. It also recognises that the markets for housing and housing finance are not as effective as they should be so as to speed up the delivery of housing. The responsibility of the state was said to be to improve people's income and the way the housing market operates (Department of Housing, 1994).

This study was aimed at evaluating the link between greenfields low cost housing projects and job creation and employment sustainability for the housing beneficiaries. It further looked at the substantial positive attributes job creation and employment sustainability give to the lives of the poor. Greenfields housing projects have been chosen as an area of focus for this study because so far, most housing projects under the national subsidy scheme have been implemented through the greenfields development system (on raw or previously underdeveloped land). According to Baumann (2004) from 1994-1998

about 95.8% of housing subsidy scheme funds were allocated to greenfields projects. This study raises the crucial point that jobs must be created from the onset of the housing project and be sustainable even beyond completion of the project. Job creation is one of the objectives which the Housing Policy of South Africa seeks to achieve through housing projects.

## **1.2 PROBLEM STATEMENT**

As a newly democratic country, South Africa is experiencing high levels of poverty, unemployment, lack of skills and other problems which make it difficult to close the gap of inequality between the poor and the rich. With its limited available resources, the African National Congress (ANC) led government has the responsibility of providing basic needs to the people who were previously left out of developmental programmes. These problems indicated above have trapped many South Africans who find it difficult to move from the state of being poor to being able to meet their basic needs.

An urgent concern is whether South Africa's housing policy is making any difference in changing the lives of poor communities. Reports from different scholars, for example Bauman (2004) and Knight (2004), suggest that the most successful delivery mechanisms developed under South Africa's new housing policy, with their emphasis on access to credit and assumptions of formal employment, do not reach the lowest income groups who constitute the majority of the policy's intended beneficiaries. As a point of departure, the following quote is used:

“The eThekweni Metro must be commended for its desire to provide proper housing for the poor. The question is: has it thoroughly studied the problem and the solution? Yes, everyone is entitled to a roof over his head, health care, a good education and finally meaningful jobs. The latter causes the most concern because it raises

another critical question, what jobs will be available, and will they be sustainable”? (Bayman, 01 May 2005, Sunday Tribune).

This quote was from a Durban resident who was responding to the eThekweni Municipality’s plan to provide more low cost housing for the shack dwellers in the greater Durban area. This quote expresses the problem of housing delivery methods from the perspective of residents especially in their failure to solve issues of poverty and unemployment.

With millions of people in South Africa living in poverty both in rural and urban areas, there is a special need to align government programmes to collectively fight against the high levels of poverty, unemployment and inequality. The way in which low cost housing projects have been designed has left a huge gap for improvement in creating employment opportunities for low cost housing beneficiaries. In a residential survey that was conducted by Thring (2003) in Polokwane on the perceptions beneficiaries have regarding the project linked houses that are provided by the government the following quote cited by Thring (2003) emerged:

A free house becomes an attachment to you. I now own a house. I’ve been living in a shack. I am proud, and thank the government. Maybe, if the government can create jobs to alleviate poverty, it will be a better life for all, and maybe crime will minimize (in Westernburg, Polokwane, 21/01/2003).

This quote implies inadequacy in housing provision if it is not accompanied by job creation strategies especially given the fact that most recipients of subsidized housing are without employment and skills. The current status of poverty suffered by many, and their failure to afford basic human survival needs such as health, water and security leads to the need for employment sustainability. Access to the above mentioned basic needs will help poor communities to function better. Employment and job creation are key goals of

economic sustainability. Therefore in countries such as South Africa where so many problems exist, a spatial and built environment response to the employment needs of impoverished individuals is emerging as a critical challenge to enhance employment sustainability (Irurah & Boshoff, 2002). Hence this study aims at emphasizing the importance of linking low cost housing projects with job creation and employment sustainability. The lack of employment opportunities for beneficiaries results in a high level of poverty and a widening gap of inequality. This study explores the extent to which low cost housing is able to create an environment which enhances income generating activities for poor housing beneficiaries.

The location of income-generating activities is extremely important, and the workplace for these activities, especially in poor communities, is more often than not in or around the house. The combination of living and working place is characteristic of small-scale economic activities and helps the poor to meet their human basic needs at minimal cost. This is particularly true where women, who represent a large proportion of small-scale entrepreneurs, have to combine household work with informal economic activities. Integrating employment-generating activities with shelter programmes is presented here as a promising approach to solving the dual problem of improving both the housing and the economic situation of the poorer section of society (United Nations, 1993).

The objectives of the post Apartheid South African Housing Policy will be reviewed, as will approaches which support the idea of job creation and community development. Research methods which were used to conduct the study have been outlined. Case studies where the study was conducted have also been indicated. This will include key elements as indicators to be used to evaluate the success and failure of the housing projects in the accomplishment of their employment creation and sustainability objectives.

### **1.3 RESEARCH QUESTION**

To what extent are greenfields housing projects able to create and sustain employment opportunities as envisaged in the South African post apartheid housing policy?

#### **1.3.1 SUBSIDIARY QUESTIONS**

To answer the research question, the following sub questions were asked:

- a) How does the housing policy link housing delivery and the creation of job opportunities, and what does it say about the two aspects?
- b) What hinders job creation and employment sustainability in greenfields housing projects?
- c) Are job creation and employment sustainability part of the broad objectives of low cost housing project developers and implementors?
- d) What types of employment opportunities can emanate from the housing process?
- e) What needs to be done before, during and after the housing project implementation to ensure that job creation and employment sustainability are harnessed?
- f) What is the relationship between housing delivery and poverty alleviation and how can the former help to solve the latter?
- g) What needs to be done to ensure that greenfields housing delivery projects comply with the requirements of the post apartheid housing policy especially of job creation and employment sustainability?

### **1.4 HYPOTHESIS**

Given the high levels of poverty, unemployment and inequality in South Africa, well thought out and well planned low cost greenfield housing projects can contribute to local job creation and employment sustainability for the benefit of the beneficiaries.



## **1.5 Defining Key Concepts**

### **1.5.1 Greenfields housing project**

This is a housing scheme which is built from scratch, on vacant land. In the South African housing policy context, greenfields implies a project that is undertaken in an area where unoccupied land is developed as part of a new township, or a project that is undertaken in an existing township where an undeveloped piece of land is utilized for development purposes (Department of Housing, 2002). This housing scheme is implemented either to provide site and services or build top structures or both (Urquhart & Sowman, 1998). For the purpose of this study, greenfields will imply both forms of housing delivery.

### **1.5.2 Local Job Creation**

Local job creation means new investments that are introduced into an area which give first preference of job opportunities to the local people. In the context of this study, local job creation means the kind of jobs that emanate from the housing process which include the use of local small contractors in the construction of houses, the use of locally produced building materials, the use of houses as part of income generating strategies and the skills transferred or attained during housing construction which beneficiaries are able to use to find jobs elsewhere or start their own businesses (United Nations, 1993).

### **1.5.3 Employment sustainability**

In most cases, the definition of sustainability has been used with reference to environmental issues or cross generational sustainability (Helmore & Singh, 2001). Employment sustainability, especially in the context of housing projects, refers to the extent to which the projects are able to help people to continue generating income even after the housing projects have been completed or in the way that beneficiaries are able to use skills they got during the housing project to find employment somewhere else. Furthermore, sustainability will also be

determined by the extent to which beneficiaries have used such skills to start their own businesses.

#### **1.5.4 South African Housing Policy**

Since the 1994 democratic government elections in South Africa, the post apartheid housing policy has been the vehicle introduced to drive the delivery of housing and housing related services in South Africa. One of the responsibilities of South Africa's housing policy is that of creating an enabling environment for employment creation for the poor. Hence the South African housing policy is regarded as a broad economic framework which must be geared to facilitate a speedy delivery of housing to the country's low income earners. This is to be done by focusing on issues like increasing economic growth and an increase in employment opportunities for the unemployed (Department of Housing, 1994).

The definition of the following terms was seen as necessary because they form part of the problem statement and hypothesis on which the study was based. These concepts include poverty, inequality and unemployment.

**Poverty**, according to the World Bank (2000), is defined as an inadequate diet leading to malnutrition, inadequate shelter, inadequate health care, inadequate education, illiteracy, exposure to environmental risks and powerlessness. Poverty is definitely a state of want caused by a number of factors. The World Bank (1990) attributes poverty to inadequate access to critical necessities like employment opportunities. It is further argued that the poor can be recognised by their marginalization from national development programmes.

**Inequality** refers to differences that exist across groups (countries, individuals, races, gender) in terms of income, development

opportunities, and employment, or the differences that exist in per capita income or household income across populations within a country or across countries (World Bank, 2000). In the South African context and for the purpose of this study, both definitions were considered. They are both applicable in the sense that as the result of apartheid, all aspects of development of the South African population were based on race. This segregation of education, health, welfare, transport and employment led to inequality in terms of income and employment and that resulted in a large portion of the black population having to endure deep scars of inequality and economic deficiency.

The term **unemployment** is given in a form of description rather than a definition, therefore unemployed persons comprise all persons who do not work but who make specific efforts to find a job. Also included as unemployed are those who have not worked at all since they started looking for work, people who were available for work but were not actively seeking work because they were (a) waiting to be called back to a job from which they were laid off; or (b) waiting to report to a new job within 30 days. Both descriptions qualify for use in the study (Labour Market Information, 1998). This allowed the study to look at the reasons why housing beneficiaries are unemployed, how to mitigate their unemployment and who should get involved in the whole process of job creation.

The mentioning and definition of the above key concepts was linked with what is envisaged by the Department of Housing in its Housing Policy documents. The Housing Policy supports the idea that the delivery of low cost housing in South Africa should play a crucial role in helping previously disadvantaged people to have access to jobs especially in the construction sector (White Paper on Housing, 1994). A more detailed discussion on Housing Policy and job creation is found in Chapter two under the literature review.

## **1.6 Study Justification**

Employment is of central concern to all individuals and to all the major social participants in society. For individuals, the interest in employment is clear: it provides their main source of livelihood and often their source of social identity (Rubery & Grimshaw, 2003). Employment is also a political issue. Governments are expected to take some responsibility for generating economic growth and for providing employment opportunities for their citizens because failure in this respect may lead to change of government or to political unrest. Therefore, it is not surprising to note that the ability of any group to provide for its basic needs tends to be directly related to its level of income. The creation of incomes for individual groups and particularly for the poor is therefore a major factor in attacking poverty (Sinha *et al*, 1979). Therefore the availability of work is of great importance for the poor groups whose command over income is at best limited and in some cases is non-existent. While access to work opportunities implies access to income, the creation of employment is therefore in its own right an important element of developmental policy and its proper implementation must be ensured.

The post-apartheid housing policy's broad principles of housing policy include people-centred delivery and partnerships; skills transfer and economic empowerment transparency; accountability and monitoring, to mention but a few. The creation of jobs for beneficiaries has never been satisfactorily met. Part of this study investigated the problems that hinder job creation during project implementation.

## **1.7 Objectives**

The study was conducted to accomplish the following objectives.

- The identification of employment possibilities within the implementation of low-cost housing projects;

- To review the national housing policy and its objectives in addressing the problem of low cost housing beneficiary unemployment;
- To emphasize the importance of redefining the way housing projects are packaged so that skills transfer can be enhanced for the benefit of beneficiaries to broaden their employment opportunities; and
- Putting forward ideas and recommendations to help housing project implementers and beneficiaries bridge the gap between projects and job creation and employment sustainability.

## **1.8 RESEARCH METHODOLOGY**

This section outlines the ways in which the study was conducted and the type of information that was collected to answer the research question. The data was collected using both primary and secondary sources. The research methodology was both qualitative and quantitative in nature. However, the qualitative aspect was mainly used to assess local job creation and employment sustainability. This method is considered to be the best when seeking information especially when surveys, interviews, focus groups and questionnaires are used to investigate people's perceptions (Burton, 2002).

### **1.8.1 Identification of case studies**

The case studies selected for the research had to meet the following criteria. The projects must have been implemented before or in 1998. This is because a seven year period was considered to be adequate for some income generating activities to have taken off and stabilised so that employment sustainability could be assessed. The case studies must have been implemented through the greenfields housing delivery method. The reason why greenfields delivery method was chosen is because this is where most of the government expenditure on low cost housing delivery has gone so far, especially the subsidy scheme. To choose the projects for the study, the researcher went to eThekweni

municipality and asked for a list of all housing projects which have been implemented after 1994. Accessibility to the projects areas is one of the things which determined the selection of case studies. A discussion with the senior housing project manager with the municipality also had an influence as objectives and missions of the projects were articulated. After this discussion, it appeared that many projects met the criteria, but the researcher had to choose two projects. Those projects are Wiggins uMkhumbane, which is located in Cato Manor. The second case study which was chosen is Westrich housing project. This project is located in Newlands West, north west of the city of Durban. Both these projects qualified for the study because the creation and sustainability of jobs, training, and income generation activities were part of the objectives of these projects. The fourth chapter of this dissertation reveals whether these objectives were successfully accomplished or not.

### **1.8.2 The assessment of employment sustainability**

Besides looking at the provision of training and facilities, sustainability of employment was assessed using the following elements which are believed to either enhance or hinder employment sustainability of low cost housing beneficiaries.

#### **Location of the housing project**

The location of the housing project is believed to make a positive contribution towards the creation of an environment which enhances sustainability of the employment. The distance between place of work and an area of residence is one of the critical things which enhances or hinders sustainability for employment. A policy of the apartheid regime was to ensure that black people were located on the outskirts of towns and cities and were placed in townships which were far from their places of work. The post apartheid government has approved a new urban restructuring plan which must ensure that all people are integrated into cities because this is where most employment

opportunities are (Todes, *et al*, 2000). Hence the new urban restructuring suggests that low cost housing beneficiaries be settled closer to places of work thus enhancing their access to employment, and social opportunities become viable. Furthermore, good location of housing projects is a plus for poor people because they can save a lot of money on travelling expenses to and from work. This money can be put towards other living expenses. However, it must also be noted that the Housing Policy has shown a sharp contradiction to this in the sense that its level of subsidy does not support the high density development and that it cannot afford expensive land in cities for low cost projects.

### **The use of a house for income generating activities**

The use of a house for income generating activities actually covered things like its use for subletting, use of part thereof for small shops and communal agricultural activities. Rental housing is considered as one of the strategies which enhance income generation for the poor. Therefore designs which allow for the multiple uses of a house must be encouraged.

### **1.8.3 Primary Sources**

Information was collected from the following sources using the following research methods and tools.

#### **1.8.3.1 Sampling Method used**

Systematic sampling was used to identify the study units. Systematic sampling refers to the process whereby the researcher knows the number of cases in the study area and chooses a particular number which must lead to the accomplishment of a particular sample size a researcher chooses to cover in the area (Burton, 2000). For example, in Westrich, there are currently 2300 dwelling units which have been constructed but for the purpose of the study, the focus was on 305 houses that had been constructed before 1998. The study covered

10% of these units and this led to every 10<sup>th</sup> house being selected for the study. This resulted in 31 households with whom the study was conducted.

The Wiggins uMkhumbane project currently has 668 houses. The study also covered 10% of the whole area; therefore every 10<sup>th</sup> house was selected for the study. This resulted in 67 houses being considered for study. The rationale of the systematic sampling is that it spreads the sample more evenly over the population under study.

### **1.8.3.2 Identification of key informants**

The household head of either gender was selected for the study to represent the household. The age criterion was that a person should be 21 years old or more so that the responses are mature, reliable and valid. Study units should have been project beneficiaries in the sense that they must be the owners of the house or that the house was transferred to the person in the case of death of the initial beneficiary. In cases where the household head was not found in the house that was part of the study, or that the household was headed by a minor, the neighbour on the right or left was used as a study unit in their own right. In cases where a husband is the beneficiary and was not found in the house, the wife or vice versa was asked to represent the husband to answer the questions. The study was able to identify key informants as sources of information. With housing beneficiaries, questionnaires were distributed by the researcher where a researcher engaged in a talk with an informant being guided by set questions, and filled in gaps with answers given by informant. Interviews were conducted on different dates and venues with the senior project manager of eThekweni Municipality and a manager who represented Khuphuka Training Consultant. They both took part in the implementation of both projects for different reasons. Focus group discussions were conducted with local councillors and development



committees from both project areas, but on separate dates and venues.

#### **1.8.3.3 Questionnaires to projects beneficiaries**

Information on beneficiary participation in the project especially in relation to training, building, and decision making in their respective projects was assessed. Another element that was assessed was the positive changes the project brought about in their lives in relation to employment opportunities and skills they acquired during the project. The level of informal and formal employment in the area, the availability of local enterprises and the ability of these enterprises to employ people in the area and the people's survival strategies were also explored. Other aspects that were covered were the use of local contractors in the construction of houses and the relevance of training that was offered to beneficiaries was also explored. This was determined by looking at the skills that were transferred to beneficiaries and the jobs beneficiaries perform in their current employment. The availability of local business was assessed. This was investigated to find out whether available businesses resulted from the training offered, and from the use of local contractors for maintenance services, especially roads maintenance, plumbing, waste removal and grass cutting.

#### **1.8.3.4 Interview with the senior project manager from eThekweni Municipality**

During the implementation of projects which were investigated by this study, the project manager who represented eThekweni Municipality within the low cost housing support unit, was asked to take part in the study. The senior project manager selected was the head of a low cost housing project support unit which is the sub-division within eThekweni Housing Unit. The informant facilitated the training of beneficiaries and allocation of machinery facilities for use by

beneficiaries for income generating programmes from both Wiggins uMkhumbane and Westrich. Information sought from him included:

### **The municipality's compliance to the objectives of the Housing Policy**

The study aimed at investigating the alignment of projects to the broad objectives of the Housing Policy in aspects of job creation and employment sustainability. This was dealt with by looking at the manner in which the municipality packaged these projects.

### **Broad objectives of the projects**

This related to the success and failure of the projects to create and sustain employment, issues of beneficiary empowerment, and programmes in place which are aimed at curbing the problem of project beneficiary unemployment. This information helped the study to identify whether projects were aimed at long or short term goals of job creation and employment sustainability.

### **Aspects of training**

This looked at the type of training which was provided to beneficiaries, the manner in which those skills were transferred. What the study saw as important to explore was the use of such skills during the implementation of housing projects. Furthermore, the study looked at programmes which were introduced to mentor newly trained beneficiaries and their integration into the skilled labour market.

### **Problems encountered during policy implementation**

This was aimed at the identification of problems which hinder the implementation of the policy in job creation and employment sustainability. This information provided appropriate recommendations so that similar problems can be mitigated in other projects of a similar nature.

#### **1.8.3.5 Interview with a manager from Khuphuka (Training Consultancy)**

Khuphuka is a Non Government Organization (NGO) that was assigned to train housing beneficiaries in both the Westrich and Wiggins uMkhumbane housing projects. The key objective of this NGO is to ensure economic involvement of housing beneficiaries and sustainability of income generating activities by providing training and mentorship programmes to trained beneficiaries. The training and mentorship programmes work to achieve a well-organised community which is in charge of its own development, in which ample opportunities are provided for the development of local entrepreneurs and production facilities, against a background of food-security, life skills, health and self-esteem, in short, sustainability (Knight, 2004).

Information sought from Khuphuka related to issues of capacity building and the types of skills that were transferred to beneficiaries. The information on skills was compared with the jobs beneficiaries are currently doing and if businesses in the area are making good use of those skills. Thus conclusions were drawn along the lines of relevancy of skills to the specific context demand and the demand of skills that were provided.

#### **1.8.3.6 Wiggins uMkhumbane Focus Group discussion with local councillor and development committee members**

Information sought included the problems these areas have in relation to lack of employment and the existing projects that are there to help people with income generation. As a leader, the councillor was able to provide information on some social issues that make it difficult to engage their respective communities in income generating and employment creation activities. Information on existing programmes aimed at creating jobs and how those programmes are designed to ensure sustainability of employment was also explored. The councillor and the development committee were also able to provide a list of

some programmes which have been introduced to ensure that the issue of unemployment and lack of job sustainability is minimized. However, what came up in discussion was that neither the development committee nor the councillor sees housing projects as being able to create jobs and sustaining employment for beneficiaries. What they emphasized was the issue of housing delivery, and that after the projects, jobs also vanished.

#### **1.8.3.7 Discussion with the local councillor and two development workers of Westrich housing project**

The researcher was able to conduct a focus group discussion with a local councillor and two members of the local development committee from Westrich. A limitation of research in Westrich was that it was too difficult to organise the development committee together with the local councillor because of many other commitments in which they were involved with. The researcher managed to get hold of only two of them. Similar topics and questions to those of Wiggins uMkhumbane were used.

#### **1.8.4 Secondary sources of data**

Secondary sources of data included the use of internet, newspapers, journals, municipal journals and conferences discussions on housing related issues which link with the study. Information was also obtained from Built Environment Support Group (BESG) and the Umkhumbane Library. This information was used to support the study especially in comparing the information from the interviews and the residential survey.

### **1.9 Data Analysis**

The data was analysed using both qualitative and quantitative methods of data analysis. Data obtained from focus group discussions and interviews were analysed using qualitative form of data analysis. Key themes about job creation, training, employment sustainability,

and the participation of beneficiaries in housing projects implementation that were believed to have an influence on unpacking the research question were, used to interpret data. Quantitative form of data analysis played its role when detailing figures of money spent on the projects.

Quantitative data analysis was used mostly to interpret data from beneficiary questionnaires. Data from these sources was presented in tables. This included comparing data on employment and unemployment, self-employed and casual employment, using figures and percentages. This allowed the process of analysis to draw up some similarities and dissimilarities from both case studies, and to easily draw up some conclusions and recommendations for the study. During the study, some unexpected common themes were identified which were integrated into the rest of analysis. It must also be noted that the objectives of study, theoretical framework which informed the study, and literature review, all had an influence in the interpretation of data.

### **1.10 Limitations of the study**

The sampling method used to select study units covered only 10% of the population in each case study. Therefore the findings and conclusions presented in the study might not be exactly the true reflection of jobs which were created and sustained from the housing projects.

Another limitation is that only the heads of households were approached as study units, and the conclusion drawn by the study is based on answers given by them. The possibility is that one or two or other members of one household might be employed and the household head was not. Therefore the fact that the household head is not employed does not always mean that nobody in the household is employed.

## **CHAPTER TWO**

### **Theoretical Framework and Literature Review**

#### **2. Introduction**

The literature review and conceptual framework provide the context within which the study was designed. It further critically explores the impact of greenfields housing projects in relation to the creation and sustainability of employment opportunities for low cost housing beneficiaries. This chapter plays an important role as it also informs the formulation of research questions and the interpretation of findings.

Approaches that were used in this study include the basic needs approach, sustainable livelihoods approach, self-help approach and the enabling approach. The problem statement has laid a foundation that as much as the construction of houses for the poor has taken place in South Africa, the projects have never been effective in making an overall impact in developing the lives of low cost housing beneficiaries (Knights, 2004). Therefore the following approaches, which are human development oriented, critically provide a platform on which the objectives of such projects should be broadened so that they meet diverse needs of the people. Job creation and employment sustainability are some of the objectives that development projects should consider in addressing the problem of poverty in South Africa.

#### **2. Approaches**

##### **2.1 The Basic Human Needs Approach**

This study reviews the basic human needs approach in view of one of the main objectives of housing policy which is to improve the quality of life of the poor section of the population. The basic human needs approach was adopted by the International Labour Organization (ILO) in 1976. This approach focuses on meeting the basic needs of poor people in the shortest possible time. Priorities are given to certain goods and services which are essential for human survival and active

incorporation into existing culture. Such goods and services include: food, clothing, safe drinking water, housing, sanitation, public transport, health and education. In an attempt to combat poverty, the approach encourages and advocates for the distribution of income and wealth, employment of the poor, educating and training of the people, community participation in the development process and empowerment with a bottom-up management style (Krige, 1989). This approach emphasises the effective use of local resources and small scale labour intensive technologies. The use of these resources is believed to be very important in playing a crucial role in achieving the needs of the poor of which employment is one (Ghai et al, 1977). It also contends that everybody is entitled to adequate consumption of goods and infrastructure. The underlying assumption of this approach is that growth could be achieved by addressing poverty, unemployment and inequality especially if focus is directed on the growth of incomes of the targeted poverty groups. The basic goal of this form of distribution is improvement of the incomes of the poor rather than the redistribution of existing assets. This involves the output and employment of the poor and labour intensive measures aimed at increasing productivity. In the housing sector, this approach resulted in the adoption of the self-help housing delivery method in early 1970s (Burgess, 1992). Looking at the nature of self-help and the South African housing policy, the study looks at interdependence of increased productivity and the creation of employment opportunities for housing beneficiaries.

One of the key focus areas of the Human Basic Needs approach is an emphasis on eradicating the culture of dependency of people on the government and promoting autonomous control through engaging in empowerment activities of the poor communities. Nevertheless, the basic needs approach has not met its objectives because development planners have tended to decide and design projects for poor communities without a deep understanding of the situation and the

needs of the people for whom the projects are designed (Krige, 1989). In 1970, the UN passed a resolution that encouraged countries to adopt an integrated approach. This approach stipulated that planning developmental projects should incorporate beneficiaries at the planning stage in decision making and physical involvement in the project. This could ensure that all groups take part and benefit from development activities. According to Hopkins & Hoeven (1986), this articulation is based on the idea that the purpose of development should not be to develop objects, but to develop people. Furthermore, the researcher goes on to say that any progress that does not lead to the fulfilment of basic needs like employment and involvement in the economy or, even worse, disrupts them, must not be deemed successful (Ndinda, 2002). This poses a challenge to planners and development practitioners to start thinking beyond the structure of a house but to think about the importance of a house which has a potential in adding value to its owners through housing construction related skills, space for subletting, space for small shops or any other income generating activity that takes place in-house.

## **2.2 Sustainable Livelihoods Approach**

The sustainable livelihoods approach acts as a strong foundation especially in providing support to the idea of sustainable employment in housing delivery. It gives solid reasons why housing delivery must be seen to have potential in establishing sustainable human settlement and to eradicate poverty.

This approach seeks to build on the fundamental building blocks of development by focusing on income generation as having a fundamental impact on the proper environmental management, women empowerment, education, health care, appropriate technology, financial services and good governance. What makes this approach special is that it encourages the assessment of community needs first before any development can take place (Helmore & Singh, 2001). The



process of community assessment can help in the identification of strength and weaknesses of the local people in terms of their skills, potential and capabilities. This allows the development agency to use skills or resources which are available in the community, or to start looking at training as one of the means to capacitate people in housing construction related projects and beyond if there is a need to do so.

This approach seeks to track down the actual livelihood strategies of the poor and the adaptive strategies they employ to maintain their livelihoods in the face of severe environmental, economic, and political pressures. According to Helmore & Singh (2001), the Sustainable Livelihoods approach begins with an analysis of the wealth of the poor which is referred to as human capital. This wealth may reveal itself in various kinds of assets, skills, knowledge, and resourcefulness. This can serve as an entry point of sustainability because such an understanding provides the best guide to analyse how their livelihoods can be made more productive and sustainable (Helmore & Singh, 2001).

In the aspect of housing, people's skills and their sustainability can be enhanced in various ways. This includes issues of gardening, baking, cleaning, block-making, bricklaying, plumbing, manufacturing of locally needed products and the provision of services such as hairdressing, sewing clubs for women and some relevant training for the disabled. This approach goes further to analyse people's livelihoods strategies and how these livelihood strategies have been changing over time. It also fully involves people and respects their views in matters that concern them. It focuses on the impact of different policy and institutional arrangements upon people and upon the dimensions of poverty they define. It stresses the importance of influencing these development oriented policies and institutional arrangements so that they promote and deal with the agenda of the poor. It also states that sustainable poverty reduction will only be

achieved if external support from outside the households works with people in a way that is congruent with their current livelihood strategies, social environments and ability to adapt (Helmore & Singh, 2001).

The sustainable livelihoods approach has unique principles which explain why such principles make such an important contribution to the overall value of the approach. Firstly, this approach is people centred as it puts people at the centre of development. Secondly, it extends holistic ways of support to livelihood development both in the long and short term. Thirdly, this approach highlights the presence and absence of links between the macro and micro levels and it also highlights that higher level policy development and planning is also formed with little knowledge of people's needs and priorities (Turton, 2000). The importance of this approach in this study is that the implementation of development policies does not fail because of poor implementation, but because policies are formulated with little knowledge of the poor people and therefore their needs are not met properly.

With the high rate of unemployment in South Africa which accounts for 40% (Bond 1998), Sustainable Livelihoods approach can be used as one of the mechanisms which are aimed at uprooting the problem of poverty. Labour based construction of roads and their maintenance can create quite a number of employment opportunities because if those programmes are well designed, the total volume of work made available to poor communities can be increased considerably through labour intensive methods thus increasing the total volumes of sustainable employment. In the low cost housing context, sustainable employment can be viewed on the basis of the following activities which can play a major role in keeping poor people in jobs made available within or around newly established settlements.

### **2.2.1 The maintenance of existing houses and the provision of infrastructure**

When there is an increase in housing stock, there is a demand for traditional labour intensive services for maintenance which also has the potential of employment creation. This can be done through plastering of dwelling units especially after a heavy rain season, painting, rethatching roofs, cutting grass near the houses and in other people's yards). Such activities can play a major role in creating jobs and making sure that local people with relevant skills are utilised. According to ILO (1995), whatever technologies the government has adopted in the direct provision of housing, both the informal and formal sector provide a large proportion of housing in developing countries and the maintenance of this stock must create demand for substantial sustainable employment to local people. Such employment opportunities might include woodworking, plumbing, solving electricity problems, main infrastructure and services, main roads, storm drains, water supply, sanitation (sewerage), solid and liquid waste management and new housing developments (new housing estates and sites and services) within the place (ILO, 1995).

According to the priorities of the governments from national to local and their priorities in South Africa, service provision especially in both private and public sectors is going through a process of transformation. This is indicated by the fact that most services are provided through the tendering process (Sunday Times 2005). Black owned small companies are given first priority to tender. Small business from low cost housing localities can use this platform to grow to a level where they can provide their services to big companies especially as the black economic empowerment process facilitates the inclusion of previously disadvantaged communities to actively participate in the economy of the country.

Another potential opportunity for small scale local contractors is that South Africa has a housing backlog which requires a large number of contractors. The practical experience in most countries including South Africa is that low cost housing is delivered through labour intensive methods more than any other type of housing delivery process. For this reason, this opportunity can be used as an important source of employment opportunities (ILO, 1995). These points are socially justifiable in the sense that maintenance and other activities with income multipliers and any profit made would actually be locally benefiting.

From a sustainable strategy point of view, the above experience requires much of housing policy makers to start determining a plan that can accommodate self-help labour in sites and services and upgrading schemes. Such a plan should involve local small scale enterprises as part of the actors in the building process in both the urban areas where unemployment is a serious problem, and in the rural areas where there is seasonal and permanent under-employment and chronic labour surplus (Turton, 2000).

The sustainable livelihoods approach informs this study in that low cost housing project implementation in the context of South Africa, means going beyond the need for housing and beginning to understand the context in which poor people live. Such understanding will bring about new approaches of packaging housing projects which suits the needs of communities in their respective locations. With the lack of this understanding when packaging housing projects, the adoption of the sustainable livelihood approach means taking from what already exists in the community and making it more productive and making it yield more positive results.

### **2.3 The Self-Help Approach**

Poor people know their needs much better and they also know how they apply their survival strategies. Therefore the inclusion of the self-help approach to this study is based on the fact that poor people need to be supported to unleash their potential in meeting their needs and wants. Creating jobs is one of the things that poor people normally do and can do better when professional help is made available to them. However the problem that hinders them is lack of information, skills and knowledge as to what they can do to improve their existing conditions (Bond, 1998).

At the heart of the self-help approach, training of poor people in housing construction and building material manufacturing becomes the core enabler of self reliance. So, it becomes one of the responsibilities of the development agency, whether it is government or the non governmental organization, to ensure that local people are given hands-on practical experience and training in housing projects. This will automatically require some forms of training sessions on housing and other income generating related skills with the belief that community development is primarily about helping people to help themselves. (This training will enable the people to use the skills in their housing consolidation and building houses for other people to earn an income (Green & Haines, 2002).)

The self-help approach assumes that increasing the capacity of residents to address their problems will result in improvements in the quality of life and ability of residents to help themselves in the long run. This approach requires several conditions for it to be effective. Individuals must have the necessary skills and participants must have reasonable expectations that their efforts will have some impact in their daily lives. The poor must also identify their shared interests to develop some form of a common goal with the development agency. What has been witnessed, especially in poor communities where the

self-help mode of housing delivery has been adopted, community development efforts tend to have a long and lasting positive impact on the lives of the beneficiaries (Green & Haines, 2002). A good example where self help has been effective and sustainable is displayed by the case study of honey-bee keeping in Johannesburg. With the help of an organization called Shared Interest, the community was able to embark on building houses for themselves and started some sustainable income generating activities (Knight, 2004).

A good example of the self-help housing delivery method is demonstrated by Shared Interest. This is an American organization which also operates in Johannesburg South Africa. This organization specializes in helping poor people realize their dreams by combining housing with job creation and income generating activities (Knight, 2004). For example, case study of Keiskammahoek in Gauteng province where Shared Interest helped the residents to start a Homeless Association in 1997. Shared Interest started this because they noticed that small farms which were regarded as traditional survival strategies for the poor were gradually becoming inaccessible. People were vulnerable to daily poverty problems as 40% or more of the residents were unemployed. The Homeless Association felt a housing project in the community would lead to economic development. So the association identified an area for construction, it received 1,000 housing applications from people who wanted houses, and the association approved about 443 of these applications. Working with the National Urban Reconstruction and Housing Agency (NURCHA), Shared Interest guaranteed loans to build 443 homes in Keiskammahoek.

The housing project provided security and a source of pride to the residents and it generated informal economy as more people started to engage in income generating activities. For example in the Keiskmmahoek housing project a man (V.W. Notshe) has set up a

spaza shop in the house he rents (Knight, 2004). The shop occupies most of the house, which also includes a kitchen and small bedroom. His spaza stocks cabbages, onions and other vegetables. He also keeps canned goods and candies behind the counter (Knight, 2004). Local economic development is of the self-help perspective in the sense that groups of people, mostly women, get together to raise chickens, sell eggs, and do carpentry. The informal economy also includes community gardens and spaza shop operation. What is most important to learn from this case study is the diversification of economic activities in which poor people can engage. It is about creating a variety of opportunities which are easily accessible to people, which do not cost much to run and sustain, and furthermore which can involve many people to run them. These activities are sustainable because they are still run even today. Their sustainability has also been supported by professionals from the University of Pretoria and other development oriented organizations in the area.

According to Knight (2004), the provision must be able to provide more services than just housing to enhance stable and sustainable communities. What is also required are the infrastructure, services, and community organizations. In Northern Province of South Africa, communities in Mpumalanga are building their own housing and facilities using their own labour, their own contractors, and own local building materials. Shared Interest is helping people from Mpumalanga to build their communities by giving them access to both housing and business finance. Shared Interest acts as a guarantor on behalf of the communities of the Mpumalanga Economic Empowerment Corporation (MEEC). MEEC then lends some capital to emerging contractors such as Hendrick Matlala, Dina Ragalankene, Godfrey Matlamyane and Mr. Tabane, who formed a four-person company of emerging entrepreneurs (Knight, 2004).

This four-person company is constructing storm drainage systems in two rural Mpumalanga communities. The canals and aqueducts are

extremely attractive, constructed with large reddish-brown stones from the area. This company has employed many local people to prepare these stones for use. One of the partners in this four-person company, Mr. Matlala, was an experienced builder who had spent more than 15 years in casual construction jobs.

These case studies have demonstrated a good practice of the self-help housing delivery method. It has shown that housing delivery can fill various gaps which play a meaningful role as poverty alleviation programmes. Furthermore, a self-help housing delivery system helps beneficiaries to express their interest and their future goals about the house they want and the things they would like to do with it. This results in a house being able to become a multipurpose structure which serves as a means for both an accommodation and income generating vehicle. Some people would like to build houses in which they can run small business, such as baking, sewing, spaza shops, salons, public phones and many other activities.

Another project that Shared Interest started with poor people is one that deals with bee-keeping. This project was started to help the people in their settlements to create jobs for themselves. Furthermore, Shared Interest has started a Business Trust where poor people can borrow money to start their own small businesses. This is a good example which has been designed to meet the needs of poor people who do not qualify for loans from traditional money lenders. Such an example can also be applied to other low cost housing projects through the use of churches, NGOs and other local development agencies. This Business Trust has assisted 10,000 rural borrowers of whom 75% of applicants are women who have joined in the bee-keeping business. Each new beekeeper receives fifty hives stocked with African bees, as well as training and equipment to harvest the honey. Each new beekeeper will receive an above market price for their honey from the Bee Foundation (Knight, 2004). Such activities



have the potential to bring about housing consolidation and sustainable communities and the protection of the environment.

The Bee Foundation is a private business in the Northern Province of South Africa producing honey on a small scale. With the help of Shared Interest guarantee, the Bee Foundation has designed a program to establish a vast network of emerging beekeepers that will do three things, according to Knight (2004):

- (1) Provide jobs to 10,000 rural borrowers over a five years period;
- (2) Expand the Bee Foundation's production of organic honey; and
- (3) Improve the survival rate and productivity of the African bee.

The voluntary participation of the University of Pretoria in the project ensures sustainable development in the sense that the protection of African bees as part of the environment is ensured. The University expands and shares its research with the local community on issues of medicinal and other cosmetic by-products made from honey (Knight, 2004). This shows that if the first step is well planned and organized, other steps bringing additional employment to people follow.

Not only is the University involved, but one of South Africa's largest mining conglomerates is also participating voluntarily in the project by allowing some of the new beekeepers to hang their hives on private land where some of the best flowers are available for bee honey production (Knight, 2004). This project introduces the importance of the participation of academics in the advancement of the lives of the poor. This is one area which also needs focus from the low cost housing implementers. It requires development specialists from academic institutions to be called on board to present their perceptions on job creation and employment sustainability about places targeted for development. These people are development specialists; they can provide skills for community development and participation, and training and also effective avenues to enhance job

creation in housing and newly established communities. This integrated approach, if well managed and facilitated, has a potential to bring about solutions for problems related to the creation of employment opportunities in poor communities.

Usually housing production is regarded as a process which emphasizes the progressive development or incremental approach to building a home (Govender, 1997). In the context of self-help housing, emphasis is placed on the individuals or collection of individuals who have taken responsibility for financing and building their own homes, as well as improving their living conditions beyond housing. Hence, these groups of individuals are not only involved in the construction dimension of housing but also associate themselves with secondary activities relating to the construction of their houses, such as brick/block making, tiling and other productive activities which have an impact on their economic activities (Govender, 1997). This discourse provides a lot that future housing project managers and policy developers can learn from, especially regarding the formation of associations that encourage local people to take responsibility for the care of their settlements. They can only do so by coming together and being pro-active to improve their houses and this is where most jobs come from. Different income generating activities from within the settlement can be discussed depending on the needs of the settlement and its stage of development. For example settlements will always need to be cleaned up, they will need to be upgraded, to be renovated, people will always buy goods, clothes, consume baked food all of which can be provided locally.

The reason why the self-help approach has been considered is that it has the potential to create jobs and sustain them within the settlement. This takes place in the form of giving local people or housing beneficiaries an opportunity to build their own houses. For a final product to meet the set standard, local people will have to undergo some form of training on housing construction. This training

will empower both housing beneficiaries and those people who will be responsible for building houses. This will be done to allow house owners to easily access qualified builders within their areas. Besides that, some beneficiaries who might specialise in block making, wood-products and other locally manufactured building materials can have their businesses sustained. The above case study shows how self help mode of housing delivery can bring about employment and income generation sustainability opportunity to poor people other than just housing.

#### **2.4 The Enabling Approach**

The enabling approach is an approach whereby government moves away from providing complete housing structures to a situation where it provides basic infrastructure or a core house and leaves the entire responsibility to the residents to complete their dwelling units (UNCHS-Habitat, 1999).

South Africa is characterized by large scale unemployment and an increasing growth rate of an economically active population (Housing White Paper, 1994). With her economy growing lately, maybe it could work better if the government was going to do away with their role as housing producers; instead they must adopt an enabling approach. Enabling shelter strategies imply a shift from a direct government construction effort, to the encouragement of individuals, small-scale enterprises (SSEs), and large contractors in their endeavors in shelter-sector construction.

UNCHS-Habitat (1995) argues that the role of government as an enabler is very important particularly in the process of increasing the productivity of small enterprises and in ensuring their contribution to macro economic good performance. The important role of the state as an enabler is also emphasized because of its potential in housing provision especially in the provision of the five major housing delivery

components. These components are land, finance, skills transfer to labour force and infrastructure. It also provides a regulatory framework under which housing delivery components should be delivered. Housing encompasses more than living space and shelter, its proper logical implementation also provides skills and employment. Wherever self-help has been implemented in South Africa, especially when initiated by government, it has not yielded satisfactory results in terms of housing stock and the total development and empowerment of beneficiaries. Having seen some failures especially within governments of developing countries, the World Bank (2000) proposed that the government should abandon the role it plays as provider of housing and adopt an enabling route. The enabling approach will minimise housing backlog in the sense that people on the ground will be responsible for the provision of their houses and the state plays a facilitating role.

What is good about the enabling approach is that it creates a demand for skills training for people on the ground. Such skills can be transferred to other projects or be used locally during housing consolidation. If well planned and administered, the enabling approach has the potential to enhance job creation and sustainability of employment. According to Adebayo (1999) income generation and employment creation are some of the critical aspects on which the enabling approach rests. The success and failure of the enabling approach depends mostly on the political support it receives. According to UNCHS-Habitat (1995), if democracy and citizen participation and control are part of political language and actions, chances are that enabling strategies are more likely to be adopted and implemented. In the South African context, an enabling approach can yield positive results if all actors in housing delivery take it upon themselves to ensure that increasing employment and income generating opportunities are not regarded as a matter of choice but as a matter of urgency in poverty eradication.

### **2.4.1 Skills Development**

One of the reasons why poor people do not have access to housing or improve the houses they already have is the lack of access to finance. In situations like this, the government should play an enabling role so that the gap between beneficiary and traditional financial institutions is minimized through creating jobs for them (ILO, 1995). The logic is that financial institutions cannot give credit to the unemployed, but when economic conditions are favourable for the employment of poor beneficiaries, better credit facilities become available. The importance of employment is the reason why job creation and the sustainability of employment in the housing sector need serious attention.

The transferring of skills to the poor is one of the methods that can be used to create an enabling environment in poor societies. In the aspect of housing, construction skills can give more opportunities to the community. This includes the formation of housing cooperatives, individual contractors and joining the skilled labour market for employment purposes. What is also most important is that training should not deal purely with construction issues. It should also train people on gardening so that poor people can begin to sell agricultural surplus products to the market for income. Sewing also comes into the picture as local schools need uniforms for learners; women can come together and start sewing clubs for local businesses. For those reasons skills development is linked to community development which both lead to sustainability (Bond, 1998). However, it must also be noted that there are many opportunities which are available for poor communities to pursue their goals in income generation and employment.

Community development gives rise to empowerment and these two concepts are often linked and therefore are treated interdependently. Haricharan (1995) defines empowerment as a grouped process where people who lack an equal share of valued resources gain greater

access to, and control over those resources. On the other hand Schuftan (1996) gives a more detailed and complex definition of empowerment: Empowerment is not an outcome of a single event; it is a continuous process that enables people to understand, upgrade and use their capacity to better control and gain power over their own lives. It provides people with choices and the ability to choose, as well as to gain more control over the resources they need to improve their conditions. This definition emphasizes the transformative capacity of empowerment activity which can be used as an instrument for social justice and transformation. Therefore, empowerment can be seen as a process and a product of development.

Community empowerment and community development involve community participation. The participation of communities in the delivery of housing is understood in the context of decision making in housing related issues, skills transferred to the community, and their actual physical participation in the construction of houses. Their participation results in the ownership of the projects, and when people own their projects, they are able to manipulate them in a manner that will also serve different purposes (Knight, 2004). Job creation and employment sustainability are ways in which local people will be able to raise their concerns and problems and also shape projects so that jobs can be created and sustained.

In the South African context, and some other parts of the world, community participation has become a fashionable phrase. Despite the substantial ambiguity in its application, nearly all South Africa government departments, the private sector and the department of housing, have adopted this concept in their discourse. What is prevalent in the South African context is that the implementation of this concept in the lower levels of our communities is still problematic because the level of community participation at grass roots level is still very minimal.

A case study which implemented the principle of training people is found in three countries (Zambia, Bolivia, and Sri Lanka). This case study has shown successful stories which resulted from community participation (UNCHS-Habitat, 1995).

These case studies include DANIDA Training Programme for Community Participation in Improving Human settlements. It has been operated with a belief that the primary resource of a country is its people, who individually and in communities, are a source of ideas that are motivated to change their conditions. This programme is aimed at helping the governments to incorporate community participation into their national developmental strategies. This approach was found to be useful for guiding training in issues such as community participation in settlement upgrading and site and services schemes. In assessing the success in Bolivia for example, a team of architects, social workers and engineers known locally, were engaged by local housing cooperatives to help them to carry out their building operations. This team of professionals was trained in issues around the importance of community participation in the aspects of planning and implementation and managing those houses after they had been constructed (International Labour Office Geneva, 1995). This training emanated from the idea that local people should have the skills to enable them to maintain their houses in case they need to be repaired. These people were also regarded as future useful resources for the community through the use of their skills to consolidate their neighbour's houses. By doing so, jobs were created as these people were integrated into existing construction works as skilled individuals.

Another example whereby poor people were trained in their settlements, and their training helped them to create job opportunities other than housing, is found in Zambia. People got involved in economic activities which attracted customers from other parts of the

world to come and buy their products. Human Settlements of Zambia (HUZA) is an NGO which provides skills training in marketing and product development to assist in the creation and expansion of small scale businesses. Most of the products made are supplied within the local communities. Women produce candles and school uniforms while others, especially young people, have been trained to produce building materials from timber and soil-cement blocks. HUZA concentrates on providing sustained support to small scale entrepreneurs. Though development is taking place slowly, it helps people to survive some of the difficulties of poverty. The result of this project is that some of the women's clubs are now attracting foreign buyers to buy their products (International Labour Office, 1995). Success like this requires the emphasis on training in small business management so that such businesses introduced in local areas are sustainable. Matsipe (2005) indicated that one of the causes of small business failure in South Africa is the lack of necessary business and financial management skills. As South Africa is in a campaign of selling herself to the international market, and she receives a positive response from the global market as one of the safe places to visit, such opportunities can be used by the people who reside in these project areas to expose themselves through their skills and talents in arts and crafts.

What is most important in the above example is focus on training which then leads to sustainable livelihoods of the community in their settlements. The introduction of community participation, community development, and small business management build an economic base in low income communities. This enables residents to maximize their potential and reap benefits from their own efforts. Skills development must also encompass communities, groups and Businesses development in aspects of environmental, social and economic issues involved in housing. This would the allow people to begin to think creatively about the ways in which they can use these



issues to generate income (Sustainable Development Education Panel, 1999).

A case study of Mozambique according to Hooper (1986) gives an example of growth of income generating activities from their state of unemployment to flourishing. To try fighting against unemployment and retrenchment, a state owned forestry company called IFLOMA (which was specialising in building workers' housing), the government and former employees of IFLOMA came together to form a construction co-operative. Because of the perceived demand for service and products, the cooperative started with ceramic manufacturing. Their first product was traditional bricks and later they engaged on a roof-tile manufacturing programme which was followed by a tree planting activity for future provision of firewood. This co-operative went on further to build village schools (Hooper, 1986).

This cooperative gave rise to many other cooperatives in the area, for example, a successful cooperative of 30 members comprising mostly women was established (Hooper, 1986). Further, other cooperatives specialising in carpentry were established. These co-operatives specialised in the manufacture of school desks. Carpenters from two villages who had been employed to make school desks returned to their villages and established local cooperatives in carpentry. This created more job opportunities. The provision of training meant that trainees went to other places to supervise construction projects there, thus enhancing the sustainability of employment. Some co-operatives, which started producing house accessories and carpentry, were successful in diversifying and manufacturing axles and wheels for ox-carts. Another cooperative went into general dealing where it started operating as a bakery and communal farming (Hooper, 1986).

This is one case study which shows the automatic growth of services and products resulting in diversification of jobs and their sustainability. This case study also displayed the strength and power derived from a cooperative nature and willingness by everyone involved in development to change things for the better. Newly established communities and municipality officials can adopt this strategy. Both national and provincial governments can also provide the capacity to their municipalities to start implementing these principles for housing projects and other developmental programmes for the benefit of poor communities who are stricken by poverty.

Another case study is one which took place in Egypt. According to World Bank Development Report (1991), Egypt had a problem with the identification of a proper strategy to deliver its housing stock to the poor and to make its municipalities deliver basic needs to the population. Some of those problems included lack of infrastructure, shortage of agencies with good resources and skills to introduce effective mechanisms for the problem, lack of adequate vacant land; social, political and economic problems also exacerbated the problems. Houses were constructed on peripheries where there were no employment opportunities, and the types of houses built were beyond the affordability of the poor target people. After some time, the Ismailia Development Programme was introduced to change the situation. This programme focused on self funding of land and development and settlement upgrading programmes. Such programmes were technically funded by the British Government's Overseas Development Administration and the United Nations Development Programme. After a thorough study of the whole situation, recommendations for a change of policy were made. A so-called enabling approach was to be designed to render support to all relevant stakeholders including the owner-builder, the provision of land with secure tenure, and a reasonable affordable municipal infrastructure as well as other related services. Jobs for the poor were

created through the provision of site and service schemes and the upgrading of settlements. This encouraged them to improve their own houses.

Newly developed settlements included community centres which comprised public facilities, shops and service offices, workshops, and other important buildings for use by community members. The inclusion of the construction of main access roads, installation of electricity, water pipes, and the collection of solid waste, created job opportunities which were actually part of the programme objectives (World Bank Development Report, 1991). This programme also gave rise to other opportunities such as recreation and tourism centres, and new areas for city development were also opened. Most employment opportunities were created on sites for servicing building related activities, provision of building materials, carpenters and joiners, retail and service outlets for doctors and other professionals (World Bank Development Report, 1991).

These case studies highlight the importance of community participation in community projects. The advantages of community participation can be summarized into two, according to Main (1999):

- **It provides communication channels for community and services providers.** This means that community participation facilitates the identification of people's needs. The opening of communication channels enhances cooperation between authorities and communities, this results in projects that satisfy both the community and authority's objectives and needs.
- **It encourages human resources development.** Perhaps the most frequently cited positive result of community participation is that community get empowered with skills and experience. Although empowerment is not necessarily an outcome, the dissemination of information and the transfer of skills may

release the creative potential of all those involved and such skills can be of good use in future advancement.

## **2.5 The Review of South African Housing Policy**

The Department of Housing (1994) in its White Paper on Housing acknowledges that South Africa is characterized by a high level of unemployment and that this trend rises each year. The Ministry of Housing has taken a bold stand by articulating its commitment in linking housing projects with other development programmes (electrification, water installation, sanitation and roads) to satisfy basic needs as well as provide a sound basis for job creation and economic sustainability. In the implementation of its housing strategy, the housing ministry has made it clear that more emphasis will be focussed on maximizing job creation in the construction sector and allied sectors, particularly labour intensive based construction and utilization of local labour in housing development. This is said to be linked with skills transfer, capacity building and upward mobility for both skilled and unskilled people in the field of housing (Department of Housing, 1994). The current national minister of Housing, Dr Lindiwe Sisulu (Sisulu, 2005) when addressing the housing stakeholders in Durban on 23-24 March at the conference on the eradication of informal settlement, said that the new housing delivery plan which was introduced in 2005 seeks, among other things to utilize the opportunities created in housing delivery such as the installation of infrastructure, the actual construction of houses, the construction of social and economic infrastructure and the management and maintenance of housing stock to create jobs (Sisulu, 2005).

Therefore the theme of delivery of housing to the poor became, among other things, one of the strategies that was going to be used to improve the lives of the people. What actually happens is that many successful government projects are not implemented to the set

requirements and thus fail to reach the targeted poor. A good example is the case of Gauteng province where the Gauteng Department of Housing has just introduced measures to locate new housing projects close to economic opportunities. Alexandra is a good example of a major government housing project intended to serve the poor and to build an integrated Johannesburg. According to Tomlinson (2002), what happened was that when the government tries to relocate poor people to places with easy access to employment, there is a tendency for the poor to be driven out of their houses either by market conditions or downward raiding (whereby inadequately housed but better off groups acquire the sites of poor households). Tomlinson (2002) argues that the reason why the low cost housing target groups are evicted from their houses is because the projects have failed to stabilise beneficiaries to be able to engage in sustainable employment. The developers seem to rely on private sector employment and if, the private sector does not provide employment opportunities, the poor remain unemployed for a long time. For this reason, they cannot continue to pay for the services they consume. The result is that those services are cut off, or concerned local authorities have to provide those services for free, which normally jeopardizes sustainable provision of such services to other citizens.

One of the guiding tools of housing delivery, which amongst other things seeks to articulate the vision, goals, framework, strategies and fundamental principles, is the Housing Code. The Housing Code specifically regards the housing sector as one of the contributing factors to the country's economy. It goes on to say that housing, as a sector has the potential to increase employment and individual wealth, improves the balance of payments, reduce inflation, encourage households to save, increases the demand for consumer goods and services. It also has a positive impact on the health of households and also increase the Gross Domestic Product (National Housing Code, 2000). Very few of these aspects have been implemented in housing

projects and only a small number of beneficiaries have benefited from them. The failure of the programme, according to Bond (1998), is attributed to lack of skills, capacity, clear roles, cooperation and commitment from both municipalities and provincial government officials in linking housing projects with policy requirements.

## **2.6 The Reconstruction and Development Programme (RDP)**

The Reconstruction and Development Programme is an integrated, coherent socio-economic policy framework which seeks to mobilize all the people of South Africa to move towards the total eradication of the apartheid legacy (ANC, 1994). The RDP firstly acknowledged the housing backlog in our towns and townships in South Africa. Therefore, a mass housing delivery programme could help generate more employment opportunities, skills and economic growth. It went on to say that communities should benefit directly from programmes in matters such as employment, skills and award of contracts (ANC, 1994). The RDP aimed to introduce achievable and sustainable systems which will enhance the achievement of government programmes by delivering basic needs of which housing is a part. The central objective of the RDP was to improve the quality of life of all South Africans, in particular the poorest and marginalized sections of our society. The ANC went on to say that this central objective was going to be realized through the process of empowerment which was believed to give the poor an ability to control their lives and increase their ability to mobilize sufficient development of resources such as skills, knowledge and employment which were going to be part of these resources (ANC, 1994). One of the six principles of the RDP was to implement developmental projects through a people-driven process. This principle recognized that people are the most useful resource to be developed and therefore they must actively be involved in empowerment programmes (ANC, 1994). What has been noticed in housing projects is that these highlights from the RDP have only taken place at a minimal level. Many people are still

jobless; their houses do not promote local self-income generating activities or self-employment. Low income people are being driven away from existing places of employment to places where employment is non-existent. This leads people to either lose jobs because they cannot afford daily transport costs to and from their places of work, or they have to spend more of their income on commuting. This shows a direct contradiction between the Housing Policy/RDP and the manner in which housing projects are implemented. The participation of housing beneficiaries is still limited, jobs are created but not for the targeted poor communities and employment sustainability is not accomplished (Bond, 1998).

### **2.8 Growth, Employment and Redistribution (GEAR) Policy**

In 1996, the democratic government introduced the Growth, Employment and Redistribution (GEAR) Policy. This economic policy is the government's strategy introduced to promote social and economic development. It replaced the RDP in the sense that some aspects which were stipulated in the RDP were deviated from. For example, the RDP was to a particular extent poor friendly. It focussed most developmental programmes towards poor people. However, it must also be noted that, it was not a successful strategy as far as meeting the targets set by the new government was concerned, especially in the aspect of housing delivery and job creation. GEAR on the other hand is liberal and most of the systems operate according to the market. The government believed that "economic growth" could redress the problem of unemployment and the legacy of Apartheid in South Africa. But if one observes GEAR's achievements, it is clear that economic growth, which has taken place in the past five years, has not resulted in mass employment; instead people have lost jobs mainly from the formal sector because of economic strategies such as privatisation and globalisation (NUMSA, 2004).

One of the things GEAR was set to achieve is the support aimed at the development of small and medium-sized enterprises. This was stipulated with the knowledge that small businesses have a tremendous contribution to make towards the creation of jobs. The manner in which this was going to be achieved was to make small business finance available to develop this sector. Training in small business management was going to be part of the strategy (GEAR, 1996). Such efforts have been fruitless when it comes to bringing about positive change in the lives of the poor. The main problem has been the lack of direction and commitment to implement the GEAR policy especially at grassroots level. The delivery of low income housing could be used as a platform to channel this support. Small businesses in housing need to be established and be supported to try and bridge the gap of housing backlog and unemployment. Skilled people are needed for the construction of a required level of housing quality. Housing does not come alone; there are infrastructure programmes which accompany housing projects. These programmes must be implemented and be maintained. A demand for technical skilled people has been inevitable in South Africa. Poor projects management skills result in the failure of many projects in the country. Zanele Mbeki (2005) has actually criticised the government for its failure to channel skills to the unskilled people in South Africa. She indicated that the lack of skills results in poverty, unemployment, dependency on state and poor economic growth.

### **2.8 Employment creation strategies in Housing projects**

While housing in the past has been regarded mainly as consumption, good shelter is increasingly acknowledged as a productive investment. The fact that investment in housing is recognized as capable of generating income implies that housing is not only a goal of investment or housing policies, but even more importantly, it is a tool of the development policy. The following strategies demonstrate some potential job creation and employment sustainability opportunities



that can emanate from the provision of housing for low income communities. According to Klaassen (1987) housing is an investment of goods and capable of generating income. Therefore, housing should not be seen as only as a goal of development but as a tool of a policy which deals with economic development and employment creation. As the demand for housing stimulates the demand for labour in the construction and building material industries, its effect on income production in the economy can be very effective. In micro economic terms, housing is a significant component of a household's consumption and savings. The following argument presents the role that can be played by low cost housing projects of multiplier effects in creating employment and income generating activities.

### **2.8.1 Multiplier effects of low cost housing provision**

An investment in housing has an effect on the national income of a country that goes beyond the direct investment itself. This is measured by a multiplier, in this case, an investment multiplier. It is defined as the ratio of the change in national income to the initial change in sectoral investment (United Nations, 1993). In the case of housing, builders earn money which they spend on food and other products produced in the country. They also buy raw materials for building and hire transport to move them to building sites. The occupants of the house will buy furnishings and fittings, and pay for maintenance, all of which creates paid employment and the use of materials. Insofar as these activities produce chains of consumption within the country, so the multiplier effect increases. The most noticeable phenomenon is that much of the labour used in construction belongs to low-income earners, unskilled or semi-skilled; therefore, much of the employment benefit affects the lower levels in society (United Nations, 1993). The increase in housing and infrastructural investment is likely to trigger an increase in investment in building-materials manufacture and transportation (United Nations, 1993).

### **2.8.2 Forward Linkages**

Forward linkages refer to the boost to other sectors as a result of housing. This normally happens after the housing stock has been completed. In addition to direct impacts through employment in construction and backward linkages in employment in other sectors, additions to the housing stock create considerable forward linkages, not only in providing space to work but also in the number of jobs in such industries as textiles, furniture, and household fixtures. In addition, an array of service trades establish themselves around housing areas, many of which provide jobs for secondary-income earners whose contributions are increasingly important as formal-sector wages decline in real terms, many low-income households make their first effort into earning a living this way. Thus, the link between housing and employment in the informal sector is both close and symbiotic as economic activities enable housing improvements, and the latter improve employment prospects and productivity (United Nations, 1993).

In addition to that, the design of dwellings to allow for economic activities has rarely been considered in official housing projects. It is however, quite common for residents to alter their housing units to accommodate some form of home-based economic activity (United Nations, 1993). The benefit of this activity is that as earning power increases poor communities might want to improve the standard of a house through housing consolidation (United Nations, 1993). A major contributing factor to the growth of earning power, especially for the working poor is found in opportunities for generating income in their settlements. A key point is that settlements are not static; they tend to evolve and develop in response to the income-earning capacity of the residents. If this capacity is enhanced and sustained, residents are able to undertake all types of improvements to their living conditions, an example of this has been provided in Cato Manor where local people provided with sheltered spaces to operate their businesses on a

rental basis. This creates opportunities for poor people to start looking at easier means of survival strategies.

### **2.8.3 Backward Linkages**

The source of income multipliers involved in the production of shelter is referred to as backward linkages. These take place before the completion of housing and infrastructure products. Backward linkages are thus measures of the demands created by one economic sector (in this case shelter) for the products of other sectors. They are mainly involved in the building operation and, before that, the production of materials, transport and other activities leading up to construction. UN Habitat (1993) shows how more than 50 per cent of total building costs in Kenya and Mexico is used as the output of other sectors. These inputs include all the materials and the means of transporting them to the site. In general, non-metallic minerals, metals and metal products, wood and its byproducts, are the main intermediate inputs to the construction sector. The inputs from trade and other services are also significant. The construction sector's own inputs are mostly limited to labour costs (UN Habitat 1993).

The backward linkages from the habitat sector are acknowledged to be larger than in most other sectors. This is so even though data collected from official sources does not include informal-sector activities which is especially strong in construction. It must be noted that different kinds of buildings imply different capital-labour ratios and different mixture of skills. The indirect employment effects of the expansion of cement-intensive and steel-intensive houses will remain below those of an expansion achieved with the intensive use of indigenous materials such as brick and wood. Moreover, in the latter case, the benefits will accrue to the small-scale formal sector and especially to the informal sector, both of which tend to be labour-intensive. Just as direct-employment impacts are greatest from self-help projects, so are indirect effects (UN Habitat, 1993).

One of the things that needs to be thought about in the South African construction context is the issue of encouraging the use of locally produced building material. This will trigger a wide range of economic activities where poor people would be able to be absorbed and participate in the economy. The current national minister of housing has actually identified one of the problems that contribute towards the slow pace of low cost housing delivery as the lack of sufficient building materials to meet the demand. The suggestion she raised is that there is a need to build local firms to produce building materials to meet the demand (Sisulu, 2005).

#### **2.8.4 Newly introduced programmes to create and sustain employment in South Africa**

One of the strategies which has been introduced by the current government to deal with unemployment and lack of skills is Accelerated and Shared Growth Initiative for South Africa (ASGISA). The core objective of this initiative as set out in 2004 is to halve poverty and unemployment by 2014 (Mlambo-Ngcuka, 2006). This will be dealt with by the deployment of experienced professionals and managers to local governments to improve project development implementation and maintenance capabilities. This initiative includes the transfer of skills to youth and communities. Much focus is said to be channelled towards empowering municipalities which experience capacity problem in the delivery of services to the communities. ASGISA is a good initiative for the government especially when it comes to the delivery of services to the poor, but it could work much better if it was a two way process. This implies that both people at the top and those at grass root level should experience some form of empowerment. If it is implemented using the top down approach, the danger is, people on the ground will not reap the benefits of ASGISA as aimed at the creation of jobs and economic growth through skills transfer.

#### **2.8.4.1 Local Economic Development**

The relevance of Local Economic Development in this study has been identified in line with the contribution which LED programmes could play in creating and sustaining jobs for the poor housing projects beneficiaries. LED programmes offer local government, private sector, non profit organizations and local communities to come together to improve their economy. Besides focusing on such cooperative approach, among different actors, LED also focuses on both enhancing competitiveness, and thus increasing growth, distributing this growth through the creation of SMMEs and through focusing on job creation.

In essence, LED is about communities continually upgrading their business environment to improve their competitiveness, retain jobs and improve incomes. In the delivery of housing, LED initiative could take these following forms.

- Investing in soft infrastructure like the training of housing beneficiaries by municipalities, institutional support system from relevant stakeholders and regulatory issues;
- Supporting the growth of particular clusters of business like plumbing, block-making, baking, housing construction, make agricultural land available and productively be used to benefit the individual households and communities at large;
- Making opportunities available for local people to manufacture housing construction related materials;
- By ensuring that the local business is linked to big business beyond project, and
- The provision of cleaning and renovation services from within the area.

According to the World Bank Group (2003), the success of the LED depends on how the professionals and local government balance the economic development needs of an area with social needs. This

balance could include but not limited to transportation strategies, housing strategies, anti poverty strategies, education and training strategies, crime and public safety strategies and environmental management strategies.

One of the greatest benefits of a properly planned LED strategy is that it seeks to automatically include all relevant stakeholders involved in housing delivery. This includes local communities, all levels of government and the private sector. This combination enhances shared economic vision, goals and objectives and the action plans. Therefore, it is not surprising to view the delivery of housing in a more holistic point of view as opposed to viewing housing as four corners with a roof on top. Therefore achieving employment sustainability mostly depends on encouraging growth to small local businesses. This encouragement involves providing advice, support and resources to enable the newly and old businesses to grow. Another way in which municipalities can ensure that businesses are sustainable is to do business survey. This survey can help in identifying problems newly established businesses are experiencing. The importance of this activity is that it allows the municipality to provide solutions for the problems they have pick up during the survey. Such solutions include retraining, management and marketing programmes and long term business mentoring programmes (The World bank Group, 2003).

## **2.9 Constraints to the creation of jobs and income generating activities in housing**

The low income housing sector represents the majority of housing in developing countries hence efforts should be made to improve the strengths of local poor people to enable them to develop their capacity to be productive and create sustainable employment opportunities (Bhalla & Edmunds, 1993).

What normally happens in South Africa is that housing projects are not used to enrich beneficiaries; instead the provision of housing is regarded as the sole mandate of municipalities and provincial government. Poor people are not adequately trained to meet all the requirements of housing construction (Ndinda, 2002). This means that people are still regarded as passive individuals who cannot contribute anything in the process of housing delivery and people who cannot take anything of value from the delivery process other than a house. This is a serious contradiction to the post apartheid housing policy of South Africa.

There is also a tendency on the part of governments to give low cost housing construction projects to large and medium scale contractors. These contractors are at an advantage because they have the experience and they are given credit by traditional finance institutions (Ndinda, 2002). This means that they are anxious to meet delivery deadlines and they also demonstrate their efficiency which is good in economic terms. Another problem experienced by small-scale contractors is the lack of required construction skills both in terms of construction "know-how" enabling builders to build more economically, faster and with minimum effort (what might be described as the "tricks of the trade"), and in terms of management skills. The latter includes organizational skills in costing, planning, scheduling etc. which, if missing, inevitably leads to customer dissatisfaction and the lack of development opportunities (Bhalla & Edmunds, 1993). Tendering for contracts is another stumbling block for the small scale contractors. They are often undercapitalized and they lack information as to where they should go for help if they want to bid and the procedure they should follow if they want to have access to loans and credit. Therefore, small scale contractors find it difficult to compete for larger contractors. The result is that their strength is ideally limited to operate in self-help housing projects (Bhalla & Edmunds, 1993). The result of this is that newly emerging

contractors who are mostly low income earners, have small development opportunities.

Such a gap has created a high demand for approaches which recognize the role of human settlements in establishing and sustaining community's access to income (UNCHS, 1989). Problems which are recognised as causing blockages in helping poor people to be integrated into the economic arena of the country have been identified. Solutions for these problems can only be provided for, if job creation in low cost housing is not seen as an option but as an obligation.

According to Bowes & Pennington (2002), sustainability in housing projects is said to be understood in terms of four pillars that support sustainable development. The first pillar is that the projects must be able to address environmental challenges, especially when it comes to waste management and sanitation related issues which can contribute to employment creation. The second pillar implies that housing projects must be able to generate economic empowerment which includes job creation, training on entrepreneurship, giving support to emerging contractors, the provision for home-based enterprises and the empowerment of previously disadvantaged groups. The third pillar is that housing projects must be able to enhance social capital, in the sense that sustainable housing should address poverty alleviation by responding to the socio-cultural needs and practices of beneficiary households and communities. Fourthly, effective housing projects must be able to build institutional capacity. This implies an ongoing management and maintenance of the place. This has to do with the relationships between the key institutions in the housing sector, including the public sector, private sector, civil society and housing beneficiaries (Bowes & Pennington, 2002). These pillars have provided a base and background of support towards the study by making it clear as to what the study should look for. These key indicators were



partly used as a form of assessing the success and failure of the housing projects in meeting the objectives as set out in Post Apartheid Housing Policy and The Reconstruction and Development Programme.

What must be noted about this study is that it has taken a different angle in assessing job creation and employment sustainability. This is done by analysing employment sustainability at a local residential rather than provincial or national level. This dissertation argues that the logical approach to employment sustainability focuses on growth being started from a local and evolving to a national level. Focusing at the local level was seen to be more advantageous for several reasons as indicated by Maser (1997). Firstly, the local level is where the people and the natural environment interact most often and most directly. Secondly, local actions and strategies can often be most effective at addressing existing human and social problems. Thirdly, individuals live their lives in a particular place and can have an impact by altering how they consume and what they consume. Finally, in localities, individuals and organizations produce things that are eventually used and consumed. Such practices will eventually result in sustainable communities, cities and towns that prosper because people work together to produce a high quality of life for themselves. In the aspect of housing improvement, sustainability of employment is able to produce good results in the extension of houses by poor communities. This will lead to improved housing conditions, better health and better policy achievements.

This study emphasizes the application of sustainability principles on employment opportunities for poor communities. Such principles include encouraging economic self-sufficiency through local ownership and maximum use of local resources, to strive for the equalization of the benefits and burdens of growth, leverage and recycling limited public funds, and lastly to ensure full public participation of the

people normally excluded from the political and economic mainstreams of South Africa.

### **2.10 Advantages resulting from the creation and sustainability of jobs**

Job creation and employment sustainability is seen as benefiting many stakeholders other than beneficiaries. The following benefits resulting from employment have been identified as mentioned by Knight (2003):

- When people have an income, they have buying power to consume goods which in return helps in economic growth and taxation in the country.
- People are able to pay without defaulting for services such as water, electricity, waste removal etc which they consume from municipalities without defaulting. This helps municipalities to extend their services to other communities on a sustainable basis.
- It gives income earners access to credit. Access to credit helps people to have loans to extend starter houses. This leads to better health and proper food security.
- Well built and well maintained housing stocks which emanates from having access to income leads to good environment. This leads to good interaction between people and their environment which this then results in sustainable development and settlement sustainability.
- People will be able to spend more on the education of their children and themselves. The benefit of this is that human resource development which is one of the country's challenges will become possible. This will lead to an increase in productivity in their jobs and sustainability in their businesses.

Having looked at international, national and local case studies, it becomes clear that if all relevant parties involved in the delivery of low

cost housing were to cooperate with one another and begin to work on the common goal of using housing projects as a mechanism to fight poverty through the creation of jobs and means to sustain those jobs, it is highly likely that the elements of poverty could be uprooted. Literature on the topic under study shows that job creation and employment sustainability are achievable goals. However, it calls for more commitment from the project implementers, developers, contractors, Non Governmental Organizations, professional consultants (Private sector) and civil societies to combine their intellectual and physical resources towards working for a better life for all.

Having looked at the theoretical framework and the literature, it appears that the improvement of the lives of the poor through the provision of jobs and their sustainability is not a one man show. It requires a thorough analysis and understanding of the strategies and work on how they can be improved. This must be done holistically with an acknowledgement that every living individual has the right to have access to a better life.

The following chapter provides the context in which the research took place by outlining the historical and development background for both case studies.

## **CHAPTER THREE**

### **Background of case studies**

In order to enhance the understanding and context in which the study was conducted, information on the historical background of case studies was deemed necessary. Besides the historical and social background, this chapter serves to introduce some activities which have been put into place to enhance the creation of jobs and assess if those jobs were sustainable or not.

#### **3.1 Historical background of Wiggins uMkhumbane**

Wiggins uMkhumbane is located within Cato Manor which is a historical popular area to the west of Durban CBD. Wiggins uMkhumbane is divided into two parts; Eastern and Western Wiggins. The study covered both places for full representation of the full population of the area. The history of the Wiggins uMkhumbane housing project is covered within the history of Cato Manor as it forms part of the various Cato Manor subdivisions. Map 3.1 shows the location of Wiggins uMkhumbane.

After the removal of African and Indian people from Cato Manor in 1959 as a result of the Group Areas Act, Cato Manor remained underdeveloped and neglected until the late 1980s when it emerged as a good place for development. Its vacant land attracted waves of informal settlements leading to widespread land invasions (CMDP Report 1994-2004). There were no local employment opportunities created in the area as many people only used the area for accommodation purposes. Their places of employment were based in the CBD. Things began to change for the better in the early 1990s when local people and non government sectors identified the area as a node for development.

This recognition gave rise to what was known as the Greater Cato Manor Development Forum (GCMDF). This body was established in January 1992 to give guidance and advice on issues that were to be



Map 3.1: Showing the location of Wiggins uMkhumbane Housing Project

considered in the holistic development of Cato Manor. Stakeholders agreed to co-operate in the process of planning and development in order to explore the possibilities of co-ordinated development and to work towards the creation of a non-racial, democratic implementation vehicle (CMDP Report 1994-2004). The newly formed structure (GCMDP) worked hard toward accessing land rights for development, to obtain funding and also to set up an organisation that was going to facilitate Cato Manor's development process. In 1993, the GCMDP as a formal structure and its organizational membership was resolved and the Cato Manor Development Association (CMDA) was established under Section 21 of the Companies Act (CMDA Report 1994-2004).

By the end of 1995, there were at least 28 000 people who were informally housed in Cato Manor (CMDP Report 1994-2004). There are factors which contributed towards the challenging first years of operation of the CMDA. It had to deal with complex and multi-faceted situations at ground level, while at the same time, having to engage in forward planning in order to lay the foundations for the holistic development of Cato Manor. Other characteristics of the social landscape included a population of which more than 65% were younger than 26, while only 12% had a high school education. A third of the economically active population was unemployed because programmes that could enhance local job creation were still non-existent.

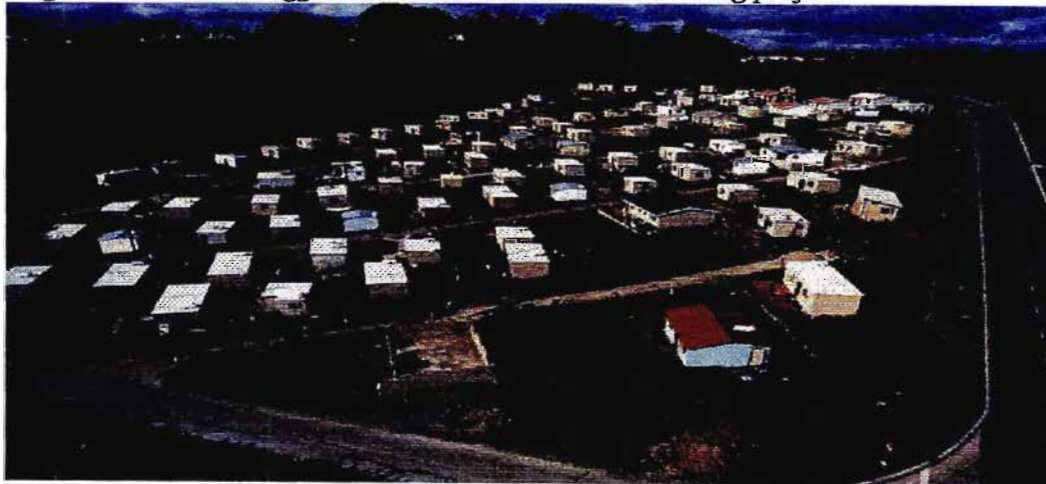
The first responsibility of the CMDA was to develop a vision for Cato Manor. This envisaged the area as a vibrant, high density, balanced, sustainable urban environment appropriately integrated into the surrounding areas. The place was viewed as having the potential to offer a mixture of residential, economic, social and community opportunities, targeted mainly at the urban poor. Its mission was to ensure that Cato Manor was rapidly developed into a holistic, quality urban environment, in a manner that could lead to the generation and redistribution of economic opportunities, build local capacity and the

improvement of the standard of living for the poor (CMDP Report 1994-2004).

The CMDA vision was to be realised by the creation of an efficient and productive 'city-within-a-city' aimed mainly at helping poor and marginalized individuals with access to basic needs. According to the CMDP Report (1994-2004), this was going to be achieved through the provision of affordable housing with security of tenure and the development of Cato Manor's infrastructure, including bulk services, to reduce disparities created during apartheid. This was aimed at was the improvement of access between people's homes and places of work, social facilities and shopping sites, the establishment of safe and secure living and working environment, the provision of jobs and extensive economic opportunities, and the integration of Cato Manor into the eThekweni Municipality – spatially, politically, economically and socially.

Wiggins uMkhumbane as part of Cato Manor and our area of focus began to be visualised for development from 1995.

Figure 3.1: Part of Wiggins uMkhumbane low cost housing project



Source: Cato Manor Development Association ([www.cmda.org.za](http://www.cmda.org.za))

Housing the poor was seen as the first priority to be undertaken by the newly formed CMDA. The housing project in Wiggins uMkhumbane took a greenfields form of delivery. Houses were

constructed within the available subsidy budget enabling new home owners to move into their new houses without the burden of debt.

The experiences that Wiggins uMkhumbane had gone through as a residential area have shaped the way people in this area interact with their present and future status. Under the leadership of Ms M. Chamane, as the current ward councillor, Wiggins Fast Track has achieved serious attention when it comes to tackling development issues especially the establishment of business co-operatives, business centres and ward offices (CMDP Report 1994-2004). However, it must also be emphasized that some of the households within the area are still living in informal settlements and they are without formal employment or any source of income. Therefore, this study looked at the impact of the housing projects introduced in the area and how people's lives had been changed as far as job creation and employment sustainability were concerned.

### **3.1.1 Key Partners in the development of Greater Cato Manor**

Since its inception, the CMDA has placed a strong emphasis on building effective partnerships with players in the public sector, the community and the international arena. Key funders of the Cato Manor Development Projects are the South African Government, the European Union (EU), the Provincial Housing Department and the eThekweni Municipality (CMDP Report 1994-2004). Earlier phases of the project were supported by the United States Agency for International Development (USAID) and the Swedish International Development Agency (SIDA), the Independent Development Trust (IDT) and the Development Bank of Southern Africa (DBSA).

Relationships with funders grew beyond conventional funder-recipient associations to become robust partnerships. Strong ties were established with a range of Non-Governmental Organisations (NGOs), Community Based Organisations (CBOs) and Development



Committees (DEVCO's) as well as with universities and technikons. The delivery of essential services in Cato Manor has been streamlined through joint partnerships with the police, welfare, housing, education and health departments. In particular, public sector and community partnerships have seen community safety and health care significantly boosted in the area. The combined co-operation of these stakeholders has enabled the momentum of the CMDP to continue striving for success, sometimes in the face of difficult circumstances on the ground. Various organizations like CMDA and Khuphuka were called in to come and empower people in Cato Manor with various skills. Employment was a major concern of the leaders in the area as quite a number of people were unskilled, unemployed and there were very few self employment opportunities available in the area (CMDP Report 1994-2004).

### **3.2 Historical Background of Westrich Housing Project**

Westrich housing project is located on a buffer strip between the formally developed Newlands West area and the informally developed, but currently developing Richmond Farm area (Durban Metro Housing Unit, Amended Document Housing Contract, 1997).

The establishment of Westrich was not an easy task because before the 1994 democratic elections, the Durban Municipality was using the old municipality boundary development system. Development was still focused on white demarcated areas. Westrich had no infrastructure on the ground and it was just an undeveloped area. Funds for land and transportation development were firstly allocated to Whites, then Indians and lastly to Black areas around Westrich. Housing development, as part of housing the poor, only started to be acknowledged to effect change and transformation after the 1996 local authority elections (Stan, 2005).



Map 3.2: Showing the location of Westrich Housing Project

The Durban Metro Housing Unit developed the Westrich housing project. The background of the establishment of Westrich came about as a means of providing security for the Indian community against the so called growing crime rate due to the growth of slums in the bordering patches of Newlands West. Map 3.2 above shows the location of the low cost housing dwelling units against middle income houses. The Indian community in Newlands West motivated the establishment of the Westrich low cost housing project so as to buffer the informal areas from the west and the north of Newlands West. People from black townships around the area, such as Inanda, Ntuzuma and KwaMashu, were asked to buy into the idea of a low cost housing project. Spatial and open space development negotiations with the eThekweni Municipality started early in 1996. This is where ward development committees and Road and Traffic Transportation Fora were established to effect development issues in their location (Stan, 2005).

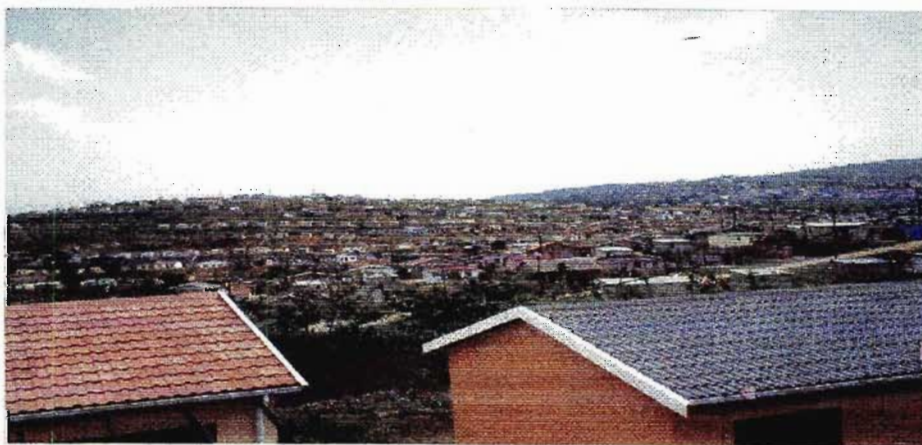
As a member of the Inanda Development Forum and Transport forum, "I happened to be fortunate enough to attend and facilitate such workshops" (Stan, 2005). Late in 1996 a resolution was taken to implement Westrich housing project for the "poorest of the poor". Immediately after Mr Inbanathan Naidoo was elected as a councillor, he began to write and motivate proposals to the eThekweni Executive Committee (EXCO) for the development of the area. After the proposal was approved by eThekweni Municipality people were transported from Inanda, Ntuzuma, KwaMashu, Umlazi, and Klaarwater to come and register for the Westrich low cost housing project (Stan, 2005).

One of the objectives set up by the Durban Metro Housing Unit was that the implementation of Westrich housing project should fulfil the ideals of development of beneficiary skills and create jobs in the area. This was set up in a way that such skills could be used on a regular basis especially in housing consolidation in the area (Durban Metro Housing Unit, Amended Document Housing Contract, 1997).

It took time to get income generating programmes run as people needed to be trained and empowered to enable them to sustain their lives. Clean and Green project was initiated by Durban City Health Department Committee for local people as a competition. Beneficiaries were given a site to plant some vegetables. These vegetables served were eventually given to people who were infected with HIV/AIDS in the area. The surplus produced was sold to local people and thus income was generated. The programme did not only generate income, but also helped with the unification of different racial groups through recreational and sports activities. During sports days beneficiaries especially women used to come and sell food stuff to people on the sports fields (Stan, 2005).

This historical background of Westrich has shaped the way people interact with one another. There are however people who have not adjusted to the new place because they feel that they do not belong there. They raised this as a complaint because they indicated that they don't feel welcome in the area as they left social networks and human support systems which they had established in their areas of origin (Stan, 2005).

Figure 3.2: Part of Westrich low cost housing project which appears across the middle income houses at the front.



Source: Field Survey, 2005

This is where the Westrich study took place and as the following chapter presents the finding and data interpretation.

## **4. CHAPTER FOUR**

### **4. Research Findings and Data Analysis**

In analysing the empirical data obtained from conducting the research, this chapter will firstly outline the purpose of the study to lay the foundation of the interpretation of the data. The study was carried out to assess the extent to which greenfields housing projects are able to create and sustain job opportunities for beneficiaries. This included the assessment of actions and preparations made by the eThekweni Municipality to ensure that job creation and employment sustainability within these projects was accomplished. The study was aimed to cover:

- The skills which were offered to beneficiaries before, during and after the projects, as a form of equipping people for employment purposes. Strategies used to introduce and allocate resources to the community for effectiveness in enhancing sustained employability were also investigated.
- The participation of the beneficiaries in the physical construction of their houses. The study was also able to assess if this participation was of benefit to beneficiaries in terms of having access to housing construction related jobs within projects.
- The ability of the projects to help beneficiaries to engage themselves in self employment activities as one of their sources of income (empowerment).

Part of the research question was to look at the sustainability of employment opportunities which were created during the implementation of the housing projects in instances where they were created. This was done by looking at beneficiary participation in the projects, skills that were transferred to beneficiaries and comparing those with the types of work beneficiaries are now doing (the most common source of beneficiary's income). This helped to indicate the short and long term implications of the projects in assisting people

with employment sustainability. The literature review on low cost housing projects and their potential in creating and sustaining jobs in the previous chapter, approaches used and the backgrounds of case studies played a very crucial role in the interpretation of the data. Sources of data encompassed the housing beneficiaries of both Wiggins uMkhumbane and Westrich low cost housing project, eThekweni Metro Housing Unit, local ward councillors for both case studies, and a Non Governmental Organization (NGO) called Khuphuka which facilitated income generating activities and self employment of the beneficiaries.

Data analysis was carried out under key themes designed to answer different aspects of the main research question.

#### **4.1 The participation of beneficiaries in the projects**

The participation of low cost housing beneficiaries in the implementation of housing projects is one of the key areas which are regarded to have played an important role in the empowerment process of individual beneficiaries. Their participation could actually have given them skills and experience which they can use to gain access to employment and sustainability of income. The Housing Policy also puts emphasis on this aspect in its housing delivery methods.

##### **4.1.1 Wiggins uMkhumbane Project**

The question of beneficiary participation during the implementation of the project in both the eastern and western parts of Wiggins received a lot of negative responses. Participation of beneficiaries was very limited in the construction of their houses. Most of them were staying in informal (shacks) houses in the area before the housing project was implemented. Figure 4.1 shows the latest development of dwelling units which emanated from the housing project.

Figure 4.1: Part of Wiggins uMkhumbane low cost housing project



Source: from Field Survey, 2005

The only participation they mentioned was that they used to be called for meetings and were asked to register for RDP houses. After registering for their houses, beneficiaries waited until their houses were complete after which they were called upon to occupy them.

Since more houses are still under construction in Wiggins uMkhumbane, the study went further looking at procedures and practices in enhancing beneficiary participation in the area. According to the empirical study, what is currently taking place regarding beneficiary participation in Wiggins is that 51 beneficiaries (75%) complained about lack of transparency in the selection process used to identify beneficiaries who could attend the training programmes. These beneficiaries raised the fact that for a person to get selected for training and employment in the area, that person should have a connection with one of the members of the local development committee. Beneficiaries also indicated that a lot of people who worked in their area were not familiar to them and they did not even know where they come from. What they said was that a number of development committee members in Wiggins who, instead of giving jobs to local people, went as far as calling their relatives



living in rural areas outside the borders of Wiggins uMkhumbane and referred them to the project manager for employment. One of the residents even said that “You must be in good terms with the development committee to get a job or any training”.

#### **4.1.2 Westrich Project**

The participation of beneficiaries in the housing project in Westrich was also very minimal. Out of 31 respondents, only one beneficiary (3%) said that he had participated in the project as a subcontractor and this participation lasted for only six months. His task as a subcontractor was to mix concrete and make foundations for the houses. One of the main reasons raised by the eThekweni Metro Housing Unit regarding the lack of beneficiary participation is that most of the beneficiaries were not originally from the project area (Westrich). Four (13%) informants who responded to the question of their participation, who were already in the area before the project started, actually mentioned that they used to see big trucks transporting people from outside Westrich to work on this housing project. As far as their participation is concerned, 30 (97%) of beneficiaries said that they achieved nothing from the project except houses. They are however now beginning to witness participation as more houses are being constructed in Richmond Farm, a location close to Westrich. They said that some local people there are being employed and trained in housing construction related skills. However, participation is limited to a small number of people and many of them are still unable to get employment. Contractors continue to bring people in from outside the project area to do unskilled or semi skilled jobs. The person who said that he had participated in the project said that he was the only person from the area who got a short construction contract which also ended after six months. The municipal development workers said that the tendering process was determined by the council's tendering department. A contractor from Clermont was given a tender, and the

people who were employed were trucked from Clermont, Richmond and Lindelani.

According to an eThekweni development worker, a development committee was established with the aim of looking after the interests of beneficiaries. The Municipal Housing Unit was tasked to drive the process. Long meetings were held to discuss issues of employment opportunities in the area. Unfortunately none of the beneficiaries from the settlement was able to secure a long term contract in the project. These few local sub-contractors were taken advantage of by being used by large white and Indian owned businesses to get tenders, local people never gained any share nor participated in any of the activities of those business ventures (fronting). Black contractors were invited to participate in a business venture with highly experienced white and Indian owned contractors. Those big companies submitted tender documents to the municipality. What happened is that black owned companies participated in paperwork only, not in physical implementation of the project and shares were not fairly distributed to them.

This indicates that the Westrich housing project never fulfilled the beneficiary participation aspect of the project. If people were called to come and register for RDP houses, they should also have been called for employment and training programmes.

This study is not about comparing Wiggins uMkhumbane and Westrich housing projects but it would be good to weigh these case studies against the Housing Policy. From what has already been indicated above, and the points to be raised, it seems that Wiggins uMkhumbane has complied with the requirements of the policy as far as beneficiary participation in the physical implementation of the project was concerned. This could be attributed to 15 (22%) trained beneficiaries from Wiggins as opposed to 1 (3%) from Westrich.

Trained beneficiaries from Wiggins were given opportunities to showcase their skills in the building of the local crèche. Furthermore, the recognition of the participation of organizations like CMDA, the community itself and the participation of some of the professionals from the former University of Natal in shaping Cato Manor to be what it is today. When looking at Westrich, there was no participation of beneficiaries in the construction of houses and in decision making. There was no local organization to represent the interest of local people, and no housing practitioner from the municipality who took the responsibility of facilitating the beneficiary participation in the project. People participation is understood to have been enhanced especially to identify the skills level of skills that people had and as to how those could be improved. Only after the houses were constructed did the municipality start to introduce some income generating training programmes. This raises the question of whether poor people will only receive better services from the municipality provided that they have someone or an organization representing their interests, and not on the basis of a standardized policy.

#### **4.2 Training provided for beneficiaries**

According to the interview with the senior Project Manager of the eThekweni Housing Unit, a low cost Housing Support Centre within eThekweni Metro Housing Unit was established within the municipality. This centre ran in parallel with both housing projects (Wiggins and Westrich). The primary aim of the centre was to oversee the development of housing beneficiaries in terms of their development and skills transfer during the implementation of the projects. This centre was responsible for three tasks. The first task was specifically to deal with the provision of information on housing subsidy schemes and how beneficiaries could access them. This was done through community outreach programmes. The second task was contractor support which specifically dealt with training of contractors in bricklaying, plumbing and other housing related skills. The third

task was to facilitate all other training activities which were taking place in these areas, but related to housing. This involved organizing organizations which provided training in construction and other income generating programmes. What transpired from the interview is that people (contractors) other than housing beneficiaries (local) benefited from these programmes especially those in the Westrich project. It could be said that the project in Wiggins was able to help local people though to a limited extent as figures in the findings show. According to the interview with the senior Manager of Housing Support Unit, R8 million was spent on setting up the housing support unit and in developing project beneficiaries. This initiative was regarded as a skills development programme hence the biggest portion of the money came from the national Department of Labour (DoL). Officials who were involved could not remember the exact total number of people who participated in this programme. This is how the money was spent.

- More than R500 000 was spent to establish the Cato Manor Housing Support Centre. This centre helped more than 250 SMMEs and building contractors in the provision of storage facilities and material distribution. More than R700 000 was spent on the construction of the Inanda Housing support Centre. This centre helped to train contractors who were going to build houses in Westrich
- More than R2 million was committed to hard skills transfer (bricklaying, carpentry, plumbing, electric wiring, construction and roofing). Organizational development and capacity building was given to more than 200 small contractors from Inanda.
- More than R1 million was committed to wood and steel manufacturing which helped 40 emerging contractors in Inanda who specialised in furniture making.

- More than R100 000 was spent in each project to buy machines to run some of these business.
- In partnership with the National Department of Environment and Tourism, more than R4 million was spent on a variety of income generating programmes especially block manufacturing, wood and steel manufacturing and incubator storage.

Even though sums of money were committed to these projects it must be noted that housing beneficiaries, especially in Westrich were not among those people who shared this piece of the cake. People who performed all these duties and became skilled were people who were not going to be part of the housing project beneficiaries.

#### **4.2.1 Training in Wiggins uMkhumbane Project**

Jobs for beneficiaries were created through the transfer of skills in block-making, carpentry, making of steel related products, plumbing, electrification and bricklaying. This training was provided by Khuphuka which is an NGO based in Mobeni. “Beneficiaries to be trained were selected by the local councillors and their ward development committees, and were referred to us” said the senior project manager in the eThekwini housing unit. According to the development committee of Wiggings, the area was divided into some small regions and two people from each region were selected for training. This activity continued even after the implementation of the housing project was completed.

Due to departmental changes within the municipal housing unit, the contractor training programme was transferred to eThekwini Economic Development Unit where unfortunately it is no longer implemented. According to Khuphuka which is the organization which was responsible for training selected beneficiaries, skills that were transferred to beneficiaries could enable them to sell their labour to

employers or to create their own employment opportunities. However, according to a representative from Khuphuka, whether people get employed all depends on what opportunities are available for work or to start small businesses. This highlights the fact that training becomes meaningless if opportunities for work are not made available. In relation to this study and according to the Housing Policy, locally trained people would be used to gain practical experience according to the training they received. Wiggins uMkhumbane gave an opportunity to its trainees to build a local crèche for their community. This was done to test their skills and to see if they could be given more responsibilities within the area. After completing the pre-school they were tested competent, they were mandated to build houses, roads, pavements and other construction related activities on an employee basis. Some people were trained in carpentry, sewing, gardening, baking, keeping chickens, beadwork, and on local health work related skills. After completing the training, all these people came back and got jobs. Others have started their own businesses according to the training they received. The leadership of Wiggins uMkhumbane, in cooperation with the eThekweni Municipality, must be commended for this effort though there was still room for improvement in the sense that the programme could have covered more beneficiaries than it did. In addition to the above mentioned skills given to selected beneficiaries, Khuphuka also provided small business management skills as part of training programmes.

After the training programme, people were divided into several groups to start income generating programmes and self-employment activities. This included steel product making, catering, gardening, salons, and security groups. To ensure sustainability of these programmes, Khuphuka mentored people from Wiggins for a period of one year and Westrich for two years. These people were grouped together to form business entities such as Close Corporations (CC). They were given equipment worth R100 000 to be used on each site.

Immediately after the training, some of the people who were trained and who were in the mentorship programmes, dropped out. The reason raised by the eThekweni Municipality is that those who dropped out were the people who still have a mentality of always being employees. They did not believe in themselves or that they could make things happen in creating jobs for themselves. Another thing was that they thought that they were going to be rich quickly but things did not happen as they thought they would. They started to look for jobs and because of high competition, few of them got employed. Others started to look for big tenders which they were not even ready to implement.

The total number of informants from Wiggins uMkhumbane, 43 beneficiaries (63%) said that people who reap the benefits of training programmes are those who have their houses constructed now, as most of them received training and they were also employed within the location. According to the first group of beneficiaries, the training that was provided only reached a very small number of people in the area.

What also became apparent from the research is that 30 informants (44%) indicated that most of the people who went for training were those on the development committee and their relatives. One informant, who was part of the group which went for training but not a committee member, said "I dropped out because I felt sidelined. Meetings were called and some of us were not informed about meetings but all committee members used to always make it to the meetings"

What comes out of this is that as the post apartheid housing policy was aimed at empowering the poor section of society, the findings show that empowerment has only taken place at a very minimal level. The phenomenon of training committee members and only a few members of the local community was found to be common to both case studies. There is nothing wrong with them becoming part of the

group that went for training, but what makes everything questionable is that when there is a development project in the area, they might always have the advantage of getting everything to their benefit over the rest of the community. This hinders the accomplishment of the housing policy on issues of job creation and employment sustainability.

A cabinet making programme was established by Khuphuka in Westrich. The programme included five youths, five women and ten men, totalling twenty people from Westrich to run the programme. It was given a two year mentorship period because of difficulties involved in its operations. During this period Khuphuka mentored beneficiaries in aspects of customer care, marketing, quality control, etc. It also linked them with their potential customers. However, one of the problems experienced by Khuphuka was that when the production group sold their products primarily to people or communities who were themselves largely unemployed, the chances of business succeeding became very minimal. Therefore the sustainability of business also depends on support from within the settlement being developed and/or methods being developed of gaining access to a market outside the project.

In Westrich, a group of 25 (8%) young people from the total population of 305 households studied were given for training by Metro Parks in horticulture, effective gardening skills as well as in general project management skills. After the training, a gardening project to feed beneficiaries suffering from both AIDS and Tuberculosis within the area, was established and assigned to the newly trained youth as part of practical training. But immediately after Khuphuka stopped their mentorship, and because of the lack of sufficient water next to the garden, young people became demotivated and the group dispersed. A need to cut grass in the area arose and the tender was given to one of the established Close Corporations (CC) within the ward which was



solely led by black beneficiaries. This CC employed approximately fifty people from the area under the directorship of Mr Khuluse of Riverdene who was the founder of the CC. Early in 1999 about 20 (7%) young people from Westrich's 305 total population were funded by uMsobomvu Youth Fund to be trained by Khuphuka in furniture making. But after two years their group was also unsustainable as a misunderstanding on issues of money arose and the whole group dispersed. The machines which were purchased through the Department of Labour's fund are still there but under-utilised. About 7 (35%) of those young people who were trained decided to come back and operate on an individual basis using the facilities. The rest have joined the labour market and some are employed in Springfield shopping centre. Lately, the machines provided by the municipality for use by the youth are now used by 4 old men who utilize their experience to manufacture steel and aluminium related products such as window frames, door frames, burglar guards, steel gates, pot-stands, television stands and other products depending on the needs of their customers. These 7 young people have now been employed by these 4 men who are producing high quality products. More details on this are found under the existing income generation existing programmes sub-theme. Out of all the beneficiaries who were informants to the study only 15 (22%) agreed that they got some form of training from the project.

#### **4.2.2 Training in Westrich Project**

Of 31 beneficiaries interviewed, 4 (13%) said that they had received the above mentioned training but that there had been conflicts which led to discontinuity of the team. The reason for the discontinuity was said the lack of integration among the group members. They said Westrich was made up of people from various townships and problems arose when one group wanted to dominate the other, who in turn did not want to submit to their ideas. This lack of understanding led to fights over small things. They said Westrich is made up of different

people who came from different townships. Stereotyping led to others failing to submit to other people who came from other townships. So, the main problem was in other groups wanting to dominate and other groups from other places not wanting to submit to the whole group. This lack of understanding led to people fighting over small useless issues because of lack of understanding.

### **4.3 Beneficiary's employment status and other sources of income**

#### **4.3.1 Level of employment in Wiggins uMkhumbane**

When looking at the beneficiary's employment/unemployment rate in Wiggins uMkhumbane, the first table 4.1.3.1.1 shows that those that are employed make 19 (28%) from 68 informants in total. People indicated different areas of employment as shown in table 4.1.3.1.1 below. Seven people (10%) said that they were employed as domestic workers. All of them are employed outside but close to the project area in places like Westville, Manor Gardens, Pinetown, Glenmore and Sherwood. These are suburban residential areas occupied by whites/black middle to high income earners.

#### **Full time employed beneficiaries in Wiggins uMkhumbane**

Table 4.1.3.1.1: Shows full time employment categories and the number of respondent per category in Wiggins uMkhumbane

<b>Categories of full time employment</b>	<b>Number of respondents doing the job</b>	<b>Percentage of the total population</b>
Domestic work	7	10.0%
Cleaning	5	7.4%
Construction	2	2.9%
Plumbing	2	2.9%
Making tyres	1	1.4%
Catering	1	1.4%
Secretary	1	1.4%
<b>Total</b>	<b>19</b>	<b>28%</b>

Five people (7%) employed as cleaners said that they perform their work in places like Pavilion Shopping Centre, Inkosi Albert Luthuli Central Hospital, and shopping complexes in Bellair and Mayville. Two people (3%) said that they were employed in construction related jobs. When combining 2 housing construction and 2 (3%) plumbing jobs, which are both housing construction related, it means that four jobs have been sustained. Two (3%) of those informants said that they received training offered by the training organization (Khuphuka) during their housing construction. The lack of ongoing construction projects in the area might be the reason why people have failed to sustain their jobs in construction. Even if construction projects were taking place, the absorption of local people was at a minimal level. Another reason might be that housing consolidation is taking place at a slow pace since many housing beneficiaries are unemployed.

### **Casual employment in Wiggins uMkhumbane**

Ten of the people (15%) indicated that they are involved in casual employment as per table 4.1.3.1.2. Seven of those informants are involved in housing related employment (construction 3, steel business 2 and shop alteration 2). They also indicated that they were part of the group which was trained by Khuphuka. This means that the potential of getting employment becomes greater when skills have been given to people.

Table 4.1.3.1.2: Shows the number of people doing different casual jobs in Wiggins

<b>Casual jobs</b>	<b>Number of respondents doing the job</b>	<b>Percentage of the total population</b>
Construction	3	4.4%
Shop alteration	2	1.4%
Domestic work	3	4.4%
Steel making	2	3%
<b>Total</b>	<b>10</b>	<b>15%</b>

### **Self employed beneficiaries in Wiggins uMkhumbane**

From the total number of 68 beneficiaries, those beneficiaries who said that they are self employed made up 19% of the total of 13 informants as shown in table 4.1.3.1.3. Three of them (4%) are self employed in relation to skills which were offered during the housing project. They are in construction, gardening, and catering. All informants said that besides the training which was organized by the eThekweni Housing Unit which was offered by Khuphuka, they had also attended other workshops which were organised and paid for by the CMDA.

These workshops included training in catering, tourism and small business and financial management skills. One of the dominant forms of self employment in the area is that of cooking for the taxi men, selling to school children and selling in town, these totalled 10%. This is followed by tuck shops where people buy things such as biscuits, bread, tea material, and some fruit and vegetables, which made up 4% of the total population. Maybe to sustain and develop these tuck shops a strategy is needed as to how to make them more innovative and productive and to be supported by leaders and the local community for sustainability. Training in financial and business management could also be organized specifically for tuck shop owners. One respondent, who said that she depends on gardening, (1.4%) stated that the success and failure of her gardening production depended on the availability of water in wells within the garden. When there is no water they find it difficult to run their business as they have not been provided with taps in their gardens.

Table 4.1.3.1.3: Shows self employment status in Wiggins uMkhumbane

<b>Types of Self employment</b>	<b>Number of respondents</b>	<b>Percentage of the total population</b>
Construction	1	1.4%
Catering	1	1.4%

Tuck shop	3	4.4%
Gardening	1	1.4%
Cooking for taxi men, selling at nearest schools and in town	7	10.0%
<b>Total</b>	<b>13</b>	<b>19%</b>

### **Unemployed beneficiaries in Wiggins uMkhumbane**

Table 4.1.3.1.4 shows that 26 (38%) of beneficiaries in Wiggins uMkhumbane are unemployed. Sixteen beneficiaries (24%) who were unemployed but had some income said that their source of survival was linked to child support and disability grants 2 (2.9%) respectively.

Table 4.1.3.1.4: Different survival strategies with which unemployed beneficiaries survive in Wiggins uMkhumbane

<b>Unemployed survival strategies</b>	<b>Sources of income</b>	<b>Percentage of the total population</b>
Child Support grant	16	24.0%
Disability grant	2	2.9%
Recycling used material	3	4.4%
No income at all/helped by relatives/by neighbours	5	7.0%
<b>TOTAL</b>	<b>26</b>	<b>39%</b>

Five beneficiaries (7%) did not have an income but depend on relatives and neighbours to survive. Three of the respondents (4%) indicated that they depended on recycling as their survival strategy.

Looking at the tabled information it can be concluded that although the eThekweni Housing Unit and other relevant stakeholders tried to create and sustain jobs, their impact was actually minimal. It is noted that jobs resulting from training programmes did not even appear in the top three. The main source of income was child support grants 16 (24%), followed by domestic work and cooking activities at taxi ranks,

each 7 (10%) and then cleaning 5 (7%) This means that few jobs resulting from the housing project were sustainable.

#### **4.3.2 Level of employment in Westrich**

Of 31 beneficiaries approached for the research, the study found that the employment rate of beneficiaries in Westrich was 13 people which made 42%. More people responded as employed as compared to 10 (32%) of those who said that they were unemployed. But the trend regarding the housing project becomes clear when looking at the types of jobs that they are doing. Most people are involved in jobs that are not related to the skills that were transferred during the project. This means that those few jobs which emanated from training were not sustainable.

Among the people who said that they were employed, those involved in domestic work are in the majority compared to other forms of employment. Domestic workers are followed by cashiers who totalled up to three (10%). Those who work as packagers and machine operators accounted for two (6.4) each, one lawyer and one receptionist which accounted for one (3.2) each.

#### **Full time employed beneficiaries in Westrich**

Table 4.1.3.2.1: Showing full time employment categories and the number of respondent per category in Westrich

<b>Types of jobs</b>	<b>Number of respondents</b>	<b>Percentage of the total population</b>
Domestic Work	4	13%
Packaging	2	6.4%
Cashier	3	10%
Machine Operator	2	6.4%
Lawyer	1	3.2%
Receptionist	1	3.2%
<b>Total</b>	<b>13</b>	<b>42%</b>

### Casual employment in Westrich

Different types of casual jobs were identified in the area. Security guard, sewing, construction and a respondent who said that he takes anything that comes his way. Each form of casual employment had one respondent which makes 3% in each category. This added up to 13% of the total studied population.

Table 4.1.3.2.2: Shows the number of people doing different casual jobs in Westrich

<b>Casual Jobs</b>	<b>Number of Respondents</b>	<b>Percentage of the total population</b>
Security	1	3.2%
Sewing	1	3.2%
Construction	1	3.2%
Everything	1	3.2%
<b>Total</b>	<b>4</b>	<b>13%</b>

### Self Employed beneficiaries in Westrich

Those who are self-employed actually made one (3%) in each four forms of employment. One respondent indicated that her survival strategy depends on selling second hand clothes in town. The other respondent sold fruit and vegetables in town and one who has a construction company said he is not doing well in the market. The last beneficiary indicated that a tuck shop is his source of survival strategy. They made up 13% in total.

Table 4.1.3.2.3: Shows self employment activities for beneficiaries in Westrich

<b>Self employed businesses</b>	<b>Number of respondents</b>	<b>Percentage of the total population</b>
Selling second hand clothes	1	3.2%
Selling vegetables in town	1	3.2%
Construction	1	3.2%

Tuck shop	1	3.2%
<b>Total</b>	<b>4</b>	<b>13%</b>

### **Unemployed beneficiaries in Westrich**

Among the unemployed beneficiaries as indicated in table 4.1.3.2.4, four respondents (13%) indicated that they do not have an income; they said that they survive on help which they get from their relatives and neighbours. One respondent said:

I have three children whom their father went out to look for a job three years back and never came back and we have never heard from him. These children must go to school, they must eat, dress like others and unfortunately they do not qualify for child support grants because they are older than 14 years (Westrich, Field Survey).

People who do not have an income, but depend on child support grants made a total of 6 which is 19% of the total population. The reason why the people who survive on child support grants have been included in this table is that child support grant is not regarded as a form of employment, furthermore, the extent to which people from Westrich depend on child support grant was deemed necessary to be tabled out.

Table 4.1.3.2.4: Shows different survival strategies with which unemployed beneficiaries survive in Westrich.

<b>Unemployed</b>	<b>Number of respondents</b>	<b>Percentage of the total population</b>
No income	4	13%
Child support grant	6	19%
<b>TOTAL</b>	<b>10</b>	<b>32%</b>

As much as the housing project tried to equip people with skills, the empirical study has found that those people have actually



disappeared from the business world in that area. As far as the beneficiaries are concerned, the impact of the training was very minimal. Most of those people who were trained are people who were on the development committee. Actually, during the interview with the development committee, it came out that they all went for the training which was provided by Khuphuka except two members who have just joined the committee lately.

When trying to find out the reason why jobs which emanated from housing project were not sustainable, 4 (13%) of the informants indicated that after the passing away of Mr Khuluse, who was in the forefront of all development programmes such as training and small business development, everything fell apart. This happened after Khuphuka's years of mentorship were completed. People began to drop out of the mentorship programme. The reason they gave was that among the people who were in the mentorship programme, some of them failed to cooperate. They failed to listen to one another on issues of business, finance and management of the programmes.

#### **4.4 Local income generating programmes**

##### **4.4.1 Wiggins uMkhumbane project**

Local income generating activities available in Wiggins are as follows: Tuck shops are a very common form of income generation in the area as they came up to 4 (4%). These tuck shops are either operated within the house, in an informal building joined to the house or are located outside their houses. What became noticeable was that 3 (4%) of households who had this type of business have extended their houses from one to three or four rooms, and others were still being extended. Those tuck shops sell small daily use groceries, fruits and vegetables and tea related material as it is shown in figure 4.2 below. This figure shows the vegetable part of the tuck shop. According informants, tuck shops do not help that much in job creation for other people because the owner runs it without any assistance from other

people. In terms of income generation they help a lot in sustaining or supplementing the household income. They are also very helpful in saving transportation costs as there are no big supermarkets/retailers on site. So the tuck shops make people's daily needs easily accessible within the area. The following figures were taken during the field survey by the researcher.



Figure: 4.2 Field Survey, fruit & vegetable tuck shop



Figure: 4.3 Field Survey, sewing business



Figure: 4.4 Field Survey, catering business



Figure: 4.5 Field Survey, steel products business



Figure: 4.6 Field Survey, auto-electrical business



Figure: 4.7 Field Survey, office for Town Planner and Architect

In 2003 the eThekweni municipality constructed the Housing Support Centre as a local Economic Hive. This place provides secure space for small business owners to operate their businesses. Residents are encouraged to use this space on a rental basis where they pay R100.00 per month.

Current businesses which are run in that area include two sewing clubs. Figure 4.3 above displays one of them which normally employs 10 people (maximum) each when there is a demand for work. Two catering clubs (figure 4.4 above shows one of them), three people are employed in each. Another form of business available in the area is the making of steel products as shown in figure 4.5 above. This business has seven local young men employed in it. One salon which employed 3 young people (figure not available, as it was closed during the day of survey) is also operating in the area. An auto-electrical business, which employed 4 young men, is also available as figure 4.6 shows. It specialises in engine and car repair. Figure 4.6 above shows one of the men doing part of his work. Traditional attire made from beads consisted of 4 young women from the local area (Unfortunately figures of salon and traditional attires could not be provided because these two blocks were closed on the day of the field survey). There is one studio office which is occupied by 2 young professionals, (Architect and Town Planner) as figure 4.7 above shows. All these people indicated that they had been trained within their area except the two professional people who got their training from a Technikon. This means that ±35 people are employed in this income generating programmes.

The owners of these businesses are happy as they said that they are not worried about going out to look for jobs like the rest of the community members do. They indicated that most of their customers come from outside Wiggins. Two business owners stated that most of their products are purchased by people from Rossburgh, Sea View, Chesterville, Bonela, Mayville, Sherwood and other places. They indicated that few people from within the housing project can afford their products as many of them do not have formal full time employment.

As much as they said that they are happy, the sewing clubs expressed their dissatisfaction with the eThekweni Municipality and local schools for failure to give orders to them. They said that most of their customers are rural schools where they normally go and do presentations to them about their product. Their main problem is the lack of support from local schools and local government.

A catering business was regarded by owners as one of the viable businesses in the area. Its success is attributed to the many orders they receive for weddings, funerals, big and small parties, and business meetings. It is also located next to a taxi rank where they provide cooked food for taxi drivers and for teachers from the local uMkhumbane primary school. They said that most of their customers are people from outside the area as well. They mentioned the CMDA as an organization that exposed them to the business world as they also cater for them during their meetings. They have been referred to potential clients and friends by CMDA staff. As far as sustainability is concerned, the owners of this business see a huge potential for growth as their customers grow every year. At present their business has seven locally employed people to distribute food ordered using one of their business cars. When they deliver food to their customers, they hire a car from one of the people within the business centre. Their aim is to support one another's businesses within the centre. As far as one of the principles of local economic development is concerned, which is the localization of currency, this practice is found to be very good as it allows growth of other businesses within given communities (Shragge, 1993).

Another business which is very popular among local women is that of selling food, fruit, sweets, ice cream, chips and other small items to the local school children at uMkhumbane Primary School. These women regard this as their source of income as many of them do not have any other source of income.

Some of the women from Wiggins said that they are part of the Umkhumbane Arts and Crafts Centre. This is one of the projects which is located at Bellair road next to Mayville (as shown in map 1). Approximately 80 women from greater Cato Manor have been trained through CMDA in various craft skills and their products are sold nationally and internationally. This centre specialises in traditional materials such as clothing, bead work, wooden articles, artistic material like making flags etc. This centre has received a lot of interest from the international market. Employment sustainability to them has been easier because there is a high demand for their products from the international market.

Some members of the Wiggins community, especially women, are involved in gardening activities (figure 4.8 shows a portion of the garden). For some of them, gardening has the dual purpose of subsistence and with the surplus being sold for income purposes. This garden is located within Wiggins just next to the SPCA. A group of women who are involved in the gardening project said that they would like to have their garden fenced to protect their produce from theft which is a great problem in the area. They said that the project involves no less than 15 women. However, because of other commitments, some of them cannot make it to the garden which means the few who do make it cannot always cope and sometimes fail to meet the demands by the community for their products. They said that they would love to produce more so that they can even sell in town, but the lack of water and other chemicals that could help them increase productivity is always a problem. The benefits of the garden to the community are threefold. Local tuck shops are supplied with products for sale to the community. For example, the tuck shop owner who sells vegetables (figure 4.2 above), agreed that he cooperates with those women and he buys what is ready from their garden to sell to the community.

Figure 4.8: Community garden in which some of the women in Wiggins uMkhumbane are involved, it shows some spinach and onion.



Source: Field Survey

Secondly, unemployed women are able to use fresh produce from this garden for consumption purposes. Thirdly, most of the community members also buy vegetables such as onions, cabbages, spinach, green peppers, tomatoes, etc from these women. This includes small catering clubs in the area who indicated that they buy some of the things they need from the local garden. The use of garden products by the local community ensures both sustainability of the garden as the sources of subsistence consumption and as a source of income for the women involved in it. Figures 4.9 and 4.10 below show another garden which exists in Wiggins uMkhumbane. This garden supplies fresh green vegetables only to welfare organizations such as the old age, the disabled and the children's homes within Durban. The garden is taken care of by the eThekweni Municipality. This garden has water for irrigation and is properly fenced. It is commendable for the municipality to help the weak and vulnerable section of our population, but local leadership and the municipality must start to think about fencing and providing water for the community garden. Women who work in the community garden complained about the lack of water and the protection of their plantations from theft.

Figures 4.9 & 4.10: displaying the municipal garden located in Wiggins uMkhumbane



Source: Field Survey



Source: Field Survey

There are 16 co-operatives that have been established in the whole of Cato Manor with the help of the local councillor and local development committee,  $\pm 4$  of them belong to some people from Wiggins but the councillor and development committee was not sure of the exact number. These co-operatives deal with detergents manufacturing, housing construction, security and cleaning. Each co-operative is made up of 11 people. This means that  $\pm 44$  people are co-operative members excluding the employees.

#### **4.4.2 Local income generating activities in Westrich**

Local businesses in Westrich are very limited. The major form of local business is the ownership of tuck shops which are found on almost every street corner. Most of them have Vodacom or MTN public phones which they operate in their tuck shops (picture 4.13 shows one of them). In the section of the area that was targeted for research, one or two tuck shops per 11 houses were found and this added up to 5 tuck shops which were found after 31 houses. So in a place consisting of 2300 dwelling units, one could expect  $\pm 400$  tuck shops. These tuck shops include containers, in-house shops, next to the road and portable tents which people take with them to where there is high demand for what they are selling.

Another business is a steel products making business established as a result of cooperation between Khuphuka and eThekweni Housing Unit. It is noted that this business is not run by the people who were trained by Khuphuka. It is run by four men who came from the local community after the first group, trained by Khuphuka in cooperation with the eThekweni housing unit, had left. They decided to take the opportunity of making good use of the available material (machines) and venue which had been provided by the project. Figure 4.11 shows the steel making business and figure 4.12 shows the final products of things such as school desks, window and door frames and others etc.

Figures 4.11 shows steel products making business and 4.12 shows final products



Source: Field Survey



Source: Field Survey

Figure 4.13 displays one of the tuck shops in Westrich



Source: Field Survey

This project is owned by four men who have employed 10 local people to make burglar guards for windows and doors. According to the workers, this project has helped them with stable income and work experience. This has gained them skills which make them proud that even if this existing project come to an end, they can come together and start their own businesses. Few people from within the housing



project can afford the prices of these products. Their products are purchased mainly by big corporate companies and people from big suburbs like Mount Edgecombe, Durban North and others especially the aluminium products which some window frames are made of. The eThekweni Housing Unit must be commended for the good work of implementing the Housing Policy to train people and allocating facilities. It must be stated however that the training which was provided to the people was never beneficial to the whole community of Westrich. The result of the ineffectiveness of the programme is the high rate of unemployment of youth, men and women. All the people who completed the questionnaires said that unemployment is the pressing problem in the area.

#### **4.5 The extent to which local people maintain their settlements and resources**

Another question which received a lot of criticism by the beneficiaries in the Wiggins uMkhumbane area was why local people were not employed to maintain and keep their settlement clean. This emanated from the fact that Sisonke Contractors which provides cleaning services to the area comes from Umlazi Township. Umlazi is a township occupied by black communities and is far from Wiggins uMkhumbane. Beneficiaries from Wiggins especially men complained that they do not understand why a person from uMlazi was given the tender yet there are people among the locals who have companies for cleaning but were not considered for tendering. This contractor had to meet various tender requirements which stipulated that part of its employees must come from within the local area (Wiggins uMkhumbane). Even though this was met by Sisonke Contractors, local people are not satisfied and they also complained about the lack of transparency in the employment process. Beneficiaries mentioned that you only get a job with this contractor if somebody within the company knows you or else if you know somebody from the development committee in the area. In Westrich, a contractor from

Lindelani (neighbouring township to Westrich) is the one that maintains Westrich settlement.

#### **4.6 The extent to which housing consolidation has taken place**

In Wiggins uMkhumbane, a number of beneficiaries have tried to extend their dwelling units especially those who have a stable income. Seven (7%) of 68 respondents, have gone as far as building big houses of more than four bedrooms with first bricks especially those who are self employed and those with stable income. All respondents said that they would like to have their houses extended because they find it difficult to use a one or two room house conveniently for all household activities. But because many of them work as domestic workers and others are involved in informal employment, much of their money goes to things such as food, travelling to and from work and school fees for children, clothing, and etc.

The lack of employment opportunities for many people in Westrich results in many of them being unable to extend their starter houses. From the informants who participated in the study, 5 (16%) beneficiaries from 31 had their houses extended up to three rooms or more. 26 (84%) of those who were approached for the study but have not extended their houses indicated that they would like to have their houses extended. All the respondents stated that they would like to extend their houses to at least four rooms, but because they are unemployed, they cannot afford this. They also mentioned that they would use blocks for the extension of their houses.

#### **4.7 Existing programmes in place to enhance job creation and employment sustainability**

##### **4.7.1 Wiggins uMkhumbane Project**

Some members of the community from Wiggins uMkhumbane are participants in some economic development programmes that are in

place in greater Cato Manor. Those programmes include the following as they encompass the whole area of Cato Manor to which Wiggins belongs.

There has been a development of strategies that are aimed at promoting local economic development in the area. Such strategies have been initiated with the support of local community of Cato Manor, private sector, and Non Governmental Organization like CMDA. These programmes have been developed to harness an enabling environment especially in the delivery of infrastructure and housing. The CMDA has played a meaningful role in the initiation of these programmes as its focus has been on three main functions, strategically the programme covers: human capacity development, economic opportunities and institutional capacity development. This has been initiated to boost the human capacity needed to support micro and small-scale enterprises (SMMEs). The primary aims of these programmes are to address issues of poverty eradication in the area by raising the skill base and empowering poor people in greater Cato Manor so that they can access economic opportunities (Cato Manor Development projects Review, 1994-2002).

Another programme in place is the Entrepreneurial Support Centre which was established to promote a culture of competitiveness through the provision of tender advice information, business planning, access to financial institutions, administrative services, business management skills training. The main focus of this programme is on entrepreneurs in the manufacturing sector who show signs of growth in their business.

To help the unemployed residents in Wiggins uMkhumbane, beneficiaries have also participated in other training programmes whereby they have been provided with industrial skills by CMDA. Unemployed people were also granted loans/bursaries to help them access recognised training programmes. The CMDA used to work with

employment agencies with the aim of linking training with what is required by industries. According to the councillor, the programme has placed over 100 people in areas such as catering and technical skills. The programme has also helped the local world class Inkosi Albert Luthuli Central Hospital to meet its human resource needs, especially in cleaning and security.

Furthermore, a database has been introduced in the greater Cato Manor to help unemployed individuals with job placements. As part of Cato Manor, people from Wiggins uMkhumbane are participating in this programme. The Job Opportunity Bureau (JOB) is a database that consists of all local small contractors and those individuals who seek employment. According to the development committee of Wiggins uMkhumbane, the database now consists of not less than 5500 names of people and out of these, almost 1500 people have got employment placements both from within and outside Cato Manor.

Another programme which has been introduced in Cato Manor is that of Savings Clubs and Co-operatives. These savings clubs are aimed at economic development. Funds accumulated from these clubs are used for income generation projects also with an aim of alleviating poverty. This programme has given birth to fifty savings clubs and five co-operatives which pursue diverse business activities including locally produced household and corporate detergents, agricultural products, cleaning, recycling, block making and crafts.

These programmes show a good move made by people in leadership in Cato Manor, community members, NGOs, CBOs, and the private sector. If this partnership can grow to a level where everybody feels empowered, included and a part of the community, such programmes would provide the lesson that anything is possible as long as people start working together for the common goal of helping poor people's lives to improve each time a project is introduced. However, this does not change the fact that these programmes have not done enough to

bring about positive change to the lives of many people in Wiggins uMkhumbane.

#### **4.7.2 Westrich Project**

Westrich project is located close to Springfield business centre, but from the respondents interviewed none of them mentioned Springfield shopping centre as their place of work. There are no programmes in place geared to stimulate employment or business opportunities in Westrich.

#### **4.8 Projects location to enhance employment sustainability**

The location of housing projects to enhance sustainability has revealed the following.

Wiggins uMkhumbane was located in a relative good location within reasonable proximity to places of work. Map 1 above shows some local areas which are regarded as sources of income for Wiggins uMkhumbane. It is located on the north of the Inkosi Albert Luthuli Central Hospital where most of beneficiaries work as cleaners. In the west is the Pavilion Shopping Centre which also provides employment opportunities for unskilled workers, on the east of Wiggins is Manor Gardens which provides employment opportunities for domestic workers. About 3 people (4%) said that they were employed in Manor Gardens. On the north of the project area are shopping centres in Mayville, and other government departments like Works and the Department of Local Government and Traditional Affairs, which also provide unskilled jobs for beneficiaries. There are some factories in Mayville where most of the people in Wiggins work. To identify if these centres of business are useful to the communities of Wiggins, travelling or walking distances were explored using time taken by people to their places of work. 9 (13%) said that they get to work without any means of transport because their workplaces are close to where they stay. It must also be noted out that 19 beneficiaries (28%)

of the total population studied, indicated that they perform their income generating activities, or have their place of employment, in areas like Pinetown, Westville, Phoenix, Clairwood and other places which are a long way away.

What is noticeable with Westrich, on the other hand, is that its location did very little in bringing beneficiaries closer to sources of employment. Only 3 (10%) people said that their place of employment is in a walking distance away. Westrich is located on the periphery with no industrial or commercial activities in or next to it. Map 3.2 above shows the location of this area which is a few kilometres away from Springfield Shopping Centre. However, it must be noted that employment competition is enormous especially which might work against people from Westrich. There are flats, residential areas like Sydenham, KwaMashu, Newlands West and other informal settlements around Springfield Mall. These facts however do not mean that there are no beneficiaries who travel long distances to and from work. For example there are those who travel from Westrich to Umhlanga Rocks (3%), Mount Edgecombe (3%), Mobeni and Umbilo (4%) for jobs such as reception, industrial work, furniture retail and textile. While from Wiggins, there are beneficiaries who travel to and from places such as Pinetown and Westville for jobs like domestic work and reception.

#### **4.9 Problems experienced by key stakeholders involved in the delivery of low cost housing in creating and sustaining jobs**

In both case studies, it was apparent that the lack of transparency in the selection of people for training and employment was a common phenomenon. This was also apparent when looking at contractors who perform cleaning and maintenance for these two projects. For example, the contractor (Gabhisa Contractors) who cleans and cuts grass in the Westrich Housing Project comes from Lindelani which is part of KwaMashu. Though few local people are employed in Westrich,

they question the reason why they were not given the opportunity of tendering. Wiggins uMkhumbane on the other hand is being maintained by a contractor from uMlazi. The implication here is that as they pay eThekweni Municipality for the services such as water and electricity, they should be entitled to get employment sourced from the municipality to make the relationship mutual.

In Wiggins uMkhumbane, what normally happens when there is a new project is that the project manager concerned had to introduce the project to the ward councillor. The ward councillor calls the development committee and informs them (committee) about the project. The project manager then tells the committee about the total number of people who will be needed for employment in the project. The recruitment process is undertaken by the development committee on the understanding that they know who is unemployed in the area. What became apparent in the recruitment process was that there was no formal way designed to give all local people a fair chance for employment. This resulted in many complaints from the members of the community as they said that only those who are related to the development committee members and their friends are given first preference for employment.

Another problem mentioned by both the eThekweni Housing Unit and the beneficiaries from Westrich was that people who were trained, especially in construction, were lured by provincial projects in road, school and low cost housing constructions. These people left all that had been started with the help of the housing project and thought that they could make fortunes within a short space of time. Few of them got those tenders, they got credit from banks, but because of lack of sufficient skills and knowledge on project management, they failed to complete those projects. After their collapse in roads, and big buildings construction market, they never continued with those self employment activities which has already been started in the local

community. This is where the issue of the inclusion of women comes in. Most women in poor communities like to work next to their homes. This is so because they play a variety of roles (such as performing family duties and in commercial activities) in the society. Their empowerment becomes necessary if the projects are aimed at sustainability.

One of the problems highlighted by the senior Project Manager who represented the eThekweni Municipality is that as housing practitioners, and mandated by the Housing Policy to create jobs and empower people, they are still finding it difficult to deal with the issue of beneficiary empowerment. The problem lies in changing the mindset of the people from a dependency syndrome to self reliance. "Most people still fail to accept the fact that very few jobs are available for them out there". Actually those who dropped out of mentorship programmes now want to go back. "Unfortunately people who are still in those programmes are new and they don't know them". In Westrich, there was one local person who was in the forefront of the empowerment programmes and he was very active in all activities. "Unfortunately after two years he died and people gave up as there was nobody to motivate them. Therefore, things would be easier if people were to cooperate with us and work on their self realisation" The implementation of other projects must continue in other places and no time is available to mentor people forever. We must go and mentor other people in other areas. Therefore people must take the initiative to own their project. They must also support employment programmes and income generating activities which are introduced in their respective areas. These programmes are there to benefit them as beneficiaries.

What also emerged from the interview was that there are variations in policy implementation and what the policy seeks to achieve. Their implementation becomes one aspect that still lacks attention and



commitment from national, provincial, district municipality and local levels. All government departments speak about job creation for the poor, but the implementation and the follow up process thereof is still a serious problem.

The training consultant who provided training sessions in both case studies argued that the current protocol used in South Africa, that of “use of local labour” seems to ensure that local people are employed during the life of the construction phase of a housing project, but when that project has been completed, those people cannot work anywhere else, for example, in an adjacent project or a project anywhere else in the region because the people in other areas have to be employed. This works against in-depth skills development and against sustainable jobs. The best way to empower people with training is that it should not focus on construction only, but also give training in small business management which could diversify opportunities for people.

Beneficiaries were required to indicate other things which they regard as problems in their areas. Both case studies indicated unemployment as one problem which exists in project areas. They said that many young people are unemployed and they resolve the problem of unemployment by turning to crime. People’s houses, especially in Westrich, are broken into more often in the area.

#### **4.10 Summary of main findings from both case studies**

- Although the eThekweni Housing Unit through its Housing Support Centre organized training sessions for beneficiaries from both Wiggins uMkhumbane and Westrich housing projects, these only benefited a small number of housing beneficiaries which is 19%.

- The 30% beneficiary participation from both projects indicates some shortfalls and the deficiency in the implementation of Housing Policy in low cost housing projects.
- The involvement of Khuphuka as a training agent in the project gave rise to programmes such as steel products making and furniture making which serve as income generation activities. However, only 12 (12%) of these programmes were sustainable. Therefore, the answer to the research question is that a very limited number of jobs and income generating activities which emanated from the housing projects were sustainable.
- The process of tendering for the maintenance of the settlements in both projects does not give first preference to local people. Both projects are maintained by people from outside the project areas as Westrich is maintained by a contractor from Lindelani and Wiggins is maintained by a contractor from uMlazi. This shows that the local leadership and the municipality do not support local economic development initiatives which would result in job creation and employment sustainability. The lack of employment opportunities forces beneficiaries to regard child support grants as their first primary survival strategy and not as a supplement of income.
- Tuck shop ownership stands out as one of the most popular forms of self-employment in both case studies. One of the reasons is that these housing projects do not have big supermarkets/retailers close to them and tuck shops serve a purpose of providing daily needed products and services to the local people.
- Opportunities for opening other economic avenues such as using houses for subletting, and the operation of home based

enterprises, have not been fully exploited within the housing programmes.

Table 4.1.3.2.5: Summary of overall findings from both case studies

<b>Key items</b>	<b>Total number of respondents</b>	<b>Percentages</b>
Unemployed beneficiaries	36	37%
Employed beneficiaries	32	32%
Self employed beneficiaries	17	17%
Casually employed	14	14%
<b>Total</b>	<b>99</b>	<b>100%</b>

The data shows the summary of employment status of the people from both case studies. This summary came after drawing together all figures from all forms of employment status from both case studies. This included the employed, the unemployed, self employed and those who are employed on a casual basis. Then these figures were worked out using the total number of beneficiaries who participated in the study also from both case studies (31+68=99). Then unemployed beneficiaries came to 36 (36%). Those who are employed came to 32 which make (32%). Self employed beneficiaries came to 17 (17%). The last category is that of beneficiaries who depend on casual employment, and this came to 13 (13%).

Having presented all these findings, the following chapter gives the conclusion. General recommendations on how projects should be packaged and implemented to yield and sustain jobs are provided. Then specific recommendations for the housing policy are also provided.

## **5. CHAPTER FIVE**

### **CONCLUSION AND RECOMMENDATIONS**

#### **5.1 CONCLUSION**

The theme of this dissertation has been to look at whether greenfields housing projects contribute towards the creation of jobs and employment sustainability. The intended goal of the study was to assess the Housing Policy in relation to its implementation in housing projects and the extent to which it plays a positive role in eradicating poverty through the creation of an environment which enables job creation for housing beneficiaries.

Although the eThekweni Housing Unit, through its Housing Support Centre, organized training sessions for beneficiaries from both Wiggins uMkhumbane and Westrich housing projects, the findings show that this intervention did not make a positive impact on the lives of housing beneficiaries. The beneficiary participation in the project, which is viewed as a means of empowering poor people in terms of skills and working experience, also took place at a minimal level. Their participation was only effective during the registration of housing ownership, but in the actual implementation and construction of houses, they had very little hands-on participation even when it came to decision making.

The inclusion of Khuphuka Training Consultancy and other organizations that provided training for beneficiaries was a good effort on the part of the Municipality. This was done to enhance the employability and participation of beneficiaries in the project and beyond. It also enhanced self employment as an option for beneficiaries. The result was the establishment of small income programmes such as steel products making, catering, sewing, beadwork, traditional attire making, and construction related companies. This finding affirms the research hypothesis that housing can play a meaningful role in creating jobs for poor people. Having

said that, what the findings reveal is that only a small number of beneficiaries benefited from such programmes. Due to conflicts which arose among members who went for training, the clubs were not sustainable and group members could not sustain cooperation and teamwork spirit among themselves even though a mentorship programme was provided by Khuphuka.

The empirical study also revealed that local people from case studies were not given first preference by the tendering board to maintain their settlements. The study also found that contractors who are responsible for the maintenance of the settlement come from Umlazi for Wiggins uMkhumbane and from Lindelani for Westrich. This means that on the side of the municipality and local leadership, there is no clear strategy in place to enhance job creation and employment sustainability for beneficiaries. The lack of a clear strategy promotes local area unemployment and drains the economy of the area. The local economy is drained because the unemployment rate is high in both areas. Furthermore, the countable number of sustained jobs which emanated from housing made very little difference in solving the problem of unemployment and poverty eradication in these areas.

The empirical study also discovered that the most common form of self-employment in low cost housing projects is tuck shop ownership. People either use their dwelling units as shops or they build informal shacks to sell small amounts of groceries to local people. The attributes given by people for this common phenomenon is that they start small selling sweets, biscuits to bread and other daily requirements.

The overall conclusion from the research findings is that the implementation of low cost housing involves various people from provincial, municipal and community levels. At projects implementation level, there is no stated commitment to empower

people in job creation and employment sustainability. The answer to the research question is that the implementation of greenfields housing projects makes limited contribution towards the creation of jobs and employment sustainability for the housing beneficiary. Housing practitioners, especially at municipal level, seem to treat job creation as an optional extra and not as a sole mandate to pursue. This lack of commitment is contributing towards the worsening level of poverty under which housing beneficiaries survive. Therefore, the conclusive answer to the research topic is that, the implementation of greenfields housing projects has not yet received a serious attention it deserves in the creation and sustainability of jobs.

## **5.2 RECOMMENDATIONS**

According to the findings of the study, the following recommendations have emerged and have been raised to mitigate problems such as the lack of job creation and employability sustainability. The lack of creation and sustainability is deemed to contribute to beneficiaries having to live in poverty. There are also recommendations which are specifically directed at the Housing Policy.

### **5.2.1 Training and beneficiary participation**

Skills' training in housing construction related fields is a very important aspect of empowering beneficiaries. Such training must cover a large number of people including women and youth in the project area. The inclusion of youth and women in the area will ensure that skills are fairly distributed and that skilled people are available when they are needed. Beside constructions skills, interpersonal, financial management, leadership, problem solving and motivational skills should become part of the training. This will enhance coherence and a proper understanding of the business environment.

The participation of housing beneficiaries must be integrated from the onset of the planning of the projects until the last block is laid. This

means that beneficiaries must have their opinions known through their participation in decision making, design and planning, and the implementation of the projects. This will ensure that they gain skills which will also give them experience, and allow them the ownership of the projects. By so doing, the projects are localised in the sense that they must meet specific needs and solve specific problems and issues which affect that particular area as far as job creation and employment sustainability is concerned. This must be done under the auspices of developing human capital in the sense that such skills must not only be applicable to income generating activities but also be made relevant to other local and outside employment opportunities.

Another informal economic activity which needs attention from training providers is the training of tuck shop owners. Such an activity has never been given the attention it deserves. Training of these people must focus on effective small business management for growth. Such skills include bookkeeping, banking for credit record, stock taking and others. Many of them are supposed to have access to credit, but they are still small because they don't keep records and bookkeeping is non-existent. Their growth will actually create and sustain job opportunities for local people.

### **5.2.2 Creating an enabling environment**

The establishment of local organizations, which are tasked to offer support to small local business, becomes a necessity. Such organizations, according to Rogerson (1999), should be able to provide entrepreneurship information, how to perform feasibility studies, how to have access to credit, provide basic training and offer some daily help on small businesses. For income generating activities to be sustainable, what is required is the provision of skills in inventory control, production control and marketing which must all be aligned to the local social and economic environment. Another thing that needs to be recognised is the fact that community involvement and

development requires time and continuity of support. In most cases, low cost housing projects pull people together from different areas with different political and social aspirations. Helping people to re-establish their social networks would enhance the culture of co-operation even in economic and employment programmes which could be introduced in the area. The lack of social networks has been identified as one of the problems which have led to the failure of community development programmes especially in Westrich.

### **5.2.3 Cooperation among different government departments**

Due to the high level of unemployment in South Africa, most people depend on child support grants as their survival strategy. The Department of Social Welfare must also be commended for such a provision as it makes a great difference to many poor people. However, dependence on child support grant should be discouraged. This would be possible if other government departments had a memorandum of understanding with the department of housing to enhance the development of the poor.

Such departments would include Trade and Industry (for small business development), Department of Labour (for skills development), Department of Public Works (contractors development for public works), Department of Housing and Local governments (for the provision of housing and infrastructure), Department of Health (for procurement opportunities available for sewing clubs to provide sleeping and pyjamas materials used in hospitals), Department of Tourism (for crafts and creative arts issues to attract tourists and emphasize exportation of their products), Department of Agriculture (for things like gardening, chicken farming and etc). Each of these departments has projects and programmes which are pro-poor oriented, but they fail because they work independently of one another. If these departments were to engage in simultaneous integrated programmes for communities, they could reach many more



people within a short space of time and at less expenditure. It is realised that the Department of Housing and local municipalities are not in a position to offer all of the above mentioned services because of their limited resources and capacity.

The combination of all these departments should be able to enhance self sustenance at communal level. Focus must be directed towards the growth of non market and informal sector activities. Emphasis must be placed on agriculture such as gardening, small local clubs and support groups. This will help individuals to meet their basic survival needs and to build up local networks. By so doing, newly established settlements will be able to keep their income generation vibrant and active. This is so, because people will always consume products which are needed on a daily basis.

There is also a need to focus on local market economy. This must be done with the aim of enforcing self-employment, small business development and community cooperatives. The aim behind this is to create an integrated economy where small businesses trade among themselves, thereby avoiding the leakage of expenditure and adding a greater range of economic activities in local communities. For example, the vegetable garden which is in Wiggins uMkhumbane can be upgraded and fenced and with water brought nearer. This could allow local women to produce more and sell in the city market.

This argument implies that rather than focussing on the single aspect of job creation, a wide range of activities in localities must be covered so that a large number of people can also be given skills, employment, self-employment and sustainability. Such activities include the prevention of environmental degradation (collect cans for cash), making crafts to attract tourists and exporting those crafts for the international market.

#### **5.2.4 Cooperation between local ward councillors and municipality**

There is a demand for the establishment and retention of cooperation between local ward councillors and the municipality under which they operate. Such cooperation will ensure a mutual understanding between these two parties as far as the maintenance of the settlement is concerned. Councillors must promote the interest of the people they lead. Giving local people first preference in the procurement system in service provision will actually create more employment opportunities from within the settlement. This type of cooperation obviously requires commitment from the side of beneficiaries to take their development issues upon themselves and strive for the realization of their future. The councillor, on the other hand must act as a link between the municipality and the people on the ground. This will enable the councillor to negotiate and attract more income generating programmes for which the municipality can provide facilities and resources.

Project implementation should involve ongoing monitoring. This monitoring should be conducted throughout stages of the housing project. The rationale of monitoring is that it reveals whether the implementation leads to the accomplishment of specific project set outcomes like vision, objectives and goals. This practice helps to justify quantities and expenditure.

#### **5.2.5 Transparency in Procurement**

Corruption is unacceptable in all South African spheres of government. Therefore strict measures must be introduced by municipalities to guard against corruption in the tendering process. One of the measures which could be introduced by municipalities is to ensure that local companies and clubs are supported by giving them first preference to offer their services and products when their services are needed. This will promote local economic development in the area.

This will also create a balance of economic development within municipalities. Maybe outside companies might be needed when the capacity of work to be done is beyond what the local people can offer in terms of experience, complexity and limited technical skills. Even after these outside companies have been called in local small companies must be sub-contracted for skills impartation.

### **5.3 Recommendations specifically for the Housing Policy**

If the New South African Housing Policy seeks to accomplish its mandate, which is to play a meaningful role in ensuring that the policy does contribute to the creation of jobs and their sustainability, it must devise an effective strategy through which a follow up process in the way housing projects are implemented, can be applied. This includes the specification of individuals who must ensure that jobs from housing projects are created and are sustainable. Whether this responsibility lies with provincial or local government should also be specified in the policy.

The necessity of evaluating whether jobs from housing are created becomes an important aspect of ensuring the accomplishment of the policy objectives. Furthermore, actions to be taken against project implementers who do not comply with the policy in terms of creating jobs for beneficiaries must be specified. This will ensure that low cost housing project implementers take responsibility to play a positive role in the eradication of poverty in South Africa.

The policy must also stipulate a framework for recognising better integrated programmes provided by the three layers of government (national, provincial and local), the private sector, non governmental organizations and the public sector which are set to deal with issues of job creation and employment sustainability. This will enhance a holistic approach towards dealing with issues of job creation and employment sustainability; it will also enhance the sharing and

providing of capacity and resources which all these sectors bring to the team. Strategies must therefore involve a combination of programmes in education, housing improvement, training in business related issues, employment, enterprise development in relation to the physical environment, social welfare and community development. These programmes must be closely related to enhance their effectiveness. As much as such cooperation sounds good and almost brings about solutions to low cost housing communities, it must also be noted that its implementation is not always as easy as it sounds. Therefore, the sharing of responsibilities by different government departments becomes a necessity if poverty alleviation and the creation and sustainability of jobs are all to be achieved.

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## **APPENDIX**

## Respondents Consent letter

School of Architecture, Planning and Housing  
University of KwaZulu Natal, Howard College  
Durban  
4001

Dear Respondent

I am presently conducting a study on the creation and sustainability of job opportunities within the greenfields low cost housing projects in the Wiggins uMkhumbane and Westrich residential areas which are located within the jurisdiction of the eThekweni Municipality.

I would like to conduct an interview with you. This interview is expected to last for an hour or less as the questions require short and long answers.

Please note that you are under no obligation to give answers to these questions if you feel that you are not in a position to do so, and that you can withdraw at anytime during the interview if you feel uncomfortable. If I have to refer to anything you say, I will use a pseudonym, unless you have no problem to my using your real name.

You must also know that whatever information you give will remain anonymous and your responses will be kept confidential. I shall be grateful though if you can give answers to the questions as honestly as you can.

Thank you very much for your anticipated co-operation in this research.

Yours sincerely

Vincent Myeni

I agree to do the interview: Yes / No

Signature of respondent

## QUESTIONNAIRE DESIGNED FOR HOUSING BENEFICIARIES

Date on which the questionnaire was distributed.....

Place ...

### **Beneficiary's household details and their employment status.**

1. How many people does your household comprise of?

2. When did you begin living in this house?

3. Where did you live before you occupied this house?

4. Are you employed?

Yes	
No	

If no, were you employed before you occupied this house?

5. If yes, where are you working?

6. What type of tasks do you perform in your job?

7. How long does it take you to get to your place of employment?

8. 15 min (short distance)

16-30 min (reasonable but long)

31-45 (long distance)

46-60 minutes and more (unacceptable)

9. When did you get the job that you are doing now?

10. What job opportunity by the housing project was made available to you?

Support your answer

### About the project

11. What was your participation in the project? Did you gain any skills from your participation?

12. Were you given any training related to the project?

Yes	
No	

If yes, what type of training did you get and who was conducting the training?

13. Would you say that the training you got has helped you get any form of employment?

Yes	
No	

Why?

14. Would you say that if training had been offered to you, you would have been able to get a job by now?

Yes	
No	

why?.....

15. Have you been able to get any employment from any housing construction activities?

Yes	
No	

if yes, where and how long did it last?...



## On Local income generating activities

16. Are there local businesses in this area?

Yes	
No	

17. What services or products do these businesses offer to the community?....

18. Do you think that these businesses are helpful to local people when it comes to employment?

Yes	
No	

19. Who deals with things like waste removal, grass cutting, housing maintenance, water pipe connection and repairs, and road maintenance in this area?

(i) Have you participated in any of these areas?

Yes	
No	

20. What type of jobs would you expect from housing projects like this?...

21. If the project was to start from scratch, would you be willing to work on it?

Yes	
No	

## Project Assessment

22. Would you say that the project was successful in creating and sustaining jobs?

Yes	
No	

Support your answer

23. Besides housing, if the project was to be redesigned, what would you like the project to offer to you as an individual, to increase your chances of employment

Why?

24. If you are unemployed, how do you pay for your basic household needs such as health, education, food, clothing and water and electricity?

25. What facilities and services would create opportunities for work that this project did/does not do?

### **About the Community**

26. If you are not employed, how do meet your daily basic needs?

27. What is the level of crime in this area? Please tick the appropriate box.

Very high	<input type="checkbox"/>
High	<input type="checkbox"/>
Not bad	<input type="checkbox"/>
No crime	<input type="checkbox"/>

28. What is the level of unemployment in this area? Please tick the appropriate box.

Very high	<input type="checkbox"/>
High	<input type="checkbox"/>
Not bad	<input type="checkbox"/>
No crime	<input type="checkbox"/>

29. Do you think that crime and employment are related?

Yes	
No	

Support your answer

30. Are there some people known to you who have left the area?

Yes	
No	

Did they indicate why they left?

### **Employment Sustainability**

31. What are the main sources of income of the people in this area?

32. What is the municipality doing to ensure that jobs are sustainable?

33. What are residents doing to ensure that their existing survival strategies are sustainable?

### **Housing beneficiaries and their housing extension.**

34. Have you extended your house?

Yes	
No	

35. If not, do you plan to extend your house in the near future?

Yes	
No	

36. If yes, what will you add?

37. What materials are you going to use to extend your house?

38. Where are you going to obtain the building materials?

39. How are you going to fund it/how did you fund it?

40. Did you extend the house yourself or did you ask a local person to do it?

41. Do people in this area pay for services and rates, and if not, why?

42. What are the three key issues that you are most satisfied with [positive experience] in your area? [Rank them]

43. What are the three key issues that you are not satisfied with [negative experience] in your area? [Rank them]

Thank you very much for your time.

INTERVIEW WITH DURBAN METRO HOUSING UNIT (Senior Project Manager)

Date of interview .....

Place of Interview .....

This interview is conducted to elicit information about the housing projects. The primary aim of the interview is to identify whether these projects were designed with job creation and employment sustainability, as part of their objectives.

1. Was job creation and employment sustainability part of your objectives?

Yes	
No	

2. i) If yes, were these objectives fully met?

ii) If no, why were they not met?

4. If no jobs were created in the projects, what income generating activities did you incorporate?

5. What, in your opinion, is the issue of skills transfer to the beneficiaries during the housing projects implementation?

6. Was the implementation of these projects able to offer training to beneficiaries in housing construction related skills and other skills which could enhance self employment?

7. Can you specify the nature of training which was offered to beneficiaries?

8. Would you say that the skills given to beneficiaries could enable them to find employment elsewhere or that they could engage in income generating activities?

9. Are there any specific programmes which have been put into place by the municipality to help beneficiaries with jobs and income generation activities?

10. In your own opinion, do you think that low cost housing projects have a role to play in creating jobs and employment sustainability?

11. To what extent is this role achievable in current projects?

12. How can this objective be better served in the packaging of housing projects?

Thank you for your time

FOCUS GROUP DISCUSSION WITH THE LOCAL COUNCILLOR AND DEVELOPMENT COMMITTEE MEMBERS (WIGGINS UMKHUMBANE)

Date of discussion.....

Place of discussion .....

This discussion seeks to find out more about the problems faced by the people the councillor serves. The research looked at problems such as unemployment, crime in the area, local businesses and existing projects (to help people meet their daily needs). It also seeks to find more about the councillor's participation in the projects to enhance job creation and employment sustainability.

1. Do you think that job creation was part of the objectives of the project?

Yes	
No	

2. Was any training given to local people prior to the construction of houses?

Yes	
No	

3. In your opinion, has this training resulted in jobs for the people?

Yes	
No	

Support your answer?

4. What is the level of crime in relation to unemployment in this area?

5. What role in your opinion should projects like this play to ensure that people get sustainable jobs?

6. What are the existing projects that the municipality has started to ensure that people get employment?

7. As a leader of this place, what would you say are the main sources of income for the people here?

8. If they do not have sources of income, do you experience problems such as having their services such as water, electricity and others cut by the municipality?

Yes	
No	

If so, how do people survive without these services?

8. Can you please describe the importance of the involvement of Khuphuka in the Project and what did Khuphuka do to enhance job creation?

Thank you for your time



FOCUS GROUP DISCUSSION WITH THE LOCAL COUNCILLOR AND  
DEVELOPMENT COMMITTEE OF WESTRICH

Date of discussion.....

Place of discussion .....

This discussion seeks to find out more about the problems faced by the people the councillor is responsible for as a result of unemployment, crime level in the place, local businesses and some existing projects to help people meet their daily needs.

1. Do you think that job creation was part of the objectives of the project?

Yes	
No	

2. Was there any training that was given to local people prior the construction of houses?

Yes	
No	

3. In your opinion, has this training yielded jobs for the people?

Yes	
No	

Support your answer?

4. What is the level of crime in relation to the absence of employment in this place?

5. What role in your opinion should projects like this play to ensure that people get sustainable jobs?

6. What are the existing projects that the municipality has started to ensure that people get employment?

7. As a leader of this place, what would you say are the main sources of income for the people in this place?

8. If they do not have sources of income, do you have a problem of having their services like water, electricity and others cut by municipality?

Yes	
No	

If yes, how do people survive without these services?

9. Can you please describe the importance of the involvement of Khuphuka in the Project and what did Khuphuka do to enhance job creation?

Thank you for your time

INTERVIEW WITH MANAGER OF KHUPHUKA TRAINING  
CONSULTANCY

**Title of research project**

Assessing local job creation and employment sustainability in  
greenfields housing projects within post Apartheid Housing Policy.

Date .....

Place .....

This interview seeks to elicit information on the involvement of Khuphuka as  
a Training Organization in relation to job creation and sustainability during  
the Wiggins uMkhumbane and Westrich (Newlands West) housing projects.

1. On what basis was your organization involved in the projects?
2. What training programmes were conducted to ensure that beneficiaries  
became employable during and after the projects?
3. Do you think that the skills given to beneficiaries could help them get  
employed on a long term basis?

Yes	
No	

If yes please explain

4. Was job creation and employment sustainability part of the overall  
objective of the training programme?

Yes	
No	

if yes, how did you go about achieving this?

5. Did you include self employment as part of your training content?

Yes	
No	

6. Can you elaborate more on your mentorship programme which was given to trained beneficiaries?

7. What are the problems that you encountered which you think need serious attention if job creation and employment sustainability are to be accomplished?

Thank you for your time.