



**Is Local Economic Development a job
creation mechanism: A comparative study
of Sicelo and Evaton 2015-2020**

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ABSTRACT

This study aimed to explore the Emfuleni and Midvaal Local Municipality Local Economic Development, and outline its contribution to creating job opportunities, especially in Sicelo and Evaton townships. The municipalities, as mandated by the Constitution of RSA (1996) to promote social and economic development, utilize developmental policies such as Local Economic (LED) to execute the required mandate. LED policies in the municipality should entail specific procedures to implement the policy adequately. LED policies should consist of effective LED programmes and feasible strategies that advocate for that area's developmental needs. The study employed a combination of qualitative and quantitative method fondly known as mixed method approach for data collection. Furthermore, the study compares the Sicelo and Evaton township existence of LED to develop the local economy. To explore the LED policies and its contribution to the creation of job opportunities through LED, the researcher collected data from a total of 37 participants utilizing semi-structured interviews and questionnaire surveys.

The study starts with the theme of Local Economic Development and its contribution to job creation opportunities by outlining aspects such as orientation and background, problem statement, research questions and objectives, the hypothesis and significance of the study. The latter-mentioned aspects will be used to explore LED and its contribution to job creation by evaluating the effectiveness of the LED programmes for the promotion of SMMEs and job creation opportunities, and the feasibility of LED strategies in tackling the challenges of job creation through LED.

The findings outlined that LED contributes to creating job opportunities only if LED policies are adequately implemented. The findings also outlined that the existence of LED programmes in places such as Evaton and Sicelo are proven to be a job creation mechanism, as there were 2179 jobs created through the Midvaal Local Municipality LED programmes. The findings further elaborated that the Emfuleni Local Municipality could not implement their LED policy due to the insufficient capacity in their LED department. This however was a disadvantage to the municipality as it was unable to create the envisioned job opportunities through LED programmes. The LED programmes were mainly from the province and other government and private sector departments. This is evident, as ELM partnered with the private sector in sourcing funds

to create 1000 job opportunities and promote SMMEs as an alternative to the failure of their 2015 LED policy. The LED strategies primarily increased job creation opportunities as envisioned.

Chapter five evaluated each research objective, utilizing semi-structured interviews, questionnaire surveys, existing policies and a reputable literature review. Chapter five incorporated the responses of the respondents and discussions of the findings of the study. Furthermore, chapter 6 gives possible solutions and recommendations for exhausting resources in developing the local economy for the creation of job opportunities. The study outlines that SMMEs should be capacitated with sufficient knowledge so that they actively participate in the growth of their local economy. The municipality should have relevant programmes that speak to the developmental needs and are an advantage of what already exists, such as for both municipalities, the promotion of the VAAL river and Henley on Klip to attract investors and create more job opportunities. The study also highlights that the promotion of SMMEs in areas such as Sicelo and Evaton is crucial for unlocking possible job opportunities. It is crucial that the programmes are effectively implemented for the creation of job opportunities; hence, the study recommends sufficient capacity and competence in both LED and IDP departments.

Keywords: Local Economic Development; Job creation, Comparative study, Unemployment, Peri-urban townships, Small and Medium-Micro Enterprises

DECLARATION

I, Zanele Tshabalala, declare that this dissertation titled, 'Is Local Economic Development as a job creation mechanism: A comparative study of Sicelo and Evaton 2015-2020' is my own work. I have acknowledged all the sources and that I have not previously submitted this thesis at any other university for the purpose of a degree.

Zanele Tshabalala

30 November 2022

Signature

Date

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LIST OF ABBREVIATION

ANC:	African National Congress
CBO:	Community-Based Organization
CEO:	Chief Executive Officer
CWP:	Community Work Programme
DPLG:	Department of Provincial and Local Government
ECD:	Early Childhood Development
ELM:	Emfuleni Local Municipality
EPWP:	Expanded Public Works Programme
GOGTA:	Cooperative Governance and Traditional Affairs
ICF:	Informed Consent Form
IDP:	Integrated Development Planning
LED:	Local Economic Development
MDB:	Municipal Demarcation Board
MLM:	Midvaal Local Municipality
NDP:	National Development Policy
NGO:	Non-profit organization
NWU:	North- West University
NYDA:	National Youth Development Agency
PPP:	Public-Private Partnership
RDP:	Reconstruction and Development Programme
SA:	South Africa
SALGA:	South Africa Local Government Association
SETA:	Sector Education and Training Authority
SMME:	Small, Medium and Micro Enterprises
WRSETA:	Wholesale and Retail Sector Education and Training Authority

DEDICATION

I dedicate this dissertation to my late father, Zwelinzima Thomas Tshabalala and mother Matsidiso Tshabalala.

I will forever be grateful for the love, discipline, heart for education and hard work they have instilled in me. Thank you for always believing in me. Ndiyabulela Mabongo Amahle.

In our hearts, you remain Tata. May his precious soul continue to rest in perfect peace.

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CHAPTER ONE

ORIENTATION AND BACKGROUND

1.1 INTRODUCTION

Local Economic Development (LED) is the South African government's vision of providing opportunities for local communities, particularly in terms of job creation (World Bank, 2001:28). LED also refers to other processes, such as improving infrastructure and managing local resources Helmsing 2003:5. Schepeers and Monchusi (2002:82) maintain that LED is a process managed by local authorities in accordance with the economic component of their constitutional mandate to promote social and economic development.

The Local Government Transition Act, 209 of 1993 states that municipalities are required to allow the promotion of LED so that it can fulfil its main objective, which is to alleviate poverty through the creation of employment opportunities that are perceived to be the cornerstone of every economy (Kingdon & Knight, 2004). LED involves various programmes and initiatives to ensure a stable economic community and advocates for improving the quality of life of South African communities.

In South Africa, LED is spearheaded by local authorities, as they are mandated by the Constitution of the Republic of South Africa, 1996, section 153(a) (as amended) to promote social and economic development. These authorities form partnerships with other stakeholders, such as community-based groups and NGOs, in advancing economic growth and participation for all (Mears, 1997).

According to amended section 153(a) of the Constitution, municipalities must structure and manage administration, budgeting, and planning processes to prioritise the basic needs of the community and promote its economic development. Implementing LED as a pro-poor policy in townships such as Evaton and Sicelo would lead to the transformation, development, and empowerment of local communities. Moreover, this would promote social and economic development, thus alleviating poverty and unemployment.

The study explores what LED entails and explains the relationship between LED and Job creation in local municipalities, especially in townships such as Evaton and Sicelo. The study will further examine whether LED as a policy is effectively utilized as a job creation mechanism. Moreover, the researcher will seek to determine whether the policy generates sustainable jobs by conducting a study of Evaton in Emfuleni Local Municipality (ELM), and Sicelo in Midvaal Local Municipality (MLM). Thus, the researcher will investigate whether the local government in the above-mentioned townships is implementing LED as stipulated in the 1996 Constitution.

1.2 ORIENTATION AND BACKGROUND

According to the World Bank Report (2013), the evolution of LED has gone through three waves of economic development strategies since the 1960s. First-wave development strategies were used from the 1960s to the early 1980s; second-wave strategies were used from the 1960s to the mid-1990s, and third-wave strategies were used from the late 1990s onwards. These three waves helped enhance a greater understanding of LED strategies and informed the pro-poor and pro-growth market schools of thought.

The pro-poor school of thought defines LED in terms of stakeholders, such as local municipalities, local churches and locally based groups entering into partnership with the public sector to manage their communities' resources. This includes the identification of local resources, ideas, and skills necessary for anticipated economic growth and development (Zaaijer & Sara, 1993). Kroukamp (2006) highlights that such initiatives recognise the importance of involving local people within specific communities in improving their own lives from an economic perspective, thereby alleviating poverty and generating job opportunities.

According to the World Bank (2013), the pro-growth/market school of thought defines LED as a process whereby stakeholders, such as non-governmental organisations (NGOs) and businesses, work together for economic development. Sibisi (2009) adds that the purpose of LED in South Africa is to improve people's lives by creating employment, which is the focus of the study. According to the pro-growth/market school of thought, LED should create employment by introducing initiatives to grow the local community economy, which will lead to general social and economic

development (Scheepers & Monchusi, 2002). The main difference between the two LED schools of thought is that the pro-poor stance views LED as being led by the public sector, whereas the pro-growth/market standpoint views LED as being driven by the private sector.

The South African government has adopted the pro-poor school of thought in its drive to alleviate poverty, and utilises LED as a means of job creation, which is perceived to improve people's quality of life. Thus, in South Africa, LED programmes are spearheaded by the public sector, as opposed to the private sector. According to the World Bank (2013), LED can have an impact on job creation, which leads to improved living standards and reduces poverty, as people are able to be productive and earn an income (Meyer, 2013:3)

As stated above, the proposed study will focus only on two research sites: Evaton in ELM, and Sicelo in MLM. According to StatsSA (2019), 48,9 per cent of Sicelo's population of 8502 were unemployed, and 21,2 per cent of Evaton's population of 21 204 were also unemployed. Moreover, StatsSA (2019), ELM IDP (2019/2020) and MLM IDP (2019/2020:62) report that the unemployment rate was 34,7 per cent for ELM and 18,8 per cent for MLM.

However, unemployment is not only a challenge in the local areas of the study. StatsSA (2020) pointed out the results of the Quarterly Labour Force Survey for first quarter 2020, indicates a decrease in employment by 38 000 resulting to 16,4 million in quarter one. The survey continues to deliberate that the number of unemployed persons increased by 344 000 resulting to 7.1 million compared to 2019 Quarterly Labour Force Survey. Furthermore, the official unemployment rate increased by one per cent compared to the fourth quarter 2019, being 30.1 per cent. The youth unemployment is relatively high due to joblessness.

Skiti, Maeako and Mathe (2020) state the following regarding the President's State of the Nation Address (2020): the outcome of the 2018 Jobs Summit instituted by President Ramaposa have not materialised. Envisioned to increase more employment, the unemployment rate has continued to increase by 1,9 per cent, which was from 27.2 per cent to 29.1 per cent at the time of the summit. The latest Stats SA further pointed out that the 29.1 per cent was the highest since 2008.

Although 45 000 new jobs were added in the fourth quarter of 2019, Ramaphosa admitted in his SONA that the unemployment rate was worsening.

The Samsavut Vaal Economic Conditions Study (2013:10) highlighted that the high levels of unemployment and poverty in the Vaal Triangle, combined with the decline of its manufacturing sector, which resulted in large scale job losses over the years, led to a search for LED strategies or initiatives that would enhance employment creation, income generation and poverty alleviation. Thus, ELM considered a pro-growth approach and was interested in the establishment of a business incubator (Business Support Centre) in collaboration with the Vaal University of Technology and the North-West University. Moreover, ArcelorMittal was involved in the process as a corporate business partner/sponsor (ELM LED Strategy: Executive Summary, 2015:31). Although MLM's LED policy still fights poverty with a pro-poor approach, especially in places such as Sicelo, the municipality also uses tourism facilities in Walkerville, for example, for the generation of job creation opportunities. In this regard, the MLM IDP (2015:252) states the following:

"A major asset, which is of great potential for tourism is the Vaal Dam and the precinct along the Vaal River, with potential for inter-provincial collaboration such as the Vaal 21 Initiative. Walkerville has potential for development as a tourism node, offering a range of art and craft shops, galleries, coffee shops and restaurant, and with a strong link to the surrounding agricultural and equestrian culture".

Although there are opportunities in both areas, the problem is that the municipalities might not be taking advantage of them. Moreover, there might be an inability and a lack of skills to create jobs from them. Therefore, the local authorities should step up their application of LED strategies for unemployment alleviation and job creation, particularly in the townships that will be the focus of the study. The promotion of Small, Medium, and Micro Enterprises (SMMEs) in both townships could also be a possible solution to unemployment.

According to Joubert et al. (1999:24), SMMEs plays a crucial role in the South African economy, particularly regarding the creation of jobs.

The MLM IDP (2019/2020) and the MLM LED (2020) documents reveal that little attention is given to the matter of job creation opportunities in the municipality's LED policy. However, the ELM LED Strategy: Executive Summary (2015:33) highlights Strategy 5, which deals with small business development, job creation initiatives, skills development, informal businesses development and youth support. This strategy mostly addresses the support and development of the informal sector in all areas to provide economic opportunities for those with a low level of skills and education. Thus, entrepreneurship is seen to be one of the best available tools for job creation.

1.3 PROBLEM STATEMENT

South Africa has high levels of unemployment with a rate of more than 29,1 per cent according to Stats SA (2019). The impact of a high level of unemployment on an economy is devastating. Moreover, it leads to poverty, social/economic exclusion, inequality, and social instability (The Presidency, 2011). Kingdon and Knight, (2004) and the World Bank (2013) argue that job creation is the foundation and the cornerstone of every economy. Moreover, it leads to economic growth and individual advancement, as well as improving the standard of living of the local community, which is the main goal of LED (Blakely, 1994:9; Nel; 2001:1). However, job creation is not a reality, and unemployment remains the order of the day. Therefore, the following question needs to be asked: Why do people struggle to find jobs or to ignite their own businesses for employment opportunities generation, despite having policies such as LED that are expected to create job opportunities in local communities?

According to Urban Genesis (2010:11) and Meyer (2007:6), Sicelo is an informal settlement located to the west of the R59 in Meyerton Farms. The township is the poorest within the MLM area and the level of education of the population is low, with only 12,8 per cent of the population having grade 12 or higher, and 1,4 per cent being illiterate. Unemployment is listed at 18,8 per cent in the MLM area (MLM IDP Draft 2019/2020) with Sicelo unemployment rate being higher than the rest of the townships in Midvaal. Ndlovu (2016:69) maintains that 7 200 people reside in Sicelo. Owing to the low level of education, most of the residents rely on informal or unskilled forms of employment, as opposed to better paid work.

South African History Archives (1984) describes Evaton as a township north of Sebokeng, in the Emfuleni region. Evaton was one of the townships affected by the violent unrest that erupted in 1984 that led to the imposition in 1985 of a state of emergency. The ELM Annual report (2019:3) and StatsSA Community Survey (2016), highlight the high unemployment in the Emfuleni area and in townships such as Evaton. StatsSA (2001) reveals that most of the residents of Evaton either had attended secondary school or exited at secondary school level. In other words, 12 123 residents had participated in secondary school or had grade 12, which was mostly the highest education level attained by over 20- year-olds. Few (339) had higher than grade 12, which may have contributed to the unemployment rate of 21,2 per cent in Evaton.

Meyer (2007:4) contends that LED is a strategy that should fight the state of poverty and unemployment directly by generating job opportunities, which would lead to the indirect benefits of advancement and development for the local community. Van Wyk (2004:121) argues that LED strategies and programmes should generate employment opportunities by attracting new business and investments in existing businesses, as well as creating an environment that is conducive to new and existing business, which should lead to economic stability for local communities.

Evaton and Sicelo face enormous challenges due to unemployment, which municipalities need to address by utilising LED as a policy to generate job opportunities. LED programmes should be used by local authorities for the skills development of those who do not possess the necessary skills to either start their own business or be employable.

Rogerson (2006:41), as well as Nel and Binns (2003), assert that the adequate implementation of job creation initiatives, such as public works programmes for the generation of job opportunities and infrastructure provision, has been identified as one of the most popular LED strategies used by South African local governments. Rogerson (1999; 2006), Taylor (2003), Cachalia (2004) and Gibb (2004), acknowledge that these local job creation initiatives in poor communities focus on developing or improving skills and the development of an informal economy by using a pro-poor LED approach to advance home-based and micro enterprises.

The study will investigate whether the above-mentioned LED initiatives do create jobs opportunities. Moreover, it will explore how the mechanisms used in the design of LED strategies can create jobs. Thus, the study will analyse the LED strategies for the generation of job opportunities used in Evaton and Sicelo townships in ELM and MLM, respectively.

1.4 RESEARCH QUESTIONS

The study explores the following questions:

- What is meant by LED, and what contribution does LED policy have on job creation opportunities, especially in the townships of Evaton and Sicelo?
- Is LED a proven job creation mechanism for peri-urban areas?
- How have ELM and MLM ascertained whether their LED strategies are decreasing or increasing job creation?
- How effective are the LED programmes in supporting job creation and promoting SMMEs in Evaton and Sicelo?
- What potential solutions and recommendations can be proposed to address the problem of job creation through LED?

1.5 RESEARCH OBJECTIVES

- To explore theoretical exposition of LED and outline contribution LED policy has on job creation, especially in townships of Sicelo and Evaton.
- To examine whether LED is a proven job creation mechanism for peri-urban areas
- To evaluate how ELM and MLM have ascertained whether their LED strategies are increasing or decreasing job creation
- To assess the effectiveness of LED programmes in supporting job creation and promoting SMMEs in Evaton and Sicelo
- To develop possible recommendations and solutions to address the problem of job creation through LED

1.6 RESEARCH HYPOTHESIS OF THE STUDY

1.6.1 Research hypothesis

The implementation of LED policy can be an instrument that create job opportunities in the townships of Sicelo and Evaton.

1.6.2 Null hypothesis

The non-implementation of LED policy can be an instrument that does not contribute to job creation opportunities in the townships of Sicelo and Evaton.

1.7 SIGNIFICANCE OF THE STUDY

The study will investigate whether LED as a policy is effectively utilised to create jobs in the townships of Evaton and Sicelo, in ELM and MLM, respectively. Therefore, the study's findings might provide insights into the effective implementation of LED policy in these townships, where unemployment is a problem. Moreover, the study's focus on the instruments and mechanisms that go into the design of LED policies for job creation purposes may provide insights into effective LED strategies that could be followed by local municipalities in South Africa and other countries where unemployment and poverty predominate.

1.8 CHAPTER LAYOUT

Chapter 1 This chapter provides the introduction to the study, which will consist of the following: the background to the study, the problem statement, the significance of the study, the research questions, the research aim, the research objectives to the study and outline the research design and methodology of the study.

Chapter 2 Theoretical exposition of LED. This chapter gives theoretical exposition of different LED school of thoughts. The origins of LED and importance of LED in local municipalities. The chapter also highlights some of the theories that have influenced the LED approach, and the principles on which the approach is based. It then provides definitions of LED. The chapter also discusses the concept of Job creation and different types of job creation strategies, and the contribution LED has on job creation. Lastly it incorporates an international perspective of LED strategies and how different international countries employ LED.

Chapter 3 LED designs, instruments, and mechanisms for job creation in South Africa. This chapter investigates the implementation of LED in South Africa. It will describe and explain the problems of the instruments and mechanisms that go into the design information that goes into LED strategies and policies for job creation. Furthermore, the legislative framework that governs LED and, lastly, investigate LED policies and strategies within both Emfuleni and Midvaal local municipalities.

Chapter 4 Empirical research methodology. This chapter explains the research methods used in the study; the population; the sample and sampling technique; and the strategies used to collect and analyse the data.

Chapter 5 Data analysis and findings. This chapter presents the results of the analysis of the data collected in the study and discusses the findings of data analysed.

Chapter 6 Conclusion and recommendations. This chapter presents a summary of the findings of the study and evaluates the hypotheses against them. In addition, this chapter will provide recommendations and possible solutions to the job creation challenges faced by ELM and MLM.

CHAPTER TWO

THEORETICAL EXPOSITION OF LOCAL ECONOMIC DEVELOPMENT

2.1 INTRODUCTION

In this chapter, there will be a thorough theoretical exposition of Local Economic Development and job creation, both in the international and South African context. Therefore, the chapter will discuss the concept of LED and the type of jobs LED can create. There will also be a historical background of LED, followed by the purpose and significance of LED. The International and South Africa context of LED and its strategies will be outlined, followed by the LED strategies and projects of both Emfuleni Local Municipality and Midvaal Local Municipality. The role of local government in promoting LED will be discussed and, lastly, the role of LED in job creation.

2.2 DEFINING CONCEPTS LOCAL ECONOMIC DEVELOPMENT

Local Economic Development (LED) is defined as part of the broad “Integrated Development Plan (IDP)”. The IDP is then the process by which all local authorities are obliged to commit themselves to. Hence, the IDP is a policy document that identifies all the development needs, priorities, and strategies in a competitive manner with affected communities, states (Binns & Nel 2002). Different scholars have different perceptions on LED; this we see as it is viewed as a broad term studied by different scholars who have different theories and analysis on the term.

Helmsing & Egziabher (2005:1) firstly define LED as a process by which partnerships are established between the local governments, NGOs, community- based groups and the private sector to manage the existing resources to alleviate socio-economic issues by means of creating job opportunities and stimulating economic activities in an economic way. In support of the statement mentioned above, Schepeers & Monchusi (2002:82) also state that LED is a process managed by the local authorities in accordance with the economic component of their constitutional mandate to promote social and economic development.

(Bartik 2003:1), an American LED scholar, also highlights that LED leads to an increase in a local economy’s capacity, and, as a result, this then creates wealth or, advances a better life for the residents of the poor local communities

The Department of Provincial and Local Government - DPLG (2003:1) defines LED as an "outcome", based on local initiative and driven by local stakeholders. It involves identifying and using primarily local resources, ideas, and skills to stimulate economic growth and development. Lastly, the World Bank (2006:1) defines LED as a process by which different stakeholders, such as the public, business and non-governmental sector partners, work as a collective to create better conditions for economic growth and employment generation. The goal for LED is to alleviate poverty and advance local employment opportunities in sectors which helps enhance the standard of living of the community by means of using existing human, natural and institutional resources (Blakely 1994:9 & Nel 2001:1). Trah 2004:1 incorporates his perspective that LED specifically aims to stimulate the local economy to grow, compete and be able to generate job opportunities within their local communities.

2.2.1 Job Creation

Unemployment is a challenge globally, and South Africa has the highest unemployment rate amongst the BRICS nations, because many refer to job creation as initiatives which should be taken by government policies with the intention to reduce unemployment. Thus, the challenge faced by the government to create jobs opportunities for people, with little or no skills as stipulated by (Jones: 2019) sees the government utilizing initiatives such as EPWP and CWP as a solution for unskilled people. Such initiatives are not sustainable as they last till a certain period, and, once the period is over, one is back to being unemployed again. Stats SA (2021:2) also highlights that the unemployment rate sits at 34.4 per cent, which is the highest recorded since the start of QLFS in 2008.

Looking at the challenge of unemployment alluded to above, Rogerson (2006:41) asserts that the adequate implementation and the utilisation of initiatives, such as the expanded public works programmes (EPWP) and community works programmes (CWP) that are used as a tool for generation of job creation opportunities through infrastructure developments as provided by government (Nel and Binns, 2006:42). The above mentioned EPWP and CWP initiatives have been identified as one amongst many as the most popular LED strategy used in South African local governments. Rogerson (2006:42) further highlights that these local job creation initiatives in local poor communities focus on developing and improving skills and focus on development

of the informal economy using a Pro-poor LED approach to advance homebased and micro-enterprises activities.

In support of the authors above mentioned statements, it is clear that “jobs are the cornerstone of economic and social development”, according to the (World Bank, 2013). The impact of high levels of unemployment is a drastic one, mainly because it causes devastation which results in poverty, social exclusion, inequality, crime, and social instability (Kingdon and Knight, 2004).

Lawson (2014:5) emphasizes the significance of Local Economic Development amongst many other things as being the practice of generating sustainable employment in the local communities. He further elaborates an understanding of how important it is for one to understand that government alone cannot create more employment due to fiscal constraints. In LED, it is important for one to understand that even though there are initiatives such as programmes of EPWP and CWP, these initiatives do not create sustainable jobs and, at some point, funding for these initiatives run out or are mismanaged. Lawson (2014:5) then suggest that “sustainable jobs are generated in private sectors that subsequently make money from markets”. By so stating, for us to be able to create sustainable jobs; there must be a willing power to grow the economy by proposing that business improve their revenues by competing better in markets, which will then give them exposure to intense global competition.

Job creation is mostly referred to as government policies that are intended to reduce the level of unemployment. How then is the government expected to do so is such a question one might ask them, but the answer is simple and is:

- That the government can stimulate job creation when it invests in projects that improve and create new services.
- An alternative way government can utilize to generate employment opportunities is initiatives such as the special grants to the private sector for infrastructure, engineering, defence, and justice to name just a few (PR news wire, 2013:1)
- The main benefit of job creation opportunities is the improved quality of living standards for the people (World Bank, 2013).

2.2.1.1 Types of job creations

The Budget Review (2011:41) perceptions is that to achieve the higher rate of sustainable job creation envisioned in the New Growth Path, the economy needs to grow fast. Government's contribution to job creation is likely to operate on two levels. Firstly, the economic policies should promote an environment that is conducive to private-sector growth and investment, including appropriate regulation and microeconomic reform. Secondly, government is expected to make a direct contribution through public-sector hiring and targeted job-creation programs.

The following are different types of job creations as stipulated in the budget review (2011:46)

a. Support for small business

Small businesses create jobs. Firms with fewer than 50 employees account for about 68 per cent of private employment and 77 per cent of all hiring that takes place. The private sectors consolidate and strengthen small business financially and offer advisory support. Looking into both public and private sector capacity, it is expected of them to contribute to more rapid growth of employment opportunities in this sector.

b. Government Funds Jobs

Government has created a R9 billion Jobs Fund to support projects with the potential to create large numbers of jobs, particularly for younger workers. Projects supported by the fund are expected to employ 50 000 to 100 000 people over the medium term.

c. Youth employment incentives

Government is developing a range of incentives to promote youth employment. These include a youth employment subsidy, intended to increase demand for young workers. The subsidy will lower the relative cost of labour for businesses without affecting a worker's wages, for instance, internships by government in private sectors. The experience and training gained during the period of subsidized work will improve longer-term career prospects.

d. Training layoff scheme

Government created the training layoff scheme to alleviate the effects of the recession on employers in distress. The scheme was allocated R2.4 billion from the National Skills Fund and the Unemployment Insurance Fund to subsidize the temporary suspension of work in favour of training.

e. Expanded public works

The expanded public works programs are comprised of different projects being infrastructure, social, environmental and community projects, spearheaded by various departments, municipalities, and partner organizations. The program creates short term jobs and skills for people. For instance, an infrastructure project such as road maintenance.

There are also different initiatives government proposes in creating employment opportunities through Local Economic Development policies. A few of the many are as follows: as further elaborated by Rogerson (2006), applying labour-intensive methods to develop rural infrastructure and absorbing significant numbers of the unemployed into productive employable candidates. Another initiative used by government was the redesign and relaunch in late 2004 of the national government's support framework for small businesses development; this initiative helps promote and enhance small businesses on a local level; this means the promotion of start-up for new entrepreneurs, SMMEs, business development services; this is mostly done for the rural poor communities, especially for the previously disadvantaged, hence for the attempt for adequate implementation of LED policies (Rogerson, 2004); therefore the LED policies attempt to increase employment opportunities and economic growth

Kooris (2008) agrees by stating that research has indicated that education and skills development and training gives access to job creation opportunities and has an impact on economic development and employment. Meyer (2014:71) brings to light a concern that, though Expanded Public Works Programme and Community Works Programme is seen as a major role in government to create employment, the Expanded Public Works Programme and Community Works Programme job opportunities are not sufficient to provide the mass employment urgently needed, and should not be considered as a sustainable job creation tool

2.3 HISTORICAL BACKGROUND OF LED

Rodriguez- Pose & Tijmstra (2005:35) proclaim that LED has its origins in the first world and high- income countries, mainly based in Europe and North America, whereas Nel (2001:1004) deviates from that stating that LED strategies emerged in the last 30-40 years as a response to the economic and social problems that were a result of stagnant local problems or challenges.

Swinburn & Murphy (2004:1-2) explain that LED evolved in the early 1970s as a policy in response to the municipal governments realization that businesses and capital were moving for competitive advantage amongst different locations. As a result, this then made the municipal government to become actively involved by reviewing the community economy and gaining a better understanding of the opportunities to create a conducive environment for growth and investments in their local communities. With the new understanding, communities therefore attempted to expand economic development and generation of job opportunities by undertaking and implementing strategic LED programs to alleviate poverty and unemployment.

Roberts in Rodriguez- Pose & Tijmstra (2005:35) then state that LED came as the results of the horrific consequences of the traditional top-down approach, as an initiative to promote development strategies in combating the increasing percentage of unemployment and inequality, which drove the search for alternative development strategies that would offer employment opportunities for growth of all the areas.

LED in South Africa, according to Nel and Humphreys (1999:227), emerged as a commitment to the new dispensation and administration after introduction of the democratic S.A in 1994 as a solution to empower the mostly previously disadvantaged areas. it was also seen as a significant post-apartheid development strategy for redressing the unjust apartheid laws by promoting social and economic development for those who were previously disadvantaged, providing them with jobs and necessary skills in making sure they are equipped going forward in life.

The Local Government White Paper (1998) suggests that local government is responsible for the advancing of local economic development, playing a crucial role in job creation and uplifting of the local economy through initiatives such as business-friendly services, local procurement, investment promotion, support for small

businesses and growth sectors. The duties and powers of LED are generally of a service type nature to the people and include the following: tourism planning, public works, infrastructure development and markets.

It is important for one to understand that the success of different communities depends upon the community to adapt to the dynamic local, national, and international market economy they will be working with (Bandhopadhyay, 2016:5). The same author further elaborates that the main objective and strategy of LED is that LED is used by local communities to advance and nourish the local economy capacity of that community, also to create a conducive environment enabling economic activities to take place and an improvement of the investment climate. Another objective is to improve productivity and competitiveness of local businesses and to adopt more. With the above stated, one must understand that the power of local communities to improve advanced quality lives, the creation of new employment and economic opportunities, and the fight against poverty is mainly influenced upon local communities acting strategically in changing and improving the market economy and, another, being an understanding of the processes of LED within their communities (Bandhopadhyay, 2016:5). As alluded above, Bandhopadhyay (2016:3) seeks to give us a comprehensive understanding that for LED to work effectively, LED policies, mechanisms and instruments used will differ according to different communities, therefore it is advisable that the mechanisms used in LED policies must be best suited for that environment for it to be effective, specially to alleviate poverty and create jobs as its objectives; it is also of utmost importance that all stakeholders involved can identify and consider its communities' strength, weaknesses, opportunities and threats; therefore this should then lead them to a shared strategy based on that.

Local Economic Development, since the 1960s, has passed through three comprehensive stages of development, states the World (2001:28) until it was conceived as a concept in the mid 1980's by the World Bank. These three stages, or waves, have enhanced a better understanding of what works and what doesn't in LED. The three stages are going to be thoroughly explained utilizing the World Bank (2001:28) as a source:

a. First Wave

The first wave occurred during the 1960's to the early 1980's. Their focus during this phase was the mobile manufacturing investment attracting outside investment, especially the attraction of foreign direct investment and making hard infrastructure investment. To achieve the above, they used tools such as massive grants, subsidized loans usually aimed at inward investing manufacturers, they also had tax breaks, subsidized hard infrastructure investment and, expensive 'low road' industrial recruitment techniques.

b. Second Wave

This second phase occurred during the 1980's to mid-1990s. The second phase was therefore focused on the retention and growing of existing local businesses. Continuing with the emphasis on the inward investment attraction, but usually this was becoming more targeted to specific sectors, or from certain geographic areas; lastly making hard infrastructure investment. To achieve these objectives, tools such as direct payment to individual businesses, business incubators, or rather workspace were used, advice and training for small and medium sized firms, technical support was provided, business capital support and, lastly, some hard and soft infrastructure investment.

c. Third Wave

The third phase commenced in the late 1990's till present. In this phase the focus then shifted from individual, direct firm financial transfers, to making the entire business environment more conducive to business. During this third phase, being the current wave of LED, more focus is placed on the soft infrastructure investments, public private partnerships, networking and leveraging of private sector investments for the public good and, lastly, target inwards investments attraction to add to the competitive advantages of local areas. To achieve these objectives, the following tools were and are utilized: firstly, developing a holistic strategy aimed at growing local firms, providing a competitive local business environment, supporting and encouraging networking and collaboration, encouraging the development of business clusters, encouraging workforce development and education, closely targeting inward investment to support cluster growth, developing an attractive business environment and, lastly, supporting quality of life improvement.

2.4 THE RELATIONSHIP BETWEEN LOCAL ECONOMIC DEVELOPMENT AND INTEGRATED DEVELOPMENT PLANNING

Van Der Walddt (2018:12) defines IDP as a participatory planning process that seeks to combine all sectoral strategies to support the allocation of scarce resources with the end goal of alleviate poverty by promoting economic stability and empowering the marginalised. DPLG (SA 2001:4) further expands their definition as being a process whereby the municipality prepares a five-year strategic development plan to arrive at conclusions on issues such as the municipal budgets, and the promotion of local economic development, to name just a few. Lastly, DPSA & NBI (2005) further elaborate that the IDP is used as a mechanism that allows municipalities to take a broad strategic view of their development. It is important for one to understand that IDP policies vary according to the needs of specific places. It is important for municipalities not to adopt what the next municipality does as they are faced with different challenges that need direct strategies for the challenges pertaining to their matters. It is apparent from the above-mentioned authors that IDP is all about people, development, which allows people the opportunity to grow and empower themselves. LED policies are derived from IDP policies or plans. These are all the five- year plans drafted in the IDP policies, and the plans dealing with local economy that are then used as LED policies to stimulate the local economy in communities. Bartik (2003:4) further elaborates that local economic development policies are policies that advocate for increased total number of jobs created in the local economy; this happens when such policies help new businesses to expand that add to the local economy of the communities.

Bartik (2003:4) outlines the goals of the LED policies as being, amongst many other benefits; first benefit being Fiscal Benefit. This is whereby new jobs add more tax revenue than public expenditure, and the second benefit being an employment benefit; within this benefit there is the creation of new job opportunities for people who were previously unemployed, and/or people who were working get promotions and/or new, better paying jobs.

2.5 PURPOSE AND SIGNIFICANCE OF LOCAL ECONOMIC DEVELOPMENT

World Bank (2006:1) states that the purpose of LED is to build the local economic capacity of a local area to improve its economic future and quality of life for all. The experiences of adequate LED implemented policies show that LED initiatives bring a positive change to the local communities; this we see as it allows development of the local economy by generating job opportunities and other infrastructure development in the community. The latter alluded initiatives allow improved economic future for local communities and enhanced life for its citizens. Wan der Walt (2016:169) further elaborates that the adequate understanding of the principles and practices of LED put the community in power to enhance their standard of lives through the creation of economic opportunities and gives them a better chance to fight unemployment and poverty. Another purpose brought forward by LED is that LED allows the improvement of investment environment facilities; this then results in increased quality productivity and competitive local business such as SMMEs. LED increases income levels for communities' members, this then results to people being able to pay for services and facilities within their local authority. LED is one of the logical ways to address the apartheid legacy by addressing socio-economic inequalities and promoting urban integration, job creation and social provision, and LED can directly or indirectly promote economic development and empowerment of community groupings (Van der Walt, 2016:156-157).

2.6 THE ROLE OF MUNICIPALITY IN PROMOTING LOCAL ECONOMIC DEVELOPMENT

Nembambula & Ledwaba (2017) gives us a clear understanding that local government is a sphere of government which is close to the people, as it operates in close contact with the local communities. The close relation that local government is assumed to be having with the public suggests that there should be an interaction between the two in terms of development and service delivery, to the satisfaction of the inhabitants of the local area or municipalities. The fact that local government is the closest sphere of government to its community provides a platform for municipalities to interact closely with its inhabitants to play a meaningful role in the development of the socio-economic conditions for its locals (Phago, 2004)

According to the DPLG (2000:2), the municipality has a role they must play in promoting LED. The constitution of SA 1996 also supports this by stating that the new status defined of municipalities is that they are responsible for basic services such as the provision of bulk infrastructure. Another mandate by the constitution is that it is expected to stimulate economic growth and job creation; by so doing, enabling them sustainability of their own viability and means to create employment and develop SMMEs.

Lawson (2014:5) outlines the primary responsibility of municipal leaders such as mayors, sector leaders; counsellors etc., is to ensure Local Economic Development leadership and governance and, LED and IDP units is to process facilitation. If these two functions are done well, the rest take care of themselves. Everyone one had to do their roles accordingly, because without the right LED system capacity in place, the prospects of success are clearly low. Establishing the required institutional capacity to succeed in LED is therefore of utmost importance. This requires strengthening the capacity of leaders of the municipality, organised business, and sector bodies in economic development cooperation

There are different types of roles expected from local government in LED. These roles, according to DPLG (2004:29), are direct roles, being that local government is expected to formulate policy and leadership; provide more research on LED, co-ordinate local initiatives, provide business infrastructure, supporting of SMME with training and funding and, lastly, the formulation of incentives. The second type of role by the local government in promoting LED is the creation of an enabling environment for promotion of LED, improvement of operational efficiency, and another role, is the facilitation of sustainable community projects, followed by attraction of development funding and, lastly, dissemination of information on LED.

The roles of local municipalities in promoting LED according to DPLG (2000:2) and Van der Walt (2018: 163-164) will be listed as follows:

2.6.1 Coordinator

The municipality is expected to promote LED as a coordinating body through means of IDP to draw together developmental objectives, priorities, strategies, and programs of a municipality to ensure LED initiatives are coordinated within, and with other

municipalities programs linked to national and provincial initiatives (DPLG 2000:2). Van Der Walt agrees by stating that municipalities play a significant role in making sure that LED programs are envisaged by national and provincial government through the growth and development strategy. Coordination in municipalities is crucial as its closet to the people, making it easier to be in touch with the latter socio- economic issues.

2.6.2 Facilitator

Municipalities should serve as facilitators to improve the investment environment in an area. The white paper on local government (1998) states that local government is obliged to pursue LED through the core functions of IDP. Local government must also create a concrete environment through facilitating processes and initiatives by other role players, being the private sector, national and provincial government, CBOs and NGOs, aimed at developing and enhancing LED. The municipalities are also expected to facilitate regional/ district LED forums, LED stakeholder's meetings, the project identification process and private sector investments into the community.

2.6.3 Stimulator

It is the role of the municipality to stimulate business creation together with business expansions. This creation of businesses and its expansions seeks to bring about community development, sustainable service delivery and infrastructure and land development. For instance, the municipalities are expected to provide people who seek to start businesses with low rental premises; this is, for instance, the SMMEs, and bring about initiatives for gathering information on local investment opportunities and, lastly, to promote tourism activities in a key area. Craythorne (2003: 150) states that LED activities are legally mandatory for every municipality in South Africa as an important part of the municipal Integrated Development Plan (IDP). The municipality are expected to stimulate activities such as providing community development, sustainable service delivery and infrastructure and land development (Van der Walt, 2018:164)

2.6.4 Entrepreneur

The role of the municipality is to take full responsibility of operating a business enterprise. A municipality can also enter a joint venture partnership with the private sector and NGOs.

2.6.5 Developer

It is the role of the municipality to make sure that the municipalities promote an improvement of the living environment of the people, and a livelihood for all citizens by means of developing a mental approach to good governance.

2.7 LOCAL ECONOMIC DEVELOPMENT APPROACHES

It is important to understand that LED has no singular approach that will work for all local areas or municipalities. The reason is because each local area or municipality has different resources and a unique set of opportunities and challenges, different from the next local area. Therefore, it is crucial that they develop an LED strategy and use approaches according to the issues they seek to address Mvulatrust (2006:1). There are different approaches used by local governments globally in which they take necessary sets on the series of economic development. There are six approaches identified in LED (2000), together with Van der Walt (2018:166), and the Department of Constitutional Development, (1998:8) which will be further elaborated on:

- Traditional approaches firmly believe that the key aspect to prosperity is attracting (primary manufacturing) investment through means of tax breaks, cheap land, reduced rates, and even direct financial rewards in return for locating in poor areas. The argument stipulated here is that, through investment, there can be job creation and provision of taxes which will then contribute to the provision of services. Different themes seek to attract other means of economic activities and funding, such as tourism, government, and financial institutions, or spending on national social programs (Department of Constitutional Development, 1998:8 & Van der Waladt, 2018: 166).
- Urban efficiency advocates that local authorities should advance and promote urban productivity by means of lowering the costs of living and engaging in local enterprises. Others view this differently, and state that the best way to achieve

this is by limiting government intervention, especially by means of cutting taxes and services charges, and outsourcing with the private sector where possible. In contrast to what the two have stated, others believe that efficiency can be achieved by strong government planning. This argument has relevance to South Africa, whereby apartheid's spatial planning has brought the populace to endure inefficiency. For instance, the metropolitan corridor in Cape Town, together with Johannesburg, seeks to bring people and jobs closer together for the main purpose of reducing travelling times and costs (Department of Constitutional Development, 1998:8 & Van der Waldt, 2018: 166).

- Human resource development is recognized as one of the focal points for the LED strategies. The argument brought forth is that low skills levels, especially amongst the poorest, are a challenge facing potential investors. By so saying, it is unlikely for the poor to benefit from these new jobs unless the jobs are brought to fit their level of skills. Local authorities in that case are then expected to establish local training bodies in the local area. Municipalities should impose that big business brings about initiatives to provide minimum training for their employees (Department of Constitutional Development, 1998:8 & Van der Waldt, 2018: 166).
- Entrepreneurial-competitive strategies focus on the importance of local comparative advantages and SMMEs in job creation opportunities. Local authorities play a significant of recognizing potential growth sectors and are tasked to indirectly support local businesses through means of grants, loans, research, consultancy, premises, and technical infrastructure. Municipalities have engaged in research to identify economic strengths of their local area to help them produce a local industrial strategy (Department of Constitutional Development, 1998:8 & Van der Waldt, 2018: 166).
- Community-based strategies focus on the importance of working directly with low- income communities and their organizations. Investments are all very well, but the benefits are unlikely to directly benefit the poor unless they are active participants in that new development with the required abilities to plan, monitor and enforce wider benefits. The key feature of this approach is perceived to be the support for institutions such as the local credit unions or development

corporation (Department of Constitutional Development, 1998:9 & Van der Waldt, 2018: 166).

- Progressive approaches explicitly aim to link profitable growth and redistributive development. An example is construction linkage where the planning permission in profitable areas is linked to investment in more impoverished surrounding areas. Another approach for this is the requirement that banks must open branches in a certain area and, in turn, must invest a certain proportion of their turnover to small businesses (Department of Constitutional Development, 1998:9 & Van der Waldt, 2018: 166). In areas such as townships, where banks are hesitant to open branches, the municipality must make an opening of its account and funds. Over the past few years, the municipalities in the USA have introduced a living wage legislation to avoid exploitation at a local level (LED, 2000).

2.8 INTERNATIONAL EXPERIENCE OF LOCAL ECONOMIC DEVELOPMENT

2.8.1 European Union LED Policy

Dylance and Davis (2005:17) give an insight of the European Union approach to LED in the transition economies. The role of Local Economic Development is explicitly acknowledged in the EU Accession States through support of attainment measures for Agriculture and Rural development (SAPARD). The SAPARD was the first occasion whereby the European Union had demonstrated its commitment to accession to many in the agricultural and rural communities of the Central and Eastern European countries, in short being CEECs.

EU objectives are outlined in its SAPARD regulations as being to improve market efficiency, to adopt European Union levels of quality and health standards and introduce mechanisms for the creation and generation of employment in rural areas.

A challenge one is faced with is that, regardless of the urgency needed to create and generate job opportunities, employment opportunities are not seen as a priority, therefore, as a result, measures taken are that investments and improvements in market efficiency should have strong multiplier effects within a rural economy. However, the specific measures that might foster job creation and should be consistent

with the relevant skills, might be constrained to agricultural situations, with incentives for SME start-ups being neglected (Davis & Dylance 2005:17).

The EU LED Policy has programmes, such as LEADER, together with a few other schemes that gives provision for the incorporation of LED friendly policies, which focus on the expansion and development of the agricultural sector, and these policies also advocate for the reduction of poverty in transition countries. The current approaches employed by these policies to the EU rural development insufficiently links the aims and means, for instance; this is said because there is lack of transparency of policies; the agriculture sectors have mostly dominated programmes; there is little attention given to stakeholders, subsequently leading them to not being the centre of the EC rural policies and, lastly, the procedures employed in policies which are employed makes it financially challenging for implementation of these policies for transition countries (Davis & Dylance 2005:17).

The European Union Approach to LED consists of the following three programme:

Davis & Dylance (2015:18) describes the LEADER programme as a successful and innovative mechanism used to mobilize local actors in bottom-up, territorial. and integrated approach to pursue local development in rural areas. The LEADER programme is among four EC initiatives funded by the EU to assist rural areas enhance the long- term potential of their local regions.

This programme advocates for partnership and networks of exchange and experience each network possesses for sustainable development.

The LEADER programme and, in some cases, the Structural Fund programmes, have been important in impacting the decline of primary sectors in rural areas and related employment through new growth areas such as tourism, new value-added activities, health, social care, local culture and environment and information communication technology (ICT), strong local entrepreneurship, and timely external support (Davis & Dylance 2005: 17).

The **EC-Phare programme** funded projects across the region, which focused on the identification of priorities in modernization of agriculture and food processing sectors, and the formulation of strategies. It was usually initiated by transition country ministries

of agriculture (and rural development) and implemented through the EC-Phare programme (Davis & Dylance 2005:18).

The last programme, being the RAPID Programme, mainly focuses on helping rural area development through investment support. This kind of support is seen at a regional basis whereby their main goal is the alleviation of economic inconsistency between different regions; therefore, support is provided to rural infrastructure development to avoid rapid socio-economic challenges. This programme has been seen as success and has provided significant learning and demonstration effects; this is evident as the programme has improved technical infrastructure and environment further creating rural jobs (Davis & Dylance 2005:19).

2.8.2 LOCAL ECONOMIC DEVELOPMENT IN EUROPE:

a. Local Economic Development in Italy

According to Sighn (1967:315), the South and North of Italy are seen as different economies. South being treated as a separate economy from the North. This is evident as we see that the standard norms of profitability and entrepreneurial activity and investment were operated in the South, whereas the North had to have development of a particular segment of the economy of the South. Sighn (1967 :316) further deliberates on the solutions the Italian policy solved above mentioned in Italy. These solutions were divided into 4 phases, as follows:

Phase 1 was the architectonic plan without action; in this phase there was no existence of an economic plan for local development. Phase 2 was preindustrialization, which incorporated the emphasis on the factors such as land reforms, infrastructure and there was now promotion of economic development which would later result in employment opportunities. The third phase was industrial zones; in this phase there was emphasis on the development of the growth pole, there was incorporation of investments by public ownership industry, encouragement of local private enterprise by direct incentives, technical assistance etc., to name just a few and, lastly, the last phase was coordinated central-regional growth planning; the objectives of this phase was to have an increase in national income, concentration of economic growth and, lastly, that there be a coordination of a regional and sectoral plan into a national plan.

The OECD (2019) states that within Italy, the EU funds are used to ensure that there is a higher level of public investments in the less developed or marginalised regions. There was an introduction of an operational programme, the Metropolitan Cities 2014-20. This programme had an objective to improve the quality and efficiency of urban services and incorporate social inclusion. Italy also incorporated a strategy, which for the inner areas, was aimed at reducing the demographic decline in many rural areas and brought about improved quality essential services such as education, health, to name a few and, most importantly, promoted new opportunities for economic activities and job creation opportunities.

The EU Cohesion Policy Italy emphasized the importance of constructing infrastructure which will be further elaborated below:

Ciani, de Blasio & Poy (2020) state that Italy utilizes transportation infrastructure to spur local economic growth. This is strongly believed because of the large and expensive projects that brought coalition support in underdeveloped areas. Ciani et al (2020) further elaborates that transportation investment is not a new issue in policy making agenda, but this has been going on since the 1950 period of the economic miracle. Freeways in Italy have been a result of stronger growth in municipalities closer to them. Such projects allowed increased private employment between the period 1961 to 2001. It is apparent that these freeways increased the employment rate. Ciani et al (2020) concludes that investing in transportation infrastructure is a promising way to revitalize growth.

2.8.3 LOCAL ECONOMIC DEVELOPMENT IN ASIA

a. Local Economic Development in South Korea:

Todora & Smith (2012) highlights the factors that South Korea capitalizes their economic growth on: these factors are as follow: They employ the increasingly agriculture productivity. They also took a shift of labour from agriculture to industry; there has been a steady growth of the capital stock in South Korea and the cultivation of education and skills has transitioned South Korea from high to low fertility. During the years 1940 to 1950, South Korea conveyed a thorough land reform; this was mainly done to make sure that agriculture is not neglected but rather promoted. Todora & Smith (2012) further emphasize that after about 1970, productivity growth in

agriculture also increased rapidly, owing in part to a successful integrated rural development program.

b. Local Economic Development in China:

The same scholars explained the reality of LED in China. Todara and Smith (2012:189) state that China is a free-market economy. It is embodied in employing an adopted activist industrial policy that capitalises on increasingly higher skills and technology content. During the period 1980s to mid-1990s, China experienced a rapid growth due to the rural township and village enterprises, which were partially owned by both the municipalities and private entrepreneurs. Todara and Smith (2012: 190) further highlight that investors pour investment into China; this is mainly because of the discovery made by the investors that China provide relatively cheap labour with unusual high skills and work habit for each of their income levels. The attraction of these investors from places, such as overseas, to locations in China, are a result of the regional influence of open-door policies and special economic zones. The above statement resulted in the local level, township, and village enterprises (TVEs) being encouraged in China (Todaro & Smith 2012:191) Though TVEs are vaguely owned by the local government, their property rights lie with private entrepreneur and its employees. The TVEs resulted in a large share of the industrial output growth. In the late 1990s, the majority of TVEs were privatised; this was done to help spearhead growth and bring development to rural areas. These early reforms gave advantage for agriculture in rural areas where most people who are poor resided; this then resulted in poverty being alleviated as income rose. In the year 2004, over half of the population of China was still involved in agriculture.

Todaro and Smith (2012:192) state that China, in terms of rural sector, has done an incredibly good job. The earlier land reforms have given greater incentives to the individual farmers. Remittances from migrant workers have fuelled a service-sector boom in some rural areas, and prices received by farmers have generally risen, particularly near urban areas.

2.8.4 LOCAL ECONOMIC DEVELOPMENT IN AFRICA

a. Local Economic Development in Uganda

The Uganda National LED policy (2014: iv) provides a thorough understanding of LED in Uganda; therefore, the evolution of LED in Uganda started with the Uganda Decentralize Policy that was established by government in the year 1992. This was done to enable citizen in Uganda to have a voice in the managing of democratic governance affairs and, also, to improve the provision of social and economic welfare services. By so, doing the policy helped the local people to be more active and involved in the local economic development in their countries, as this is a requirement of partnership for stakeholders; the community members, being one of the stakeholders, needed for LED to reach its maximum objectives. The policy was also implemented to help enhance local development, accountability, efficiency, effectiveness, and accountability.

The creation and generation of job opportunities creates a conducive economic environment, enabling the private sector to invest in local areas. This results in improved lives and services, which is what LED seeks to achieve. Uganda LED policy (2004:1) outline their vision as the creation of vibrancy and a competitive private sector led local economy. The policy further attempted to transform the local government system in such a way that it created a conducive business orientated development. This vision has the objective of poverty alleviation and creation of wealth.

The policy guiding principles for LED in Uganda are as follows:

The Uganda LED policy is comprised of a planning framework comprising a National Development Policy, Rural Development, and a Local Government Sector Strategic Plan, to name just a few. The LED policy in Uganda has established the Public Private Partnership. This policy advocates for the consistency of policies derived from programmes that were placed by stakeholders working with the LED. The policy was further advanced by enhancing competitiveness and inclusion of gender quality.

Though the country attempts to alleviate poverty and create or generate wealth, the LED policy (2014:1) showcases that it still has various challenges that they ought to overcome. The country still faces inadequate and ineffective institutional framework to tackle the challenges of poverty. The country also faces the lack of coordination from

all spheres of government in designing and creating a feasible approach; poor infrastructure, thus disadvantaging potential businesses. Due to limited institutional understanding and insufficient capacity, the stakeholders are not fulfilling their expected role. There is limited involvement of the private sector and the community in existing public participation mechanisms; A lack of constructive and effective dialogue among stakeholders on common economic challenges, marred by ineffective mechanisms for the private sector and community to fully participate in the planning process, especially at the local government level.

b. Local Economic Development in NIGERIA

In a report, United Cities and Local Governments of Africa (2016:4) introduces Nigeria as one of Africa's most populous countries that witnessed an impressive economic growth in the past two decades. Nigeria has the largest economy in Africa. Despite the impressive economic growth, Nigeria still faces challenges such as inequality, poverty, and unemployment, especially amongst the youth. Due to the challenges stated, LED is used as a tool for addressing the challenges of poverty, economic development and the promotion of economic development from the local level to the people, as advised by the World Bank (2001) for developing countries to develop and implement LED programs and projects towards the acceleration of economic growth and the improvement of distributing income and wealth and, also social development, to achieve sustainable job creation opportunities and poverty reduction.

United Cities and Local Governments of Africa (2016:5) highlights that LED requires local action to be taken and that the Nigerian local government ought to be empowered to promote LED. Another factor that has shed light is that decentralization plays a significant function/role to local government in developing countries such as Nigeria. Decentralization in a developing nation such as Nigeria was introduced in 1960, but only received attention by the Nigerian political leadership in 1977, with the adoption of a Guideline for Local Government Reform. The Nigerian communities' members initiate their own community development programmes. These programmes are, however, not funded by the community members, but rather by either the state, federal or local government. In some instances, the Nigerian community members do not have to wait for funding from the above- mentioned stakeholders; therefore, they finance their development programmes themselves (Nwidobie, 2014).

Nwidobie (2014:9) outlines the **Nigeria constitution and monetary and fiscal policy initiatives**:

The initiative proposed by the Nigerian Constitution for ensuring effective local economic development is the development of infrastructure development through VAT distributed among three tiers of government: One proposed is a 10 per cent of profit before tax for small, medium businesses and industries from the Central bank of Nigeria. The local communities will benefit from 70 per cent% of the money. The employment of local community members through construction of health centres will create income for the communities. The final initiative is that the federal government proposed an allocation of 3-4 per cent of its annual budget to agricultural and rural economic development.

United Cities and Local Governments of Africa (2016:6) emphasize the successes of Nigerian government embarking on an economic planning development was dependant on the adoption of 2003 home growth and poverty reduction strategy as elaborated below.

National Economic Empowerment and Development Strategy (NEEDS) (2004-2007). This strategy objective is to plan and promote economic development in Nigeria. This strategy focuses on the following planning development; the first being privatisation, which is the transfer of ownership from government to the private sector; the next being the deregulation and liberation of key sector; the developmental strategy also seeks to promote infrastructural provision. The developmental planning strategy seeks also to bring about the coordination of National Sectoral development strategies for agriculture and industry (National Planning Commission, 2004). The NEED strategy also seeks to advocate for the basis of understanding of the state and local economic empowerment development strategies.

The States and Local Economic Empowerment and Development Strategies (SEEDS) is employed as a strategy based on a vision of government; its main objective is to achieve the development goals envisioned for poverty alleviation.

From what has been stated above, with both SEED and NEEDS policy frame work, one can understand that the main objective of both the SEEDS and NEEDS policy frameworks in Nigeria are to advocate for macroeconomic stability; to improve

performance of the agriculture manufacturing and the solid minerals and oil gas sector; an improvement of basic service delivery; to create a conducive environment for the private sector and invest human capital towards reducing the poverty of people and, lastly, the promotion of an economic development strategy which was decentralised to local government for the first time the year 2007.

c. Local Economic Development in Ghana

It is apparent that different people have a different understanding of the term LED, there are many LED school of thought publications. For instance, in Ghana, people have their own interpretation and understanding of LED which is different to that of contemporary LED. In places such as Ghana, the local people already believe that they have been practicing LED for the longest of times. Evidence provided for the previous alluded statement is that District assemblies has been providing sufficient support to its local agriculture sector, and prominent assistance has been granted to the local micro and small- scale enterprises through LED programmes, such as entrepreneurship and management training (Akudungu & Laude, 2013:4)

Akudungu & Laude (2013:6) further elaborate that Ghana has several actors involved within the promotion of LED. However, the processes of LED in Ghana are driven by international development agencies. Furthermore, given the previous statement about the promotion and processes of LED, it is important for one to understand the introduction and promotion of LED in Ghana, which is led by the following international agencies: International Labour Organisation (ILO); Deutsche Gesellschaft Fur International Zusammenarbeit (GIZ) and, lastly, the United Nations Development Programme (UNDP).

The ILO LED approach in Ghana focuses on:

Strengthening of the capacity of micro and small-scale enterprises as a mechanism to expand employment opportunities for the localities in the rural economy, with the goal of the creation of decent job opportunities, as it is the main objective of the policy.

The second international agency LED approach, GIZ, is better known as the **local and regional economic development**. The implementation of this LED approach in Ghana started at the Brong Ahafo region, and its main objective was to design and

implement promotion concepts and strategies for local economic development. This GIZ agency is business and market related, which focuses on bringing forth regional economic round tables and district level local economy platform to bring relevant platforms together to deliberate and take decisions regarding the development of local enterprises and local economies. This then helps with setting a conducive working environment for all the micro and small- scale enterprises, and further provide common services with complementary economic activities and infrastructural needs. Businesspeople were impressed with the upgrading of special areas for industrial activities, and this resulted in moving such to those districts of the city. Therefore, the light industrial zones became the most successful LED interventions in Ghana, as it created coalitions of various stakeholders at sub national level, with one goal being promotion of economic development.

The ILO and GIZ have worked directly with selected district assemblies in Ghana since 2003 to implement LED initiatives. Currently, LED is gaining national prominence. For instance, the ILO, apart from its district activities, has brought together the Ministry of Employment and Social Welfare, the Ghana Employers Association, and the Trades Union Congress with the aim of “building consensus towards mainstreaming decent work programs in the Ghana Poverty Reduction Strategy” (International Labour Organisation 2004: 2).

Stakeholders, such as UNDP, encourages and shapes LED practices in Ghana through the national LED policy framework. Different government services, such as National Development Planning Commission, Local Government Services and Ministry of local Government and Rural Development, to name just a few, are tirelessly working to institutionalize LED practices in the country (Akudungu & Laude, 2013:7).

2.8.5 LOCAL ECONOMIC DEVELOPMENT IN SOUTH AMERICA

a. Local Economic Development in Brazil

Barberia and Biderman (2010) provide a thorough understanding of the evolution of Four Generation regional policies in Brazil. The First Generation of policies are concerned with the distribution following neoclassical growth to redressing a regional inequality as, otherwise, the local economy should be converging to the national growth level. The Second Generation of initiatives was mainly concerned with

stimulating the endogenous growth by improving the efficiency of specific (local) resources as much as labour and technological capacities. The Third Generation of regional policies was put in effect that seeks to use both endogenous and exogenous policies to create comparative advantages for the local economy, and the last being the Fourth Generation of regional policies objectives that were to promote a territorial production system based on the presence of diversity, innovation, and second tier cities.

According to Martinelli *et al* (2011:1), agriculture plays a critical role in Brazil's economy at both local and national scale; this is said because agriculture, together with the agribusiness, contribute for up to one quarter of Brazil's GDP, and over a third of the total exports.

The expansion of agribusiness which consists of agricultural transport, process, retail, production, and logistics resulted in an increase in investment in the rural infrastructure of Brazil, subsequently leading also to the generation of employment opportunities; this then explains the importance of the agriculture sector in Brazil. Brazil's agricultural development path has been influenced by a series of important policy reforms allowing fruitful relationships between municipalities such as Sao Paulo in Brazil and various socioeconomic indicators which resulted in expanded employment opportunities, public services and infrastructure development; these benefits emphasise that there are investments that benefits the rural poor areas. It is apparent that the agricultural sector in Brazil focuses on the poor rural areas and expands employment opportunity, which allows empowerment to the community members and, taking part in the infrastructure development, also allows people skills and generation of income leading to quality life which is the main focuses of LED (Martinelli *et al* 2011:6-7).

b. Local Economic Development in Argentina

When reading reports on Argentina, one will realise that there is little information on LED. World bank data and Tondaro & Smith (2012) educates us that Argentina in the 1965-1990 period had a negative growth rate. The government policies constantly seemed to enhance the rich interest rather than the objective of the developmental plans put forth. Van Klaveren (2007:1) concurs with the latter authors by also stating that Argentina experienced an economic crisis in 2001 that had an intense impact on the productive structure of the country. In the mid-1990s there was a large scale of

liberalization and privatization program that seemed to have brought hope for growth in Argentina (Tondaro & Smith, 2012).

This was done because there was a need for Argentina to bring forth strategies that would bring recovery to the local economy as the economic crisis brought about high unemployment; local businesses had to close their doors, some were privileged enough to at least reduce staff instead. Argentina had a programme called "reactivation of employment" with the goal of boosting the local economy. This programme had to be implemented in municipalities, and its main objective was to foster labour insertion and enterprise promotion. This LED strategy was employed incorporating both private and public actors (Van Klaveren 2007:1).

There was also a System of Metropolitan Information (SMI) which was launched to provide local entrepreneurship with relevant information. Utilizing this SMI gave the local actors an advantage to find characteristics of the market and local infrastructure, export possibilities and investment opportunities. The collected data would allow the local actors the opportunity to design training courses effectively, which were implemented for the framework of strategy of LED (Van Klaveren, 2007:2). These courses were used to enhance men and women who were unemployed to have skills that they became employable as per the agreement between businesses, chamber of commerce associations, labour unions, educational facilities, and lastly, local government. Once the people were skilled and equipped, this allowed the possibility of increments for the possibilities of labour insertion of the graduates.

The collaboration of the government, workers, employers, and local educational institutions provided courses which were in demand by regional business. By the year 2006, the course already had a total of 80 graduates which focused mainly on courses such as computer literacy, which is crucial in the business world. From the above-mentioned collaboration, the following year 2007, 3000 individuals were also given an opportunity to be part of the 75 initiated training courses following the occupational profile of productive sectors. All the above-mentioned courses and training were mainly done to empower the local communities' members so that they had improved job placements opportunities. An integrated Programme of Local Entrepreneurs (PIEL-ADERR) was also created to advance enterprise promotion. This programme was initiated to strengthen the foundation and enhancement of productive enterprises

through technical assistance. These programmes-initiated LED with the emphasis of it being a mechanism to create employment. It also gave necessary knowledge of productive realities of the region (Van Klaveren 2007:3).

The following recovery factors were used in Argentina for their economic development; the first being Information as a point of departure; this showed that having the necessary dedicated informational systems in place to collect information and effective related initiatives makes it easier for one to plan and use resources more efficiently. It also helps with planning strategies that can make the region more competitive. Secondly, building capacity at the local level; the success of LED strategy depends on the commitment of the local stakeholders to build capacity and provide sustainability to the process. What is more important than planning is the ability to adequately implement and continue the strategy. Lastly, is the comprehensive collaboration; being that there need to be an understanding that there is both a responsibility from the public and private sector to develop the region, and there must be mutual trust among the stakeholders which helps with the construction of social and capital, and they also need to complete each other efforts in each one of them (Van Klaveren, 2007:4).

2.9 CHAPTER SUMMARY

Local government in South Africa has been mandated by the Constitution of RSA 1996 to bring about development in local communities. The legal developmental mandate by the Constitution has allowed policies such as LED and IDP to surface, which advocates for the developmental programmes and strategies within the LED policies, which promotes economy development in those communities and community empowerment.

This chapter gave a thorough exposition of LED and the importance of understanding that adequate implementation of LED policies within local communities, results in poverty alleviation, generation of job opportunities, empowerment and allows quality life for all in the community.

The chapter has also covered the historical overview of LED, the approaches used in LED, the relationship between LED and IDP; international case study of LED, this helps us observe how far we have come and be able to compare countries against each other. This allows the study an opportunity to see the different approaches of

different countries, and how and what those countries can learn from one another, to name just a few, and what contribution LED has on job creation opportunities, which is the main objective of the study.

CHAPTER THREE

LOCAL ECONOMIC DEVELOPMENT IN SOUTH AFRICA

3.1 INTRODUCTION

The previous chapter gave an enhanced understanding of Local Economic Development, the various phases LED goes through to ensure adequate implementation and different roles the municipality plays in promoting LED and the need to actively participate in their respective roles to adequately implement an LED policy that serves the local communities. Serving their community means that there are different approaches used for the benefit of that area. It is vital to also understand that LED cannot be used as a blanket approach, hence it is vitally crucial for understanding the areas one is working with so one can maximise the full potential of the area. With the latter said in the previous chapter, the author further elaborates how LED is used in different countries; hence the next chapter 3 deals with LED in South Africa to determine how far we have come as a country since the decentralisation of local government powers granted to all civil servants for effective governance, especially in tackling the alleviation of poverty, creation of job opportunities and advancing the quality of life of the people as desired by LED (World Bank, 2010). The next chapter thoroughly explains LED in South Africa as the areas, Sicelo and Evaton covered in the case study are in South Africa under Midvaal and Emfuleni Local Municipality.

Local Economic Development in South Africa is a post-apartheid policy for local development, and it is crucial for one to understand that it is also a government led application. As a result of the apartheid period, the impact the apartheid-era had on South Africa resulted in the settlement patterns of the racially segregated design. Patterson (2008:4) elaborates that most of the disadvantaged population and ill developed townships are an outcome of the apartheid regime. Moreover, these challenges produced by apartheid had forced redress in South Africa, thus giving birth to policies such as Local Economic Development in South Africa. LED in South Africa is used as a policy and had been identified by the new democratic South African government; thus it was used as a key strategy through which challenges of economic development, poverty alleviation and job creation opportunities would be addressed by local governments (Nel and Binns 2002:8), Blakely, (1989) and Rogerson, (1999)

further showcase that employing LED in South Africa is important because it will subsequently deal with the challenges of poverty alleviation, job creation opportunities, economic development that the country still faces 26 years into democracy. In making sure that there is employment of economic development in South Africa, the Constitution of South Africa (1996) established the importance of local government by ruling that in **section 153**, the fundamental objective given to local government is to promote social and economic development in localities. The chapter will focus on LED in South Africa. The chapter will consist of historical patterns, being the birth and importance of LED in South Africa. The legislative framework of LED and lastly, the application of LED in South Africa and the Jobs created through LED.

3.2 BRIEF HISTORY OF LED IN SOUTH AFRICA

According to SALGA (2010:3), the apartheid government design was mainly concentrated on the central planning and controlling of economic planning development, consequently leaving no room for local authorities to play any role. The centralisation of economic planning for all areas, especially the segregated one, was a clear negligence to the large population of non-white areas. What this then had produced was disadvantaging most of a large population resulting in poverty, unemployment, unequal distribution of resources and opportunities. These challenges inherited by apartheid era had to be redressed in the introduction of the New Democratic South Africa (SALGA, 2010:3). Hence the end of the centralisation of economic development by the apartheid regime produced the first appearance and introduction of Local Economic Development, which allowed decentralisation of economic planning and allowing local government to plan, execute and implement their own LED policies according to their economic needs and priorities. Decentralisation of local economic planning allowed policies such as LED to become the mainstream of economic development policy in South Africa (Nel et al. 2009: 225).

Elaborating further on the challenges inherited from the apartheid era for the New Democratic South Africa, the author discusses a few, being *history of discrimination*, which clearly states that all the non-whites in South Africa were not given fair and equal resources and/or opportunities to perform any form of municipal duties. *Worsening poverty and inequality*, which we see even today that most South African white population had an unfair advantage of being privileged by the previous system

than non-whites; this is then proven by the South African NGO Coalition (1995) showcasing its worry, stating that “life is getting harder for many of the rural poor” which also highlights that there are more resources in the suburbs than the rural areas. Lastly, ‘*Rising unemployment*’; this is seen since that South Africa is still battling with among the top unemployment rates in the world; a surprising statement made is that though there are jobs available, companies struggle with hiring as either there is mismatch of the job at hand and human resource capital, and a lack of necessary scarce skills required in companies and the inability of ICT to meet key skill demands. (BusinessTech, 2022).

Cashdan (1997:2) further outlines that **poverty and high unemployment rate** are the main objectives that the policy Local Economic Development seeks to address. It is believed that the best way to achieve this is by introducing the promotion of local economic development programmes that are conducive and suitable to local communities to generate economic growth, income, and job opportunities which will subsequently grant enhanced livelihoods for the localities (World bank, nd).

In making sure that the above- mentioned challenges are adequately addressed, the introduction of the New Democratic Government was established; this was post to the ANC winning the 1994 South African elections, which subsequently ended the apartheid regime. The New Democratic South Africa deemed it necessary to employ a decentralised local government design; this gave allowance for all South Africans (not such the majority whites) to be employed in municipalities as civil servants. The decentralised local government even distributed powers and functions to operate the municipalities they are employed in. In so doing, local authorities and communities were then given equal power and ability to participate in local initiatives or programmes. (Cashdan, 1997:3)

The new decentralised local government employed objectives which would assist to fulfil its mandated power and functions constituted in Section 152 of the RSA Constitution (1996); *(a) providing democratic and accountable government for local communities; (b) ensuring the provision of services to communities in a sustainable manner; (c) promoting social and economic development; (d) promoting a safe and healthy environment; and (e) encouraging the involvement of communities and community organisations in the matters of local government. (2) A municipality must*

strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1)". All the above- mentioned power and functions given to local municipalities were now see as objectives used by civil servants to assist the new decentralised local government in governing and smooth running of all local municipalities.

This study mainly focuses on Section 152, Subsection 1(c) of the Constitution of South Africa (1996), which is *"to promote social and economic development"*. The birth of developmental policies such as Local Economic Development are a result of the above-mentioned objective. SALGA (2010:3) announced that in attempting to ensure local authorities do in fact focus on LED as a priority area, it has now been compulsory for all local authorities to draw up an annual and (5) five-year plan, better known as the Integrated Development Plan (IDP); the five-year plan must also contain a Local Economic Development strategy (Section 26 of the Local Government Municipal Systems Act-2000), which must detail the LED plan, strategies and programmes, which will promote the local economic communities.

Now that Local Government had been tasked with a local developmental objective. The White Paper on Local Government (1998) has made a commitment to make it possible for local government to work with local citizens and groups right in the community to ensure that they work on initiatives that meet their social and economic needs of local communities. It is vitally important to understand that LED cannot be utilized as a blanket approach for all local communities, therefore, each local community must work on its own initiatives that will encourage growth and development, thus resulting in improved quality of local communities' livelihoods as outlined by (White paper, 1998) and Word Bank (nd). LED in South Africa uses a 'Pro-poor' policy. Nel (2005:2) explains that this is because LED in SA is mainly used to address challenges such as poverty and the high unemployment rate, rather than being pro-growth, which is used to generate more wealth.

3.3 LEGISLATIVE FRAMEWORK FOR LED IN SA'S LOCAL GOVERNMENT

Local government in South Africa has a considerable role to play in promoting social and economic empowerment for local communities, especially for the poor, marginalised and disadvantaged within respective local communities.

Their obligations to fulfil their roles in promoting social and economic development are provided by the promulgation of various policies and legislative frameworks including, but not limited to, the below elaborated. The various pieces of legislation framework and policy guidelines on LED presents a thorough legal framework, which helps aid the municipalities various mechanisms to adequately implement local economic development initiatives, which will be further discussed in this section.

3.3.1 Constitution of Republic of South Africa 1996

The 1996 Constitution of the RSA established a decentralised new democratic South Africa, which supplied a developmental objective for local government that gives a strong emphasis to local government as per Section 152, Subsection 1(c) being given objectives as a mandate to promote social and economic development. The above-mentioned developmental objective to the local government is then expected to be managed by being given duties for the local municipality. The local government, as per their developmental obligations, are then expected to manage and structure their own municipalities budgeting, administrations, and planning of these developmental programmes, such as IDP and LED policies, in such a way that will prioritise and advocate for the basic needs of the community. In so doing, this helps the municipality fulfil its mandated social and developmental duties by the (Constitution 1996 section 153).

3.3.2 White Paper on Local Government 1998

Mashamaite and Lethoko (2018:120) point out that the nature of this Act is to enhance feasible development in local government. They further point out that the White Paper on Local Government mainly focuses on three key developmental objectives, being, providing sustainable household infrastructure and rendered services, creating enhanced livelihood of integrated local areas, and the promotion of LED and community empowerment and redistribution to actively participate and equally benefit from their local economy, the promotion of social development to be employed through initiatives and provision of recreational facilities and deliverance of social welfare services to the local community (Municipal Systems Act 32 of 2003).

The White paper of Local Government (1998, section (b)) points out that local government development is obligated to cooperatively work with the local communities for the purpose of finding suitable and sustainable measures to meet their needs, and, in so doing, subsequently improving the quality and livelihood of local community. White Paper of Local Government (1998) further then elaborates the characteristics which a developmental local government should possess to fulfil these objectives. The characteristics outlined are the *Maximising of social development and economic growth in the local communities*; these are best described as powers and functions that local government should employ to an extent that allows maximum impact on the social development of local communities (ultimately meeting basic needs) and growth of the local economy (conducive environment to generate economic development). Triegaardt (2007) and Meyer (2014) highlight that though the local municipalities are not directly obligated to create job opportunities, but the local government is responsible rather in initiating measures of creating a conducive economic environment that allows overall enhanced economic and social conditions, which then allows the creation of job opportunities.

The second characteristic is *Integrating and coordinating*: the developmental local government should have a clear feasible vision of all contributing agencies (e.g., local groups, provincial, national, parastatals etc.) and the role which they contribute to making sure that local development is attainable. The developmental local government is also expected to find mechanisms and strategies to attain, attract and attain resources from both private and public sector for the attainment of developmental goals. It is important that there be adequate coordination between service providers; this is mainly because should it happen that the coordination has a short fall, or even a fallout, this could damage the development effort (White paper on local government, 1998). The IDP is viewed as an important tool utilised by local municipalities to facilitate coordinated plans, partnering with local community members to find possible initiatives which could be employed to attain sustainable developmental goals (ETU, nd and WPLG 1998). IDP varies from each locality; each local community must utilize IDP according to their needs, e.g., agriculture can be more important to another locality than manufacturing hence it is important that there should be community participation in the drafting and planning of the IDP policy so that the local government can understand what is it that the community needs so that the expected needs are met

(Mushongera and Khanyile, 2019). This Integrated Development Planning (IDP) is best employed as a responsive approach for ensuring that there is developmental attainment in local communities as mandated by the 1996 Constitution of RSA (Section 152) giving the local government prime responsibility on local development.

The next characteristic is *Democratising development*; municipalities need to be aware of the divisions within local communities and seek to promote participation of marginalised and excluded groups in community processes. Marginalised groups such as women in the municipality should be given equal opportunity to participate. Municipalities are expected to promote inclusiveness and find means to encourage participation of the marginalized groups for them to be educated about their local economy and the opportunities given so they can benefit more, especially the youth (WPLG 1998; Mushongera and Khanyile 2019).

The last characteristic is *Leading and learning*. Developmental local government requires that local municipalities become more strategic, visionary, and ultimately influential in the way they operate. The municipalities leadership have a crucial role as policymakers, as thinkers and innovators, and as institutions of local democracy. A developmental municipality should play a strategic policy-making and visionary role, and seek to mobilise a range of resources to meet basic needs and achieve developmental goals (WPLG 1998 and ETU, nd)

As repeatedly emphasised above, local government is expected to play a crucial role in promoting job creation opportunities and providing good quality cost-effective services and making the local area a pleasant place to live and work is the key starting point. However, two other types of initiative are important: *Reviewing existing policies and procedures to promote local economic development and Provision of special economic services*. These two initiatives are designed in a way that capacitate the local government to fulfil its economic and social development objectives as mandated by 1996 Constitution of RSA (Sec 153); this goes even beyond the local government collaborating with other agencies for provision of economic services if needs be.

3.3.3 Municipal Systems Act 32 OF 2000

Section 25(1) of the Local Government Municipal Systems Act (No. 32 of 2000) makes it mandatory for all local municipalities in South Africa to have an Integrated Development Plan (IDP). This is a single, inclusive, and strategic five-year plan of development for the municipality, combined by the municipal council. This strategic five-year plan must reflect the council's developmental objectives which will benefit the community. The IDP policy, being the developmental objectives, include LED which is a policy used to advocate economic development within the local community; these are all strategies and programmes employed to empower the community and enhance lives of the people.

It is crucial that the LED policy planners familiarize themselves with the NSDP for them to understand the potential of the local area they work for; this is mainly because each local area has different potential economic growth, so it is impossible to adopt the same policy for different areas (Mokoena, 2017:469). Van der Walt (2018:67) concur with the latter author by adding that this Act should be seen as a foundation on which adequate implementation of policies is built. Furthermore, the Act outlines the principles giving meaning to the development of local government; it also empowers municipalities in moving progressively towards not only economic, but also, social enhancement of the local community; lastly the Act advocates for the provision of basic services to the local communities.

3.3.4 Municipal Structures Amendment Act 117 of 1998

This Act is centred around the provision of different types of municipalities and their categories which are: *Category A* being the *Metropolitan municipality*; this type of municipality is founded in a highly populated area where there are many people and multiple businesses and, last there is large scale of development; for instance, the Tshwane Metropolitan municipality. The next *Category, B*, is *District municipality*; this type of a municipality comprises different local municipalities, for instance, Sedibeng district municipality and, lastly, *Category C*, is a *Local municipality*; these municipalities are found in s low density populated areas and have minimal scale of development, for instance, Emfuleni local municipality.

The Act also provides for the division of functions and power of the different municipalities; this helps the public officials in local government to better understand their functions and power and how best to execute them. The Act also provide the regulation of internal systems, structures, and the office bearers of the municipality. Lastly, the electoral systems; this helps understand the system used to elect these officials within the local municipalities; for instance, as the amended Municipal Structure Act (7 of 2021) states that there are also by-elections whereby there is an urgency of election in a specific place due to many reasons; for instance, there were by-elections for Emfuleni Ward 21 after the Ward Counsellor had succumbed to Covid 19, thus resulting in by-elections in September 2020 whereby Counsellor Sipho Radebe was then elected as Ward 21 Ward Counsellor who, in the recent 2021 LGE elections, was elected as the executive Mayor of Emfuleni Local Municipality.

3.3.5 Municipal Demarcation Act 27 of 1998

The Act is mainly based on the determination of new municipal boundaries; this is done by providing criteria and procedures by means of an independent Municipal Demarcation Board (MDB). Nxumalo and Whittal (2013:325) further elaborate that the main objective of the Act is to restructure these municipal boundaries; it is expected to assist in redressing the injustices of the past and imbalances caused by the apartheid policy system in the public service. By so doing, the new municipal boundaries areas should be structured in a way that addresses the disadvantaged rural/urban division, and promotes social and economic development within those new municipality areas (Mathoho, 2015 & Griggs, 1998).

3.3.6 Reconstruction and Development Programme (RDP)

The RDP is a policy framework that advocates for socio-economic progress; this is the first post-apartheid policy introduced in SA. What this policy attempted to do was focus on mobilising masses and the country's resources; in so doing, focusing on eradicating the effects of the apartheid policy system. Its main objective thereof was to set up a democratic, non-sexist, and non-racist future; this, being the main vision of the fundamental transformation as stated by (ANC 1994:1).

For a better understanding and implementation purposes, in the year 1994 September the then ruling party, the ANC, introduced a white paper on RDP. This policy was introduced to enhance a better understating of the 'vision for development' in South Africa; furthermore, outlines procedures, priorities and grants required a thorough understanding of the actions and laws which will govern ways which will address the imbalances and injustices of apartheid. All of this was done for mainly fulfilling a *"commitment to South Africans which is to effectively address the problems of poverty and the gross inequality evident in almost all aspects of South African society"*, as outlined by the ANC (1994:4).

There are so many goals and objectives which the RDP seek to achieve, that some may deem as unrealistic. The ANC (1994) further elaborates that their RDP policy framework attempts to always provide achievable, realistic, and most importantly, clear programmes which will answer to many that whatever the goals or programmes they have set, are achievable. The RDP policy further highlights that no man is an island, and that together we can achieve these programmes; this we see in the policy stating that organisations and its people are encouraged to participate in such process.

What the RDP started to redress from the previous apartheid system till today has not been fully implemented. Though the RDP stated their objective to grant people **basic needs**, such as the provision of water, health care, electricity and shelter just to name a few (ANC, 1994:7), Sizana (2021) highlights that in the Eastern Cape Nelson Mandela Bay, out of 200 RDP houses that the government stated would build for people, only 129 RDP houses were delivered, but 71 families were still without their RDP houses; the shocking part was that these 71 families were built toilets which were not even connected to water. The RDP policy failed in granting the people with shelter as proposed in their objectives of meeting basic needs for people. The Eastern Cape is not the only scenario facing this issue, there are always strike outbreaks from almost all parts of South Africa whereby people are fighting for basic needs. Lekgowa and Niclson (2014) reported a strike from Boiketlong Sebokeng residents, whereby even one person died from the strike stating that they died fighting for basic rights; this informal settlement stated they used community pit toilets, communal taps which was bought and installed by the community members themselves. Another challenge faced is the illegal occupancy by those who are granted houses through bribes rather than

their rightful owners. Electricity in South Africa has been also a challenge, more especially with the introduction of load shedding; there have been cases of houses burning due to continuous shutting down of electricity and school learners attending school in a place where there is no electricity; they are unable to study at home if they cannot afford led lights or candles. Mofokeng (2022) reported a protest by a Botsebotebo secondary school pupil who was striking for electricity at the Sedibeng West district as the Sebokeng transformer had burnt down, disadvantaging the school pupil an opportunity to learn.

The next programme from the RDP is **Developing our Human Resource**; this programme attempts to see people at a better space than they were previously before the implementation of RDP; this programme seeks to capacitate people in ways that equip them for job opportunities; this is then done by providing skills such as primary to tertiary education skills (ANC 1994:8); this is rather a challenge in South Africa as, although people are given an opportunity to develop themselves with all the necessary skills, they still find themselves unemployed. Trading Economics (2022) reminds us that South Africa is amongst the countries which hit the highest unemployment rate rating at 35.6 per cent recorded in the last quarter of 2021. The programme further states that it advocates for inclusivity of the minority groups such as the youth, capacitating them to be employable (ANC, 1994:8) Trading Economic (2022) points out the high youth unemployment rate at 61.4 per cent in the second quarter of 2022; this alarming rate doesn't support the notion of inclusion of youth in this programme.

Building the economy is the third programme; in this programme, it's crucial to understand the strengths and weaknesses of the economy; once one has established these, it is important that all people benefit from these economic strengths. It is equally important to address the weaknesses of the economy; for instance, the inequalities of ownership, skills, and employment, if this is not addressed it causes isolation from the world economy and, as a result, this causes low levels of investments. The promotion of local economic development is another crucial element which should be added; this, because it allows the inclusion of all people to partake in the economy of the country; for instance, it has a variety of ways to partake such as informal trading, such as your spaza shops, salons etc; the start of SMMEs which, if correctly done, can create jobs for the local members and grant them skills so they are employable and even open

their own establishments; the local economic development empowers not only the economy but the livelihood of its local people as well. The second last programme is **Democratising the State and Society**; resources and potential growth of the state ought to be democratised so that everyone will equally benefit from the coherent programme of reconciliation and development in the country. By so doing, people will benefit from the development of this programme thus paving the way for a new democratic order. The last programme is the **Implementation of the RDP**; this programme seeks to bring forward effective structures in government on all spheres to establish and coordinate this policy framework to have a better understanding so that there is adequate implementation according to the (ANC 1994: 11). Assessing the above mentioned and many shortfalls that the RDP policy encountered, one does understand that the RDP policy was not adequately implemented. Luiz (1998) concurs by elaborating that the government abandonment of RDP policy in the year 1996 was a clear indication that they had realised this policy programme had limitations and that the state did not have the capacity to adequately implement this policy for its full success; hence, the shortfall the policy experiences, even today.

ANC (1994:20) further outlines the RDP economic goals and objectives as the following:

The government's main objective for the reconstruction and development of SA mainly focuses on enhancing economic and social development for the people and, bearing in mind to fulfil the previous mentioned objective, striving to create a balanced economy sustainable enough to:

Create sustainable employment opportunities and capacitate the economy in a way that will absorb job seekers. The objective also focuses on alleviating poverty and subsiding the wealth imbalances inherited by the apartheid system. It should allow provision of basic needs to the people thus, resulting in better quality of life for all. The address of economic and social imbalances is crucial, so that it does not allow disqualification of others, more especially the marginalised from participating or even having ownerships in trade or mining; also focusing on addressing the unequal development in South African regions. Addressing these imbalances ensures that there is no discrimination in the workplace and capacitates South African human resource capital to achieve their desired high skills and wages. Lastly, the RDP

advocates for empowering the previously disadvantaged; people of colour, more especially workers within organisations by allowing participation of decision making about the economy's private and public sector (ANC, 1994:20). It is apparent that the above-mentioned objective from the RDP seeks to grant people a better life, thus done by creation of job opportunities and alleviation of poverty, redressing challenges inherited from the previous apartheid system and exposing them to the economy so they can actively participate in it and are economically and socially developed.

3.3.7 A Policy Paper on Integrated Development Planning (2000) and IDP Guide Pack

Department of COGTA defines Integrated Developmental Planning as a participatory planning process that is employed by the municipalities to prepare a strategic development plan of a period of five years. This process aimed at arriving to decisions on issues or challenges pertaining budgets, land management, promotion of LED and institutional transformation in a consultative systematic and strategic manner. Integrated Development Planning is a key instrument that municipalities can adopt to provide vision, leadership, and direction for all those that have a role to play in the development of municipal areas (Afrika *et al.* 2005:6). The latter authors further elaborate that municipalities must play a vital role in ensuring that there is integration and co-ordination among different sectors and cross-sectoral dimensions of development, to achieve social, economic, and ecological sustainability.

3.3.8 LED Guidelines (2000)

The National Framework for LED are led by 10 guiding principles which are guided by the National Framework, they will be further elaborated as:

- Employing a developmental approach, the government has a vital role in adequately shaping the economic destiny of South Africa
- The Local Government is responsible in the creation of a conducive economic and social environment which will allow creation of employment opportunities
- The understanding from local government that LED is a result of all initiatives and the constant development of integration of national programs in the local spaces

- The private sector, together with government, should make investment, more especially where there is competitive advantage, each area should be well known so that there is adequate exploitation of that space
- There should be a concerted and coordinated action in all spheres of government for the promotion of robust and inclusive local economies. This is mainly to endorse the centralisation of the application and localisation of the principles from the National Spatial Development Perspective (NSDP)
- Appropriate local strategies should be employed in support of the national framework for both urban and rural spaces; and advocate for the sustainable human settlement and development. Stakeholders, such as the private sector incorporation with social enterprises and cooperatives, are the core heart of the economy, which has a vital role, in partnership of public and community role players, which are expected to revive inclusivity of local economies
- Human capital is vital as it helps enhance skills which subsequently leads to skills development and increased opportunities in local economies
- Certain local initiatives, leadership and skills are vital for the unlocking of maximum potential in local economies and shaping of local spaces
- South Africa seeing to be competing on a global integrated world economy is expected to exploit opportunities and work in such a way that they minimise threat by all means possible (DPLG, 2006:7).

3.3.9 National Framework for LED (2006)

The National Framework for LED in South Africa has two main objectives that work as a guiding tool to better enhance understanding of local economic development by employing strategic implementations, approaches, incorporation with stakeholders, such as all spheres of government; state-owned enterprises and communities at large may focus on with the main aim of improving local economic development. Another objective of the framework is guiding the implementation of the LED Key Performance Indicator of the five-year Local Government Strategic Agenda.

The National Framework for LED according to DPLG (2006:7) has seven main objectives:

1. Shifting towards employing a more strategic approach for development of local communities.
2. Realisation of ultimate potential of local economies.
3. Importance of producing successful and effectively functioning local economies.
4. Execute an initiative of national fights against poverty alleviation.
5. Enhance community accessibility for information programmes and economic support.
6. Develop a coordination between different stakeholders.
7. Showcase awareness of the vital role of global investments which are facilitated by supportive national policies on both regional and local level.

The above mentioned seven objectives of the National Framework for LED are further elaborated as the following:

The first objective points out the importance of employing a strategic approach as a means of developing all local economies. This strategic approach is thus expected to possess feasible ways in which the municipality will cover challenges and, most importantly, avoid engaging in non-valuable projects. The second objective gives an understanding that the realisation of ultimate potential of local economies unlocks enhanced comprehensive local economies; in other words, this kind of comprehensive understanding allows commendable participation of the country economy. The third objective emphasizes its great responsibility of evaluating various tools to produce success and a functional local economy. Though poverty still remains a challenge even after 26 years into the new democratic South Africa, despite introduction of RDP policies to all (RDP, 1994), so the fourth objective seeks to execute an initiative that will fight and alleviate the excess poverty faced by this country; this initiative then is expected to possess relevant engagements, programmes and strategies that will help this objective to materialise. The fifth objective emphasizes the importance of the community being granted accessibility to their economic initiatives, support programmes and relevant information. The sixth and seventh objective seeks to find the best suitable coordination between government and non-government

stakeholders; the success of the coordination to determine the sufficient and effective planning and implementation of economic development; lastly, the last objective showcase that sufficient awareness of the important roles executed by the local and regions played must find attractive sufficient investments. (DPLG, 2006:7).

3.4 ROLES OF SPHERES OF GOVERNMENT IN PROMOTING LED

Government at the National level has the prime responsibility of promoting LED Forum. This responsibility is fulfilled through the National LED Forum, which is then utilized to kick-start, coordinate, and oversee the processes undertaken. The Forum also provides of the technical instruments and the multi-sources funding mechanism, the combination of government and off budget sources. The main tasks of the National LED Forum aims at the following aspects, being; the integrated economic planning, the coordination access to financial stability; this has the inclusion of financial investment, the improvement of local government LED performance, assistance of local government in identifying the adequate local competitive advantage for territorial and social development and, lastly, the LED Forum seeks to ensure that there is redress of some challenges; this is done by ensuring that there is participation of previously disadvantaged communities (Hindsom and Vincete. 2005: 32). Thus, the national government, through the LED Forum is granted a strategic and pivotal role in ensuring that there is both technical and financial assistance for the provincial and local government.

Provincial level government has the main role of coordinating national resources, making them pass down to various provincial departments according to their correlated Integrated Development Plan priorities and initiatives. There is a coordination between many different departments. The office of the premier is tasked with the responsibility of ensuring that LED initiatives are adequately aligned with sectoral and provincial strategies. Provincial departments are viewed as a mechanism of 'major delivery areas', which local government must make provision for of communities and local citizens. Thus, provinces are expected to give financial support through private finance institutions such as banks, Department of Trade and Industry, just to name a few; this is done by means of offering loans etc. In so doing, provincial department capacitates local municipalities to support and implement LED programmes (Vincent and Hindson, 2005:33).

Local government is the lowest and grass root level of government; this sphere is closest to the people in the local communities. The National Spatial Development Plan is tasked with a role of providing context for the metro and district to take leadership initiatives and plays a crucial role in the wide spectrum of role players who are tasked to bring social and economic development. The NDSP plays a vital role as a mechanism to inform respective development plans of the two other spheres of government in various provinces (Vincent and Hindson, 2005: 34). Mashamaite and Lethoko (2018:122) further highlight that local government is responsible in identifying and creating new opportunities which should result in developing business prospects within the local communities.

3.5 THE IMPORTANCE OF PROMOTING LED IN SOUTH AFRICA MUNICIPALITIES:

We can never shy away from the fact that LED in South Africa is of utmost importance; this is because LED is used as a tool to fight the injustices brought about by the apartheid system and seeks to advocate for the redress of the previous disadvantaged. Thus, different perspectives and angles from authors will vary with reasons of their importance of LED in SA; this is evident from the below mentioned perspectives of Makhubo (2015) citing Van Vuuren (2003) and Ramukhumba (2012:10) who give us a further elaboration of the importance of LED in South Africa:

Van Vuuren (2003) firstly highlights the importance as to why municipalities should have Local Economic Development strategies in South Africa.

LED in South African municipalities provides appropriate feasible mechanism to aid in redressing the apartheid legacy. LED further addresses the socio-economic challenges and promotes urban integration, job creation and service provision.

LED can also be used for sponsoring and funding local economies to create employment opportunities, development and generate local economies wealth. It directly and indirectly promotes community empowerment.

LED seeks to rises income levels which grants people the ability to pay for services; this then enables the local authority to deliver sufficient services to the local people.

LED local municipalities councillors are elected and given mandate to undertake development. The local government, at the grass root level, is trusted as the leading role player in the development of local economy and is well-positioned for embarking on development concerning local economies.

LED allows new ideas or comprehensive understanding of new institutions which then unlocks sustainable economic development and promotes linkages between development and under-development zones.

There are not enough solutions in South Africa to allow a welfare solution. Increasing local economic initiatives must be undertaken because fiscal constraints on national and provincial government encourage and oblige local level of action, and

LED can be section of a supplement to a broader process of regional and national development; by so doing LED is utilised as ab assistance to attain macro-economic policy objectives. LED is affectionately understood to be a “grass roots” match to “top-down”. When the correct programmes are implemented in the grass root level, the local economies will grow and generate wealth; subsequently this will also generate the region and national economic development. This, mainly because all levels or spheres actively participate in the economy (Van Vuuren, 2003:35).

As alluded above, that authors have different perspectives. Furthermore, Ramukumba (2012:10) and Nel et al., (2009:234) have perspectives that differ from Van Vuuren (2003) by reasoning that the importance of LED in South Africa is that local authorities are over-stretched, and that strategic planning is often more based on short-term and mainly politically orientated than long-term strategic interventions. LED is often denied comprehensive community development engagements, thus leading to confusion of the various roles business sectors are expected to fulfil; in such processes, this will further consequently result in the local communities' enterprises not benefitting or experiencing the success of LED in their local economies. Lastly, LED advocates for centralization of local control, by utilizing potential human capital, institutional and physical resources; furthermore, the coordination of mobile actors, organizations, and resources, develop new institutions and local systems, this is done through means of engagements such as dialogue and executed strategic actions (Nel et al., 2009:233).

According to DPLG (2006:3-8) international, together with South African experience, shows that different role players within the local economy, more especially in municipalities, has established a variety of strategies to fulfil the mandate to promote development of local economies. These strategies are comprised of the promotion and support of SMME's; the industrial recruitment and placing market; the community economic development; export promotion and international trade and, lastly, the business retention and expansion.

3.6 CHALLENGES/ IMPLICATIONS ON THE ABILITY OF LOCAL GOVERNMENT TO ADEQUATELY IMPLEMENT LED IN SOUTH AFRICA LOCAL MUNICIPALITIES

There are several challenges which stand in the way of LED being adequately implemented in SA local municipalities and are further outlined as follow:

DPLG (2006:18) states the first challenge as being the cities having inefficient economic growth strategies in place, thus leading to an inability to alleviate poverty as there are no adequate strategies employed. The second challenge is that it is an immense challenge for the cities to establish their own local development growth strategies apart from the national economic policy. Another challenge in place is the decline in the levels of professional employment; this is said because people who have the necessary LED knowledge are not given the opportunities to be in those positions; in local municipalities there is mostly political deployment of people who lack knowledge and necessary professional skills from formulating LED strategies till the implementation stage. The Mail and Guardian (2006) further highlights that the Institute for Justice and Reconciliation pointed out corruption to be one of the challenges leading to mal-administration in municipalities; for instance, Emfuleni Local Municipality was placed under mal-administration (Welman, 2021) thus, making it a challenge for the municipality LED departments to adequately implement the envisioned LED programmes. The last challenge is that although the local communities are aware that they are to be active participants in the economic and social development their communities, the harsh reality of poverty deprives them the opportunity to become actively involved as they are more concerned and working towards where their next meal will come from, rather than being part of a community group to formulate strategies.

Mashamaite and Lethoko (2018:122) further elaborate on another challenge being that the local government cannot understand each local community environment to create a conducive environment for local businesses to thrive, survive, subsequently create employment opportunities, improve livelihoods, and alleviate poverty. Once there is a misunderstanding of the specific local environment, SMME's will not thrive.

It is crucial for one to point out that the challenges of implementing LED in SA municipalities are inherent from the apartheid regime thus, till today, some local municipalities are still faced with a lack of technical and financial resources, economic collapse, absence of sufficient services and poverty (Houghton et al, 2013). Thus, Koma (2012: 125) further elaborates that we have the local sphere of government suffering from immense challenges of high unemployment, shortages of skills required to spearhead local economic development, and inefficient administrative capacity and inadequate implementation of policies. Kamara (2017) and Rogerson (2010) collectively argue differently that inadequate implementation of LED in SA local municipalities is caused by a shortage of resources, and the lack of sufficient experience by local government to promote LED in local communities. The same authors further stated that lack of strategic planning and execution to LED in South Africa causes insufficient funding for LED; lack of capacity at the local government level; ineffective LED methodologies for planning, and that there is also poor coordination of networks. Due to poor strategic planning, they will not know what is needed. What resources are going to be utilised and the findings needed, hence the negative outcome.

Nel et al., 2009 also highlights another challenge as being that LED cannot be about the independent actions as per the local circumstances because the pressure placed on local government is caused by the policies which should conform to that of District and Provincial strategies, (DPLG, 2006) thus making it challenging for local municipalities to have adequate programs for their local communities. This then nullifies the bottom-up approach that should be used for LED, as it uses top-bottom as strategies are now taken from provincial and district to local.

Lastly, Khambule (2018:2) agrees with the below mentioned authors by outlining that the inherent incapacities to plan for local economic development results in local government being unable to meet the local communities' demands. The inherent

incapabilities leads to lack of capacity within the local municipalities, thus resulting in insufficient skilled LED practitioners who lack understanding of local economies. They will also not be able to know the right channels to source funding to support and promote the LED strategies at place. That would cause confusion even to the local government officials, thus disallowing the local communities to be part of it as there is usually nothing to partake in as there is no implementation.

3.7 A REVIEW OF LED IN EMFULENI LOCAL MUNICIPALITY AND MIDVAAL LOCAL MUNICIPALITY

3.7.1 Emfuleni

Emfuleni local municipality, a category B municipality, previously known as (Lekoa) is situated at Vanderbijlpark, Gauteng in South Africa. The municipality is the western-most local municipality of the district as it covers the entire southern area of the Gauteng province. It is one of the three local municipalities that fall under the Sedibeng District Municipality. The Vaal River is part of the Southern boundary of the Emfuleni Local Municipality as it is strategically located at such a place whereby it affords many the opportunity to pursue tourism and many other economic development opportunities (ELM, 2010).

The area also comprises several large residential areas, all of which require considerable investment in infrastructure and environment upgrading. Emfuleni contains approximately six large peri-urban townships of Evaton, Sebokeng, Sharpeville, Boipatong, Bophelong and Tshepiso.

The study focuses on Evaton, which is one of the peri-urban townships from Emfuleni established in 1905, situated thirteen miles from Vereeniging (Khumalo, 2020: ix). According to South African History Online (2011), Evaton was one of the townships that was severely affected by the violent unrest that erupted in 1984 and, by 1985 a state of emergency was imposed; thus, the township still has economic challenges even to this day. Kumalo (2020:161) further explains that although Evaton was offered unregulated entrepreneurial opportunities in the 1940s, there was still a challenge of severe scrutiny for being unwholesome and unsanitary, thus, leading to the Native Commissioner inspecting shops and butchereries which was now administered by new trade regulations and a challenge to black people; though opportunities were there,

they could not benefit from them, thus, the local economy only favoured those who had accessibility to these resources and those who didn't have were negatively impacted which again caused economic exclusion.

Emfuleni Local Municipality incorporate the VAAL 21 RIVER CITY CONCEPT/PROJECT, this project is mandated by the Sedibeng District Municipality which is mainly aimed at advocating enhanced economic Growth and Development Strategy (GDS). This strategy has the main objective of enhancing projects which entails the development of tourism related more especially to Vaal River boundaries and the waterfront. This strategy also entails the urban renewal of centres such as that which the study focuses Evaton and Vanderbijlpark just to name a few (ELM IDP, 2020: 55).

The ELM IDP policy speaks of an Economic Deliberations used to advance economic development in the Vaal. The ELM economic deliberation is comprised of a **Logistic Hub** which is a project aimed at three main objectives which are: the attraction of new investments; enhancing of economic development and the generation of job creation opportunities. This strategy also seeks to advocate for people who are previously disadvantaged or deprived of an opportunity to participate in the country's economy. Measures, such as partnerships, business establishments, skills and development training are often used to grant people the opportunity to actively partake in the economy (ELM IDP 2020: 56).

This Logistical Hub is expected to ensure that people are given a fair accessibility to present finance and market opportunities. The project aims at targeting specific marginalised groups namely youth, the disabled and women, SMME's and BBBEE so that procurement of goods and services are received from a world class project. Companies such as Arcelor Mittal play a crucial role in Vaal economic development as it helps the project create new demand for iron and steel manufacturing, which will result in developing the growth of the economy of the Vaal as a whole (ELM IDP, 2020: 57).

The Second Economic Deliberation is Tourism within the Vaal. The tourism sector in the Vaal triangle has been pointed out as being one of the highest impactful sectors that has immense potential to enhance initiatives of the growth and development strategy in the Vaal area. LED and the Tourism Sector, prior to the Covid-19 pandemic,

had initially come up with initiative measures such as events that would help better expose the vibrancy of Emfuleni and Sedibeng region, which would be utilized as a 'tourist destination'. Several events, such as jazz festivals, wine tasting, river fashion shows, lifestyles and vintage car shows. Such events have the potential of unlocking huge value for helping thriving entrepreneurs in the Vaal area and reviving the much-anticipated vibrancy into townships socio-economic communities (ELM IDP 2020:56).

Emfuleni area has a relatively high unemployment and poverty rate; in such a case, the establishment of SMMEs and co-operative sector can play a vital role in the alleviation of poverty and creation of job opportunities. The promotion and prioritization of the latter mentioned initiatives allows sustainability of local community economies, thus increasing competitiveness of local businesses and the generation of job opportunities. Such promotion of SMME's and co-operative sectors contribute positively to the area thus, enhance economic development and expansion of employment opportunities in the Emfuleni area (ELM IDP 2022: 57).

The Emfuleni Local Municipality (ELM) focuses on advancing the creation of employment opportunities and diversifying trading and economic development opportunities. ELM utilizes an employment approach to permit accessibility of the generation of both employment and entrepreneurial opportunities through SMME's and the co-operative sectors. This development approach allows the promotion of SMME's to create job opportunities, thus resulting in benefits of economic growth. The developmental approach also allows the integration of SMME's and the co-operative sectors into the formal sector, thus resulting in a stable and predictable regulatory, and a manageable environment that allows this sector to operate effectively and allow sustainable economic growth and generation of employment opportunities (ELM IDP 2020: 58)

3.7.1.1 LED strategies of Emfuleni Local Municipality

Re-inventing the economy advocates for exploring new sections of growth, building local economies and creating more employment.

The ELM IDP (2017-2021) point several strategies which they will focus on promoting local economic development in Emfuleni. The ELM IDP (2017-2021: 12-48) further outline the following the strategies for LED. The municipality seeks to do so by first

improving the quality of lives in Emfuleni; this strategy will focus on the marginalised poor section of the local communities. Introducing a **large-scale housing development** is another strategy which focuses on mainly infrastructure development; these housing infrastructure projects will adopt people who are from the local communities and help them both acquire skills and monetary benefits. **Small business development, job creation initiatives and skills development** have a focal point of developing SMMEs which are all the small, medium, and micro enterprises; should the promotion of these businesses succeed, this could lead to production of more job opportunities and the promotion of entrepreneurship and youth support programmes that will allow the inclusion of all groups to partake in their respective economies. A **Special Economic Zone (SEZ)** is a specially demarcated area set aside by the government for specific economic activities; the municipality most focus on transportation, mainly for granting the less developed groups a fair opportunity to be part of the finance and market opportunities. **Tourism development support and improved environmental quality**; tourism in the Vaal is seen as one of the most impactful sectors, thus creating an environment that is conducive for tourism attraction; this we see as people going to the VAAL River for wine tasting and jazz festivals. This development will attract not only people but investment from investors, and this will generate economic wealth. Revitalization of the manufacturing sector, with improved linkage to agricultural and township economies, and focusing on parts that have agriculture so that the municipality can profit from them and enhance the township economy, will be of great benefit (ELM IDP 2017-2021: 12-48).

3.7.1.2 LED Projects of Emfuleni Local Municipality

The following, according to ELM LED (2015) are the projects of LED in ELM:

- Introductory LED skills training for all councillors and senior officials:

This is mainly so allowing active participation of the above mentioned that they understand the concept of LED; this project also seeks to create improved awareness of LED. Once these officials have a better understanding of LED, they will be more involved, and their knowledge will be enhancing of all the potential LED opportunities in their respective communities. The implementation of the Community Development Workers programme is perceived as a key component in the adequate implementation

of LED. This programme will broaden the officials' knowledge who are based in the LED institute of the municipalities as they will be given specialized LED training.

- Establish fully operational Vaal Tourism Agency as LED Forum and The Vaal River game changer programme:

The municipality in this project seeks to put together a tourism strategy, which incorporate various aspects such as the branding, i.e., improved signage. Another aspect of the strategy is the introduction of a tourism website that will possess the database of all tourism facilities in Emfuleni; also, tourism routes will be published that will make it convenient to get to the respective tour sites and, a calendar which will include annual events in collaboration with all tourism operators.

- Growth of SMME's and cooperatives through linkage and location of trading zone to formal trading areas:

For the growth of SMMEs and cooperatives, the municipality suggests that there should be a provision of capacity, in other words, this means that there should be necessary space/ resources for some to establish these SMMEs. The growth will require provision of support centre and training facilities; this is mainly to help the people get all the necessary skills as they go along with their businesses; also training the staff that the SMMEs will employ upon their success. The municipality also seeks to provide diversification of various sectors, which will be involved in the growth of these SMMEs and cooperatives. The suggested sectors, not only limited to these are: agriculture, catering, and construction.

- Create a Human Settlement Call Centre:

This project has an objective of providing a call centre that will assist people with housing database enquiries housing finance related queries and general housing queries. This type of project first will create jobs for the people of Emfuleni as call centre consultant and granting them a skill of enhancing their understanding of all department of housing skills which will make these people employable as they would have gained both skill and work experience needed in the work- space application process.

3.7.2 Midvaal

Midvaal Local Municipality, a category B municipality, is situated at Meyerton, Gauteng in South Africa. The municipality is located within the Sedibeng District and is also one of the three local municipality which falls under Sedibeng District Municipality. It is one of the biggest municipalities of all three in the district which then covers almost half of its geographic area.

The Midvaal Local Municipality is predominately comprised of rural and extensive farming. This municipality has two significant natural features, which are the Suikerbosrand Nature Reserve and the Vaal River and, the second one, is the Klip River, Suikerbosrand River and Vaal Dam. The Midvaal area also consists of several residential town areas which are De Deur; Randvaal, Walkerville, Eikenhof, Meyerton and Vaal Marina and, an informal settlement, which is Sicelo (Midvaal 2012).

The study focuses on Sicelo which, according to Urban Genesis Management (2010:11), is seen as an informal settlement located to the west of R59 Meyerton Farms. The area is characterized as the poorest within the Midvaal Local Municipal area. There are extremely low levels of education in Sicelo, whereby only 12, 8 per cent of the population has a grade 12 and higher education with 1.4 illiterate people. Unemployment is listed at a 48, 9 per cent in Sicelo, and 18,8 per cent in Midvaal area (Stats SA, 2011).

Midvaal Local Municipality has employed a LED Strategy in May 2017. This strategy seeks to produce mechanisms that advocate for sustainable local economic growth within the Midvaal local communities. To achieve the latter mentioned economic growth, the strategy is founded on eight strategic pillars. The first pillar is the **Kgatelopele Youth development Programme**; the second pillar is the **Agricultural Growth and development**; the third pillar is the **Sectorial Growth**; the fourth being the **Youth Skills, Development, Education and Training**; the fifth pillar is the **Business Development and Support**; the sixth is the **Township Economic Revitalization**; the seventh pillar is the **SMME, Cooperative and Black Industrial** and, the last being the eighth pillar, is the **Poverty Reduction pillar**. The main purpose of all the mentioned pillars is to build a mechanism that will be used utilized to adequately implement the LED strategy through establishing programmes and

initiatives to development and promote LED in local Midvaal communities (MLM IDP 2021:116).

Now that we know LED plays a vital role in the local communities, The Township Economic Revitalisation (TER) concept is used as a development mechanism to promote the unique characterises of enhanced economic development activities in marginalised and underdeveloped communities. The TER's central point is on tools which are implemented in such a way that it establishes and ensures sustainable livelihoods in the local community growth. The TERs focuses on utilizing initiatives such as creating conducive urban spaces for entrepreneurs, agricultural activities, education and skills transfer. These mechanisms employed are for the adequate implementation of the developmental strategic goals for LED in Midvaal area, which is Broad Based Black Economic Empowerment, and subsequently Poverty Alleviation (MLM IDP 2021:117).

3.7.2.1 LED strategies of Midvaal Local Municipality

The Midvaal LED strategy is mainly based on two objectives focused on promoting sustainable economic growth in Midvaal. The two objectives of the LED strategy emphasise economic **diversity**; this is mainly because it will help them not only focus on the excelling sector which is manufacturing, and **growth in sector**, which will advance competitive advantage, not only for the blooming manufacturing sector, but also taking into consideration increased focus of the potential in tourism, agriculture and trade and construction sectors (Midvaal Spatial Development Framework 2021/21:102).

The Midvaal LED 2017: 215 outlines the following **strategies** to effectively implement LED objectives they have as a municipality:

a. Job creation initiatives

This strategy mainly focuses on the creation of job opportunities in the Midvaal. Job creation is one of the objectives which LED seeks to address, and we see it also apparent as a strategy employed by Midvaal. The municipality regards skills development as a way in which they can create jobs for people in Midvaal. This is evident as we see all the government interventions such as EPWP whereby skills are acquired through this programme; such, helps people acquire jobs and skills

simultaneously. The creation of job opportunities is also seen as inclusion of the setting up of massive intern programmes and the Kgatelopele Youth Development Programme, which is a programme that mainly focuses on involving youth by helping them acquire necessary skills which help them become employable elsewhere in the near future.

b. Small Business Development

The development of small business lies in the strengthening of incubators, training centres, job creation centres, mentoring programmes and the entrepreneurship development and informal sector development support. All the latter mentioned have a strong means of developing knowledge and acquiring advanced skills to develop their businesses. The availability and accessibility of training centres grants the businesses owners sufficient knowledge for them to learn and grow their businesses. This doesn't only go directly to the businesses, but having a training centre can help people who the businesses employ to get the skills needed to perform all duties expected of them.

c. Service Delivery

The municipality seeks to enhance the capabilities of people and other institutions in the municipalities; this could be infrastructure development, and this could lead to an indirect benefit of creating job opportunities for local community members and advancing their people skills in the process of improving service delivery. Incorporating partnership building; this is a way of including the private sector to help the public sector to fulfil its objective known as Public Private Partnership. The creation of an enabling environment benefits both the municipality and the people as it allows people to have business and the municipalities to grant people good governance.

d. Improved quality of life

The strategy seeks to find ways in which they can reduce poverty and give people the basic needs they need and improve safety nets and food security.

e. Agriculture growth and development:

This strategy focuses on the intervention in the agricultural sector; this intervention is used as a game changer which is one of the feasible mechanisms used to detail the economic development of the municipality as per sector. Midvaal has massive agricultural spaces, therefore what this strategy seeks to do is use this land in farms to create jobs and subsequently improve quality of life for its people.

f. Procurement strategy:

This strategy requires that the municipality spend on local communities rather than outside of their demarcated communities; for instance, procure services from Midvaal rather than Emfuleni. The procurement strategy advocates that the local communities submit their request for quotation to municipalities for tenders and emphasise that tenders should benefit those from the township enterprises; for instance, when busy with a project in Sicelo, the tenders should be granted to Sicelo resident so that they benefit from their local project. To accommodate the local communities, the strategy states that their tender process ought to not be complicated to give everyone an equal opportunity.

g. Business development forum:

The strategy seeks to have a creation of a platform between the municipality, community members, and the private sector. This is a collaboration of all stakeholders that seeks to advance local economic growth and development.

h. Support local economic sectoral development:

The strategy emphasizes the importance supporting various sectors such as the inclusion of manufacturing, tourism, agriculture, transport, and housing. This will help with equally balancing all sectors so that they all benefit from them, not only one sector being the manufacturing, which is currently upfront than the rest. Focus on the mentioned sectors allows focus on the growth and maximization of forward and backwards linkages.

3.7.2.2 LED projects of Midvaal Local Municipality

The Midvaal Local Economic Development Strategy policy (2017) does not outline the LED projects which it seeks to embark on; thus, this section will focus on the Eight Pillars which the municipality has emphasized which they will focus on as a mechanism of ensuring and advancing adequate implementation of the LED strategies which are previously mentioned.

a. Pillar 1: Kgatelopele Youth Development Programme

This is a Youth Development Programme that will target approximately two hundred and fifty (250) youth. This programme focuses on training the youth by offering them skills development, mainly focusing on business administration and management, entrepreneurship, and specific technical skills. This skills development will capacitate the youth with the necessary skills so that they are employable or can even open their new establishments. This programme also includes the Graduates of Midvaal; what this programme will do is grant the graduates a link to possible job opportunities or even further training to sharpen the skills needed at the time. The Municipality has this project already running as already 50 have received the skills promised by them. Furthermore, what the municipality also seeks to achieve is grant the youth learners and driving licences, an opportunity for matric rewrite, plumbing training etc. The main objective of the municipality for this project is that at a certain time after completion of the skills development, the youth should be able to start delivering services to the municipalities sector departments of their choice (Midvaal LED Strategy 2017: 485-486).

b. Pillar 2: Agriculture growth and development

Midvaal as an area which has an excessive amount of land, thus considers agriculture to be an important sector that the municipality must maximise to its full potential for economic development. This pillar emphasizes that agro-processing and maize production is crucial for this area; focusing on it and adopting the necessary policies all the way from national to provincial level for advancing the agro-processing and maize production would produce essential results for the future. These pillars employ strategies that will advance further development in the niche agricultural production, such as producing organic products, making special breads and jams etc. The incorporation of home gardens, result in farming practises, unlocking the opportunity

for those involved to develop their skill and become small scale farmers. This pillar seeks to unlock agricultural potential for all the small and commercial farmers, thus leading towards economic development and creation of job opportunities (MLM LED Strategy, 2017: 487-488).

c. Pillar 3: Sectoral Growth

This pillar highlights the importance of having a diverse economy and equally focusing on not only one sector, in this case for Midvaal, being manufacturing, which is doing exceptionally well, but also equally investing in promoting all the other sectors to pull maximum potential for the economic development in Midvaal. The growing of trading sectors incorporates the promotion of SMMEs, Community Based Organisations, which grants the greater range of products, creating job opportunities for the local communities. Manufacturing sector emphasizes that having more manufacturing firms in Midvaal could increase suppliers and customers, thus attracting even investors as the demand for products, and thus this will increase labour for the products, resulting in job creation. Construction sector: this sector grants people in construction property development training programmes which will advance peoples skills, especially the disadvantaged. Compiling of database for independent contractors will help the municipality have more details of the possible candidates and use local people for local projects. Tourism sector also has many sites which will be used to attract both tourist and investors for economic wealth of Midvaal (MLM LED Strategy, 2017:489-491).

d. Pillar 4: Youth Skills, development, education, and training

Education and skills training are strong tools used which helps the previously disadvantaged or marginalised individuals participate into the economy. Education and training help enhance understanding, thus improving accessibility to economic opportunities. Midvaal support education system from early childhood until adulthood. For those who cannot still participate in the education system, they are encouraged to embark on an entrepreneurship journey; this will help with life-long learning programmes. This ensures that there is on-going skills development that is aligned with what is currently in demand by the municipality; hence, the skills development is associated with mentorship within industries in Midvaal; for example, unlike focusing

on plumbing skills whereas the municipality needs grass cutting skills (MLM LED Strategy 2017: 491).

f. Pillar 5: Business development and support

The Midvaal area is known as one of the areas which has quite a reputable businesses and establishments, not only locally but also national and international businesses which are found to be operating with the Midvaal area. Not only is Midvaal rich in land but also has quality infrastructure such as roads, rails etc. The establishments visible in Midvaal are Heineken, Kilpriver Business Park, and New Hope just to name a few. As the area has quite some well establishments, it is expected to take good care of these assets so that they retain the investment they have and possibly attract more businesses and investments; this is mainly because if these establishments are not well taken care of, they risk losing major investments from employers which will immensely affect the Midvaal area negatively. Midvaal is also a place that promotes SMMEs; this is crucial because, these SMMEs became a source of income, skill development for others and creation of job opportunities (MLM LED Strategy, 2017: 494). This pillar focuses on three objectives: retaining precise operational business and focusing on attracting new businesses thus using that as a growth of business to provide opportunities for generation of job opportunities. Secondly, is to promote and support SMMEs which is what generates local economy wealth and, lastly the support of informal establishments so that they are well understood what their desires are and how best can the government help them became part of the economy (MLM LED Strategy, 2017: 495).

g. Pillar 6: Township Economy Revitalisation

These pillars mainly focus on eradicating poverty and reducing inequality. This will be fulfilled by promoting radical transformation of the economy in Midvaal. Township economy is vital in this pillar as it seeks to create a conducive environment for all the informal businesses and grant them the necessary support, especially the regulatory legislation which will include them in the economy of Midvaal. A survey which was conducted in Sicelo shows that there are approximately 332 informal trades. This is a very high number considering the 18.8 per cent unemployment rate in Sicelo. The municipality must support these businesses until they can be registered SMMEs upon

their success, they could even employ people in Sicelo. This could make a serious turn around for the local economy of Sicelo (MLM LED, 2017: 501).

h. Pillar 7: SMME, Cooperatives and Black Industrialists

This pillar is seen as the most effective responding mechanism to the economic challenges faced by South Africa. Department of Small Business Development was introduced to provide services which are accessible for those who need them; sustainability and equitability which responds directly to the needs of those local communities. The pillar also seeks to create job opportunities and grant the local economy growth. The pillar also focuses on advancing entrepreneurs into small businesses and creating a competitive SMME and cooperative businesses environment. What this pillar seeks to do is to maximise the creation of opportunities and a conducive environment for the upcoming SMMEs and for the existing SMMEs, to support and empower them in the best possible way. Supporting Black Industrialists is promoting BBBEE for those who are less disadvantaged, support and promote them so they are also part of the economy by being given equal resources, support, and opportunities. This pillar will have a continuous updated database which will register these SMMEs and cooperatives. This will enable the municipality to identify which SMMEs need which skill development, workshop training or financial support. The pillar also states that the municipality should continually share relevant business legislation and the supply chain processes so the businesses are familiar with them (MLM LED Strategy 2017: 508-509).

i. Pillar 8: Poverty reduction

Poverty reduction is a central initiative by the government to improve the livelihood of the people. Though Midvaal may be seen as the best performing municipality, it still has numerous towns and informal settlements that still face extreme poverty such as Sicelo, Mamello, Boitumelo and Kayelitsha just to name a few. The municipality should concentrate on the poverty- stricken places and offer them the support and empowerment needed. The strategy the municipality has in place for these areas are granting people the opportunities to be part of the EPWP and CWP so they can gain skills development and have a source of income; they also should make constructive activities accessible to the people, especially the youth. Midvaal have youth camps and life skills programme which helps them relate better with the community they are

in so they can access the necessary opportunities, some even join NGOs or even CBOs working partnership with private sector. The municipality also fund feeds schemes in schools and ECD programmes and garden projects to help people participate with the end goal of either getting skills development or monetary benefits to improve their lives (MLM LED Strategy, 2017: 210-512).

3.8 OVERVIEW OF STRATEGIES, PROJECTS, AND PROGRAMME OF MIDVAAL AND EMFULENI LOCAL MUNICIPALITY

Emfuleni and Midvaal Local Municipalities use a different approach for ensuring that their LED strategy is adequately implemented. As previously stated, although these municipalities both fall under the same Sedibeng District municipality, we cannot use a blanket approach of economic development as both municipalities have different priorities for advancing LED. The common ground which both municipalities have is that they ought to grant people a better livelihood means of job creation, skills development.

Assessing both municipality LED Strategy Policy documents is that both municipalities have an advantage of tourism attraction interest for advancing skills development, job creation and, most importantly, attract investment for their municipalities. Emfuleni focuses on the Vaal 21 River City Project; though this project is adopted from the Sedibeng District, it still focuses on developing any project that encourages development in the Vaal River boundaries; not only that, but it also focuses on enhancing economic development for urban areas such as Evaton. Midvaal has Suikerbosrand, Vaal Dam and establishments that many people use when travelling, places such as Henley Kilp and Walkerville; these places are used for both accommodation and businesses such that the Heineken attracts more businesses and investments for Midvaal.

The main strategies of ensuring economic development from both municipalities has its similarities, which for Emfuleni is a Tourism and Logical Hub. Midvaal focuses more on diversifying its economic sector and growing all sectors in making sure that they maximise economic development from all sectors; by so doing they seek to advance competitive advantage so they can maximise the full potential of the tourism, agriculture, and trade construction sectors. Emfuleni has feasible programme and projects which they have in place to ensure there is local economic enhancement by

its local people; whereas the Midvaal Policy has a challenge of still trying to navigate what would work still on the potential of the sectors mentioned above. Midvaal does not have feasible projects that they have planned to do in the projects to ensure economic development.

Thus, they use their 8 Strategy Pillars to ensure that they have projects and programmes proposed with the attempt to provide economic development. Projects such as the Kgatelopele Youth Development is a good initiative in making sure that they advance skills for the youth, but the challenging part about it is that there is no infrastructure development project, for instance, which the youth can partake in. This initiative also seeks to make sure these people are ready for what the municipality needs at that time, for instance, a cutting grass skill. Whereas, on the other hand, Midvaal uses a game changer strategy which has programmes, initiatives and from the smallest projects to the large projects, this game changer will help implement the LED strategies and allow alignment of projects needed. Hence it is easier for Emfuleni to give feasible projects for LED. For instance, ELM has a project of educating its LED unit officials, ward counsellors and communities to understand LED so they are aware and maximise all the potential of local economy.

Both municipality grants, support and promotion of SMMEs and cooperatives, have training centres, offering skills development and offer job creation for the betterment of livelihood of the people.

3.9 CHAPTER SUMMARY

The chapter had a thorough discussion of Local Economic Development within a South African context. It firstly discusses how LED was introduced in South Africa, making us understand how it was one of the first development policies after the post-apartheid South Africa. In so doing, it also focuses on how SA moved from a national centralisation economic plan to decentralisation of economic policies and mandating of local government civil servants. The shift allowed that all people, irrespective of colour or not were given opportunities to partake in their respective local communities and gave people of colour the opportunity to work in local government. This policy in South Africa uses a pro-poor methodology as it doesn't seek to generate more health

but rather to eradicate the injustices the previous system imposed on South Africa and redress these challenges.

The chapter also gives an enhanced understanding of the legislative framework that governs LED starting from the 1996 Constitution section 152 which mandates how local government should be governed and, most important for this study, being the promotion of social and economic development in all local government. The chapter covers aspects such as the relationship LED has with IDP, and the different role different spheres play in the promoting of LED and the importance of LED in local municipalities.

Drawing closer to the main focus of the case study, the study also gives an overview perspective of LED in both the Midvaal Local Municipality and Emfuleni Local Municipality; this is mainly because Sicelo falls under MLM and Evaton under ELM. The study also observes the development strategies from the IDP from both municipalities and the ELM and MLM strategies and projects which they used to promote economic development in their respective municipalities. Thus, it is also important to understand that just because these municipalities fall under the same Sedibeng District Municipality, they have different strategies for implementations of their LED projects to grow their local economy. This is because LED can never use a blanket approach, Midvaal and Emfuleni have different strategies and approaches of economic development. Emfuleni focuses more on exploring new sections of growth, building local economics, and creating more employment, and Midvaal on economic diversity and sectoral development for maximum economic development; this is because presently only the manufacturing sectors are leading.

The following chapter will give a thorough understanding of research methodology which will give an understanding of why the specific preferred research design was chosen, and the inclusion of population sample and population sample.

CHAPTER FOUR

RESEARCH DESIGN AND METHODOLOGY

4.1 INTRODUCTION

The previous chapter enhanced our understanding of LED in South Africa with the focus on Midvaal and Emfuleni Local Municipalities. The birth of the LED policy in South Africa was a mechanism employed to redress injustices of the previous apartheid system in South Africa; in so doing, becoming the first developmental policy seeking to alleviate poverty and grant people a better livelihood by creating job opportunities and introducing and promoting SMMEs to generate local economy wealth. This chapter four therefore gives a thorough understanding of the detailed research designed, and the methodology approaches and techniques employed by the study. The study also grants a detailed elaboration of the research methods used in the study. The study employs a mixed method approach which is the combination of both quantitative and qualitative approaches, this method, according to Kumar (2014:19) is mostly used for enhancing the accuracy and meaningfulness of the study conclusion, so we have a clearer picture of a situation and to confirm findings. The advantage of the mixed method is that having a different paradigm contributes different strengths and the combination of these strengths unlocks improved depth and accuracy of findings (Kumar, (2014:20) Furthermore, the study gives a further elaboration of data collection methods, techniques and strategies used to analyse data. Lastly the chapter will provide ethics consideration and the de-limitations experienced during the study.

4.2 RESEARCH PHILOSOPHY

Guhatharkutha and Chetty (2015) emphasize the importance of research philosophy as being a part of research methodology. Lewis & Thornhill (2009) further outline that the research philosophies are used as a guiding tool to decide the appropriate and credible research methodological choice, whether it be qualitative, quantitative or mixed method. The correct methodological approach also plays a crucial role in shaping the decision making of the correct research strategy; data collection techniques, analysis procedures and ethical consideration that should be adopted in the study by the researcher. Research philosophy enables the researcher the ability

to choose a credible research design that allows a coherent research project as outlined by Johnson and Clark (2006).

The study employed an interpretivism philosophy approach; this was because it focused more on assessing humans as social actors. Guhartharkuth and Chetty (2015) supports the research philosophy employed as they further detail that it focuses on conducting research among people rather than objects such as computers etc.

The researcher however is a full-time university student who does not work nor belong to any organization involved in the study. The researcher conducted interviews with Emfuleni and Midvaal Local Municipality IDP and LED officials. The researcher also interviewed the Sicelo and Evaton SMMEs Business Associations/ Forums for a better understanding of the SMMEs and business support and opportunities they get from the government. Furthermore, 30 questionnaires were distributed, 15 to Sicelo SMMEs and 15 to Evaton SMMEs for a better understanding of their perception of LED and support and growth opportunities granted to them by the municipality. The support of SMMEs by the government expects growth, upon the success of these SMMEs, subsequently creating job opportunities for the local communities. The researcher was neutral in conducting both interviews and questionnaires as they had no prior biased opinion regarding LED and its objective to create a conducive environment for creation of job opportunities for the Midvaal and Vaal areas. Easwaramoorthy & Fataneh (2006) gives an understanding of the abovementioned procedure of an interview being a conversation between the researcher and interviewee, the main objective of this conversation is to gather the in-depth necessary information for the study. Babbie (2016:311) also advises that the respondents should be familiar with the questions that will be asked, hence the study also gave the respondents the interview guide questions a day prior to the interview; the latter author explains that following such a strategy helps the interview proceed smoothly and naturally. Babbie (2016:311) further explains the procedure of the interview as the following: the interviewer, in this case being the researcher, asks questions to the interviewee who is expected to respond. Also states the importance of the interviewer establishing the direction of the conversation, ideally the respondent does more talking than the interviewer. In this case the researcher is expected to follow a certain procedure such as the use of pseudonyms that will protect the identity of the

respondent. Thus, the incorporation of strict ethical consideration is expected to be promptly followed. Thus, the researcher was granted ethics approval and, further signed the code of conduct for researchers' at NWU. Another procedural requirement needed was an Informed Consent Form given to all respondents to sign as consent to **voluntarily** participate in the study interview. Consent was a way of allowing the interviewee to willingly participate without being deceived into taking part in the interview. There was no need for adult consent for respondents as all participants were adults and in good standing to answer all questions given to them. Kumar (2014:286) emphasizes the importance of anonymity, hence there was no name of all participants mentioned in the report, this was mainly done for protecting the identity and privacy of all the respondents. Interpretative research philosophy has requirements which should be strictly followed thus, Welsham (2006:327) grants an enhanced understanding of what interpretative research philosophy should consist of.

4.3 RESEARCH METHODOLOGY

There are different definitions, yet one common definition of research methodology used by variety of authors. Rajasekar et al (2013:5) interprets research methodology as the science of studying how research ought to be executed. The procedures utilized by the researchers attempts to describe, explain, and predict phenomena. In simple terms, one can just say that it is the study of methods whereby knowledge is gained with the objective of giving the research design of the study. As stated above, another interpretation of research methodology according to Anon (2018) is that research methodology is a specific procedure or a technique used to identify, select, process, and analyse information about a specific researched topic. The above- mentioned authors further elaborate that research methodology in a research paper, the methodology section equips the reader to critically evaluate a study's overall validity and reliability. The purpose of the methodology section is based on answering two main questions: How was the data collected or generated? How was it analysed?

With the above being said this study employs a mixed research method for data collection, this is evident in the purposive sampling of the study. The data collection methods incorporated with the above- mentioned choice of research method is reviewing existing documents which are LED policies, government gazettes, semi-structured interviews and questionnaires surveys.

The research method used in this study is the **Mixed Method Approach**. The study will be more in favour of a qualitative method than quantitative. This is mainly because the study used a qualitative method to analyse the LED policies and conduct semi-structured interviews with respondents granting the researcher the ability to interact and gain in-depth understanding with the respondents. The quantitative method is followed for measuring numerical statistic of jobs created in both municipalities through LED through questionnaire surveys. With the above stated, Kumar (2014:14) explains that the study utilized the combination of qualitative and quantitative method to collect and analyse data pertaining to the research problem. Mixed method; Kumar (2014:14) states that is an advantage to use, this is mainly because it uses both the strength of quantitative and qualitative research aiming to find answers to the research questions

a. Qualitative Approach

Kumar (2014:24) emphasizes that the qualitative approach is embedded in the philosophy of empiricism and follows an open and flexible and unstructured approach to enquire. It therefore aims at exploring diversity rather than to quantify; emphasises the description and narration of feelings, perceptions, and experiences rather than measurements and rather communicates findings in a manner which is descriptive and narrative rather than analytical manner, placing no or less emphasis on generalisations (Kumar, 2014:24). Creswell (1998:15) concurs by stating that qualitative research is multimethod in focus, therefore involves an interpretative naturalistic approach to its subject matter; in essence it means that they seek to study things in natural space with the intentions to make sense of, or rather interpret phenomena. As stated by Creswell, which is why one has chosen this approach, mainly because LED is an interpretative naturalistic policy which is used by the local authorities in making sure they bring about the local economic development in local in economies. This qualitative method seeks to comparatively interpret and analyse the LED policies strategies for both Midvaal and Emfuleni municipalities, and, seeing the difference and similarities of how they utilized LED policies.

The study also used qualitative approaches because of the techniques listed by Leedy and Ormrod (2010:136), which is that it is description, which enables the researcher to reveal the nature of certain situations, settings, processes, relationships, systems, or people. In so saying, this method reveals the nature of LED and the relationship it

has with people. In terms of interpretation, it enables the researcher to gain new insights about a particular phenomenon, to develop new concepts or theoretical perspectives about the phenomenon and to discover the problems that exist within the phenomenon. This method also enables us to be able to interpret LED as in chapter two, that gave us a theoretical perspective and to discover existing problems such as the one the study focuses on the high level of unemployment, investigating whether LED is a job creation mechanism. It also verifies, which then allows a researcher to test the validity of certain assumptions, claims, theories, or generalizations within real-world contexts. In this it also allows one, after analysing the LED policies testing, whether it works as a job creation mechanism or not, and how the two municipalities used it differently.

b. Quantitative Approach

Kumar (2014:14) emphasizes that the quantitative method is deeply rooted in the philosophy of rationalism; follows a rigid structure and predetermined set of procedures to explore; aims to quantify the extent of variations in a phenomenon; emphasises the measurement of variables and objectivity of the process; believes in substantiation based on a large sample size.

This study utilized this method in support of Kumar (2014:14) stating that its main intention is to quantify the phenomenon and, by so saying, it emphasises the measurements of variables and the objectivity of the process by simply indicating clear measurements of numerical statistics of job opportunities created through LED policies in both Emfuleni and Midvaal Local Municipality. It also gives importance to the reliability and validity of the findings. Dealing with number outcomes there was no speculation of how much it might have been, but rather gives a clear number of jobs created and, lastly, it communicates findings in an analytical way by giving us the numbers of jobs created by LED programmes through SMMEs in Sicelo and Evaton. Thus, the study also gives the difference between the two municipalities and the findings were in an aggregate manner, drawing conclusions and inferences that can be generalised by the numbers of jobs created; one can generally say which LED policies work best from both municipalities.

4.3.1 Research design

Jogbo (2016:88) emphasizes that the lack of understanding the research study, disables one's ability to comprehensively understand how, where and which methods and techniques fit into the overall activity of conducting a research methodology. It is therefore crucial that the appropriate research designed be employed in a study for one to reach the objectives of the study. Kumar (2014: 122) defines research design as a road map which is required to be followed during a research journey to find answers to questions as validly, objectively, and accurately as possible. Jogbo (2016) supports Kumar by stating that it is also a blue- print of activities or specific procedures and strategies which ought to be followed to obtain the most valuable answers to research questions, or rather obtain research objectives. From what the two authors stated above, it is apparent that research design is a framework that gives the researcher guidance on what the research should entail, what procedures or strategies one should take to reach, to collect data and, in so doing derive answers to research questions and objectives. Lastly, it also gives guidance on how one can conduct the study. Research Design is not just a road map, but it also ensures that the evidence obtained enables the investigator to answer the initial question as accurately as possible.

This research study employed a case study approach to conduct the research. A case study of Sicelo Township and Evaton Township were used to conduct the study. Seeing that the LED policy is done in municipalities, the Emfuleni and Midvaal Local Municipality was also included in the study as the above- mentioned townships fall under them. Within LED, there are SMMEs, therefore the study chose four SMMEs; two are from Evaton and two from Sicelo; this is because the study seeks to understand the role LED in local municipalities played in promoting SMMEs to create jobs.

Following the mixed method approach, the study attempted to grant sufficient data for the study at hand. This research dissertation was for a period of four years. In the given time, the researched collected data through means of semi-structured interviews for ELM and MLM LED and IDP officials together with Business Associations Chamber CEOs; structured questionnaires for SMMEs, as well as the current literature review of policies and various creditable academic sources. The study used a purposive

sampling method (non-probability/non-random); this is mainly because the researcher deliberately chose a specific target group relevant for the study; for instance, the researcher only used municipal officials in the LED and IDP department of the municipality and SMMEs and Business Chamber/ Associations strictly from Evaton and Sicelo. Ethical procedures were followed as required. The researcher received approval from the Department of Public Management and Administration after receiving all the required permission from the respondents.

4.4 STUDY AREA

The study focused on two local communities, Sicelo, an informal settlement from Midvaal Local Municipality, and Evaton a peri-urban area from the Emfuleni Local Municipality. All respondents were based in both Emfuleni and Midvaal which are SMMEs, business chambers and both mentioned municipalities LED and IDP officials. Local municipalities are the grass root level of government for the local communities. Local economic development being policies that works with local communities is the reason as to why the study used these two township areas from both local municipalities.

4.4.1 Study population

According to Blanche et al., (2006:133), population is defined as the larger pool from which sampling elements are drawn and to which we want to generalise our findings, having a better understanding of the definition. The population thus used in the study due to relevance was Emfuleni and Midvaal Local Municipality IDP and LED managers/directors; this is mainly because their work jurisdiction, as opposed to any other municipal official. Within the population was also Sicelo and Evaton businesses chamber/association CEOs who were interviewed for a better understanding of the support granted to them by the municipality. A Stats SA official was also incorporated for adequate statics needed during the study. Lastly, was the 15 Sicelo and 15 Evaton SMMEs. The study utilized the latter mentioned population because of LED being a specialised field only understood by its officials. The business chambers/associations and SMMEs owners were also relevant due to the place they are situated in being Sicelo and Evaton. The study did not use any SMME or business chamber/association outside the above- mentioned areas.

The researcher conducted face-to-face semi-structured interviews with both IDP and LED managers/directors in ELM, and virtual semi-structured interviews with both IDP and LED directors in MLM. Two directors were sampled from each municipality. These officials were targeted to give the researcher an in-depth understanding of previous information and knowledge about the area of study, which will also help the study not to repeat what has been previously established, and to look at possible future endeavours in the municipalities' IDP and LED.

The researcher went to the Stats SA offices for Social Stats District Survey Coordinator in Vereeniging to collect statistical data. This helped get an exact understanding of the numerical data of unemployment in Sicelo and Evaton and the jobs created in the same areas.

The researcher also interviewed business chamber/associations in both Sicelo and Evaton areas. There was a face-to-face interview conducted with the CEO of Evaton Small Farm Tourism Association and Sicelo Business Association to help get a better understanding of LED and SMMEs in Evaton and Sicelo Township from a business association perspective. The researcher wanted to understand the role of the local government in promoting and supporting LED in their business associations for job creation.

The researcher also conducted 30 questionnaire surveys to SMMEs, specifically 15 SMME in Sicelo and 15 SMMEs in Evaton. The researcher wanted to understand whether the generation of job opportunities through LED have materialised or not. These businesses will either be formal or informal. The researcher wanted to understand the businesses perspective of LED and the role of the local government in promoting LED in their businesses for job creation.

4.4.2 Sampling procedures

Blanche *et al* (2006:133) and Bhandari (2020) define a sample as a representative of a population. This is understood to be a certain, preferably smaller group chosen from a larger population which will be the representative of those not chosen from the sample. Moss *et al* (2019) and Dudovskiy (2018), quoting Brown (2006), further elaborates the importance of sampling being allowing for the researcher to save time (contacting a specific group is better than covering the wrong population), money (it

would cost a lot of money going through the whole population) and collecting richer data (this helps the researcher ask more questions to fewer people rather than have more people and gain minimal information.) Hence the study uses the purposive sampling.

The purposive sampling method will be used in this study because the population selected is relevant for the purposes of this study; LED is a specialised field, only specialists such as ELM & MLM municipality units are chosen as specialists of LED, no one in the municipalities or local communities would know better than them. According to Dudovskiy, quoting Black (2010), states that purposive sampling, also known as selective sampling, is a sampling technique in which the researcher relies on their own judgment when choosing members of population to participate in the study. Bryman (2016:323) perceives it as a non-probability form of sampling. The researcher does not want to sample research participants on a random basis because not everyone is a LED specialist, but rather people chosen to partake in the study should be LED managers from both municipalities. The researcher also purposively sampled business chambers/associations and SMMEs specifically from Evaton and Sicelo, as they will have a better understanding of LED and SMME within the area they are situated, rather than choosing SMMEs from any other place in Vaal or Midvaal areas who have no knowledge or experience of the above- mentioned places.

The main objective of purposive sampling method is to sample cases in a strategic manner so that those chosen as samples are relevant to questions which are going to be asked of them. This sampling technique, because it chooses people relevant, rather than LED specialists in the study field or topic, does not allow the researcher to therefore generalize. For the sampling to be productive (Gravetter & Forzano, 2011:151), advises that all the above chosen participants must be willing to answer these questions honestly; in this case should it happen that the municipalities are not willing to be participants or, rather answer honestly, we therefore will opt for secondary documents such as their IDP and LED policies etc.

Table 4.1: Total number of samples proposed

Description	Number
Emfuleni Local Municipality	2
Midvaal Local Municipality	2
StatsSA Vereeniging	1
Sicelo	1
Evaton and Small Farm Tourism Association	1
Golden Triangle Chamber of Commerce	1
Sicelo SMMEs	15
Evaton SMMEs	15

Source: Developed by the researcher

4.4.2.1 Sample size

The proposed sample comprised 38 respondents as follows: 2 IDP and LED Emfuleni Local Municipality and 2 IDP and LED Midvaal Local Municipality, N=4. 15 Evaton SMMEs and 15 Sicelo SMMEs, N=30. StatsSA official, N= 1. Business Chambers/Associations N= 3, thus, total sample size N=38.

4.5 DATA COLLECTION METHODS

Data was collected and gathered through primary and secondary methods. Primary data collection utilized semi-structured interviews with the IDP and LED managers of both Emfuleni and Midvaal Local Municipality, the Sicelo and Evaton Business Chamber/ Associations and, lastly, the 15 Sicelo SMMEs and 15 Evaton SMMEs structured Questionnaires survey. The secondary data collection utilized StatsSA documents for the numerical statistics of jobs created and through document and IDP and LED policies from government gazettes, articles, journals and previous MA and PhD dissertations.

4.5.1 Semi-structured (open-ended) Interviews

An interview, according to Burns (1997:329), is defined as a verbal interchange; often face-to-face, also sometimes utilized telephonically or virtual; this process whereby the interviewer asks questions to the interviewee in expectance to elicit information, belief, or opinions from the next person about a certain topic or field of study.

The study conducted an interview for an hour, between the researcher and LED and IDP coordinator/manager of both Emfuleni and Midvaal local municipality. It also conducted interviews with business chambers/ associations CEOs. Unfortunately, there was a chamber CEO who covered both areas who was not available for the interview. These interviews were interactive, being the researcher and the respondents as advised by Babbie (2013:154).

The Interviews were conducted for an hour with each respondent in the respondent's comfortable office space, while some were conducted online via Microsoft teams. Some officials were working remotely at this time and were unable to meet face to face for an interview and thus opted for a virtual interview. These interviews were conducted at the time preferred by the respondent. This was when they had confirmed their availability with the researcher. During Covid regulations, the researcher had to provide a mask, sanitizer and kept 1.5 m distance between herself and the respondents.

The interview was comprised of a sequence of questions in expectance of response from all interview respondents. The semi-structured interviewing Bryman (2016:369) highlights that it allows flexibility, responding to the direction that the interviewees take, adjusting the emphasis in the research because of significant issues emerging in the course of the interview; this type of interview is very important as it brought a thorough in-depth understanding to the root of the topic researched. This kind of interview, above stated, will therefore bring a thorough flexible understanding of whether LED is a job creation mechanism.

The advantage of using this kind of interview is that, according to Kumar (2014:177), it gives freedom in terms of structure, content, questions, and wording. These kinds of interviews are of paramount importance as it explores intensively and extensively and digs deeper into a situation, issues or problem of concern.

4.5.2 Existing Literature review

The study also collected secondary data through means of IDP and LED polices. The researcher also consulted a variety of reputable sources to gain excessive understanding of the study. There were also academic journal articles used, previous Master's and PhD dissertations, and existing Government gazette publications were consulted, and a collection of statistics documents from StatsSA to evaluate the number of jobs created in Sicelo and Evaton from the period 2015-2020.

4.5.3 Questionnaires Survey

There were also self-administrated questionnaire surveys given to 15 SMMEs owners in Evaton and 15 SMMEs owners from Sicelo. The SMMEs owner were contacted prior to the actual day of filling the questionnaire; this was for the respondent to state whether they would be part of the study, or not. Prior to Covid-restrictions, the researcher dropped the questionnaires at the SMMEs owners and fetched the questionnaires the following business day to avoid minimal interaction. The questionnaire took between 20 to 30 minutes to complete.

4.6 DATA ANALYSIS

LeCompte & Schensul (1999) explains data analysis as a procedure used to reduce large amounts of collected data to make better sense of the data, while Patton (1987) elaborates that three things have to be visible during analysis, which are that data are organized; data is reduced through summaries and/or categories and patterns and, lastly the theme of data seeks to be identified and interlinked. Kumar (2014:327) further advises a mixed method approach as that used in the study allows two or more methods for analysing data. Kumar (2014:327) continues to elaborate that in the instant where data was collected by two methods, which belongs to different methods, there is definite use of different methods for analysis purposes which, in the study, will be use of content/thematic analysis for qualitative method and univariate analysis (Microsoft Software showcasing diagrams for the quantitative methods).

4.6.1 Content/Thematic Analysis

Qualitative data was analysed through Content analysis.

Kumar (2014:318) guides us with the process or steps one needs to follow which are: Step 1: Identifying the main themes, this is a process whereby the researcher went through all the descriptive responses given to each question during the interviews to have an enhanced understanding of the meaning of all respondents' answers. By so doing, the researcher develops broad themes which reflects the meanings. Step 2: Assign code to the main theme; this is whereby the researcher can select or identify the theme from the same question till a point a researcher feels confident with the answer to the question. Step 3: Classify response under the main themes; the researcher goes through the interview notes and classifies the responses according to their themes. Step 4: Integrate themes and responses into text of the report; once the above is done and the researcher has identified the responses into different themes, the researcher now must write a report.

Content/thematic analysis was used because it is more likely used to analyse data such as interviews as used in the study for IDP and LED managers from both municipalities and business chamber association CEOs. Since content/thematic analysis strategy analyse data according to themes, it therefore was useful in breaking down large amounts of data into manageable themes such as the LED initiatives, strategies and programmes, unemployment, SMMEs and job creation opportunities; the themes, therefore, give a greater understanding of the main LED theme within the data collected. Krippendorff (2013:24) also states that this strategy grants one an enhanced insight; increases a researcher's understanding of phenomenon and practical actions, which is in support of the stated above. Bryman (2016:247) also favours the choice of this data analysis strategy by stating that it allows information to be generated about social group to which is not easily accessed; this is witnessed in how the study evaluated whether the ELM and MLM LED policies adequately execute their developmental objectives to Sicelo and Evaton.

4.6.2 Univariate analysis (Microsoft Software)

Quantitative data in the study, being the unemployment statics of both Sicelo and Evaton from a Statistician from StatsSA, were given numbers and had to convert to percentages. There were also questionnaire surveys, which were given to SMMEs owners, and analysed using a Microsoft software. These questionnaires surveys evaluated the understanding of LED by SMME owners, the support granted by the municipality through LED programmes, and the creation of conducive environment created for job opportunities through LED programmes, and the exact number of jobs created through these initiatives for SMMEs in Sicelo and Evaton. This information will be presented through a visual manner such diagrams. The study will also be analysing the increase or decrease of job creation opportunities and unemployment within both areas and townships as a means of evaluation tools of either the successes or downfall of these LED policies implemented in Midvaal and Emfuleni local municipality.

4.7 ETHICS CONSIDERATION

Ethics, according to Hanks (1979:502), in accordance with the principles of conduct that considered to be corrected, or rather exceptional, especially given in a professional space. Kumar (2014:282) further elaborates that most professions have an overall code of conduct which governs them in the way they carry out research. Fox and Meyer (1996:45) add their perspective defining ethics as the “process that simplifies what is right and wrong and the act on what is considered to be right, e.g., a set or system of moral principles that are generally applied”. Smith (2003:56) gives recommendations to help researchers to steer clear of ethical dilemmas and are, as follows: firstly, by discussing intellectual property frankly; be conscious of multiple roles; follow informed-consent rules; respect confidentiality and privacy of the participants and, lastly, tap into ethics resources.

The researcher followed strict ethical procedure when conducting the study. The researcher had to be first granted ethical clearance approval before conducting any fieldwork with any respondents. The researcher, after getting the ethic clearance approval, planned to conduct questionnaires surveys with Evaton and Sicelo SMMEs as per the agreement. The researcher also planned to conduct both virtual and face-to-face interviews with ELM AND MLM IDP and LED Directors, incorporating the Business chamber/ association CEOs for SMMEs in both above-mentioned areas. The

researcher did not have any translator or third- party person when conducting these as all these people interviewed were adults who could comprehend all questions. The researcher followed the advice from Blanche et al., (2006:73) and Barrow et al., (2021) and treated all participants fairly and kept their information in confidential making sure that the researcher upheld privacy of these respondent utilizing procedures for anonymity. Blanche et al (2006:67) also advise that the researcher must give the participants assurance that there will be no occurrence of harm bestowed upon them because of the research conducted. Connelly (2016) explains trustworthiness of a study as the degree of confidence in data, hence the researcher locked all the interview scripts in a safe storage that only the researcher could access.

Babbie (2004:14) points out how deception is such a fundamental ethical concern, especially in social science research, while Skalvid (2019) further explains deception in research as, a participant not fully being informed of the purpose of the study. Thus, the study opted not to use any deception to access any information but, rather, the respondents signed an Informed Consent Form (ICF), which was thoroughly explained and requested before the commencement of the interviews. The signed informed consent form was a green light for the interview to commence. As thoroughly explained, the respondent understood and was conscious of what it takes to partake in the interview. Another important aspect the consent form covered was that the interviews were entirely voluntarily by the respondent, hence no monetary remuneration was granted to the respondent as a bribe to partake in the study. In showing their willingness to participate, the respondent gave the researcher a permission letter which showed their ultimate willingness to participate in the interviews.

All interviews and questionnaire surveys were conducted at a convenient time and place as instructed by the respondents. The questionnaires were self-administered by the SMMEs owners and took about 15-30 minutes' maximum, and the interview were no longer than an hour and were manually transcribed by the researcher as there was no audio recording used. This was done because some officials felt they would be compromised should they be recorded. All interview participants were able to comprehend the questions as they are specialists in that field of study. In the case where SMMEs owners could not write their own answers, they requested their

employees to help them fill the questionnaires as some had below matric education level. Interviews were conducted face-to-face and virtual using Microsoft teams due to Covid restrictions. One of the business chamber/ association CEOs conducted a face-to-face interview during Covid restrictions, hence there were measures implemented such as wearing of facemasks, keeping a distance of 1.5m between us, and sanitiser was used before the commencement of the interview to ensure there was no harm bestowed on the participants.

4.8 LIMITATIONS OF THE STUDY AND LIMITATION

4.8.1 Delimitations

The study only had one delimitation to the study. The delimitation of the study was that the researcher could not meet with the Business CEO to conduct the interview. This, because although there was an intention for the CEO to partake in the study, at the time of scheduled interview time, the researcher had an emergency medical condition which had to be addressed. Once the researcher was back, even after several interactions by email, sending the research questions to him. The researcher unfortunately did not fit in his busy schedule. As I substitute to this, the study only focused on the business chamber/associations of Sicelo and Midvaal as they are the core of the study.

4.8.2 Limitations

The study wished to cover the whole of Evaton and Sicelo as they are very large townships, more especially with the SMMEs questionnaire to get an enhanced understanding as every business has its own case study, even though they are in the same place., Again, especially with Evaton Central and the Northern parts has the same perspectives of businesses and interaction/ support, the same applies with Sicelo, there are Sicelo Jantene which is in the main road and others are in the deep ends of the township.

The researcher also experienced a challenge during lockdown as participants were hesitant in participating in interviews, especially during the harsh Covid regulations as some also worked from home which was a challenge to access them. Another challenge was the closure of some small businesses due to lockdown which the researcher had already prepared to meet and conduct questionnaires surveys with;

this was a serious setback for data collection as the researcher had to go look for more and alternative shops in the areas which made the researcher repeat the process of attracting these businesses.

Time was also a constraint within the execution of the study as municipalities do not have the required electronic or documented database system. This made one wait for IDP and LED managers to be available to conduct interviews with them. Lastly, another limitation is that quantitative data about unemployment and job creation through LED was not readily available from these institutions. Another constraint was lack of ability to maintain monetary expenses; for instance, data collection and inability to register and that the researcher had to undergo urgent medical attention which took some time off the study thus causing a delay in completing within the anticipated time.

4.9 CHAPTER SUMMARY

The chapter gave an enhanced understanding of the research design that was employed in the study. The research design used a road map of navigating through the research study that granted the researcher an opportunity of direction for appropriate research methodology the study should utilise. The study used a mixed methodology to get the results as anticipated. This is mainly because the study was comprised of both a numerical and a theory basis. There were several methods used for data collection, which was through both primary and secondary data. The primary being questionnaires, surveys, interviews, and secondary data being the existing literature, which is from reputable academic sites such as the NWU site, google scholar etc. The data was analysed through content analysis and the use of Univariate analysis (Microsoft Software); by these, one will use diagrams as a means of expressing the findings of the data collected.

The study anticipated a total of sample $n=38$ participants in the study. The study conducted a total of thirty questionnaires surveys; fifteen were from Evaton and fifteen from Sicelo SMMEs owners. The researcher also conducted six interviews from ELM and MLM IDP and LED officials, Sicelo and Evaton business chamber/association for SMME. The researcher also went to StatsSA to ask for specific stats of unemployment of both Sicelo and Evaton and the number of jobs created through LED programmes. This followed strict ethics procedures in making sure that research was conducted

smoothly, being trustworthy and avoiding any possible harm on participants. The researcher stated that they experience challenges during their study, hence they took longer than anticipated for data collection and completion of the research study.

CHAPTER FIVE

FINDINGS AND DISCUSSIONS

5.1 INTRODUCTION

The previous chapter discussed the research methodology utilized in the assignment; these are all the research philosophies the study followed. The chapter also discussed the research methods used in the study, the mixed method, which incorporated the study of both qualitative and quantitative methods. The primary and secondary data collection techniques are the questionnaire survey used for quantitative and semi-structured interviews, together with the existing literature reviews such as academic articles and journals, dissertations and the government policies and gazettes. The chapter also elaborated on how the collected data will be analysed, hence this chapter will provide interpreted findings and discussion of the study. The questionnaire surveys for Sicelo and Evaton SMMEs will be discussed in detail and there will be a comparison of the two township areas. The study, through semi-structured interviews responses, will also compare the Emfuleni and Midvaal local municipality policies and ways in which they plan, draft and implement the LED and the success or failure of their LED to create a conducive environment to create job opportunities and whether those policy plans do materialize in creating those job opportunities. Data will be presented and discussed through tables and diagrams to give a better explanation and analyses of the data collected from questionnaire surveys and what was discussed through interviews. Semi structured interviews conducted were for MLM and ELM LED and IDP officials and Sicelo and Evaton Business chamber and associations as the purposive sampling was relevant for the study.

5.2 PRESENTATION OF FINDINGS OF THE STUDY

The study finds below are through both quantitative and qualitative methods. The study will use quantitative for the numerical statics of the study which will be through the questionnaire survey which will be numbers of job opportunities created through SMMEs and LED programmes and, for qualitative, will be semi-structured interviews responses and the existing literature and policies of both municipalities.

5.2.1 Qualitative data presentation and analysis of data collected from semi-structured interviews from municipalities officials

This section will discuss the results of the interviews that were conducted. The interviews were conducted at the ELM and MLM municipality IDP and LED departments and businesses chambers/ associations in Sicelo and Evaton. The interviews were conducted to investigate whether LED plays its developmental role in the creation of a conducive environment for job opportunities in Sicelo and Evaton. It also investigated the investment or promotion of municipalities to SMMEs through LED programmes to create more job opportunities for the local communities.

5.2.1.1 Institutional Understanding of LED

a. Local Economic Development

Swinburn et al (2006) states that local authorities such as LED and IDP managers or Directors are the key actors in the process, as they are instrumental in-service provision and implementing local regulations relevant for enabling effective LED. Thus, it is apparent the importance of understanding local economic development to effectively execute their roles and responsibilities in ensuring sufficient local economic growth utilizing programmes and initiatives, also involving all local stakeholders such as the community members as well to achieve these objectives. Koma (2014:41) further alluded to support of the above and stated that in the context of South Africa it is thus used for empowering the marginalized through creation and exposure of new economic opportunities; by so doing this enables people within the local area the ability to participate in their local economy. Though LED has different stakeholders in ensuring it is a success, Masuku et al (2016:2) emphasizes that the municipality has a greater responsibility in creating a conducive environment for promotion of SMMEs and job creation. As previously stated, the importance of the municipality ensuring success for LED, one can comprehend that the IDP and LED departments responsible for LED should have a knowledgeable understanding of LED concept. Hence all the interviewed municipality officials reflected an enhanced understanding of the concept LED, even though they came from different perspectives, inclusive of businesses as well.

The respondents demonstrated enhanced understanding by outlining that LED is a process aims at dealing with socio- economic issues of unemployment and alleviation of poverty within Emfuleni and Midvaal. Also highlighting that there are different stakeholders such as the municipalities, community members, businesses, and private sector to ensure that they should design programmes, projects and initiatives that will tackle the socio-economic issues. This aspect demonstrated that LED is a collection participatory process, and is not only reliant on the municipality, but rather municipalities must create a way in making sure all these stakeholders are present. The programmes and strategies that are put in place are expected to create a conducive environment for job opportunities; promotion and support for growth of SMMEs to create jobs opportunities; granting local communities skills development support programmes and granting business exposure and linkages in the supply chain. All these initiatives are done to alleviate poverty and create a better life for all as advised by the (World Bank, 2010). From the above stated, one comprehends that all respondents understand the concept of LED regardless of coming from different department/ sectors. The above alluded aligns with (COGTA, 2020) explaining LED as an economic development that allows and encourages local people to work together to attain sustainable economic growth which unlocks economic benefits and enhanced quality lives for all local community members.

Though Respondent A and B understand LED as a process. Respondent A states that the process deals with socio-economic issues such as poverty and unemployment, whereas respondent B understands it as a process that encourages local stakeholders within the specific community areas to jointly design a development strategy that utilizes local resources to develop the local economies. Respondent A further indicates that the socio-economic issues are dealt with through measures of coming up with economic initiatives and programmes that attempts to develop local economies. In so doing, respondent B repeatedly emphasized that LED should focus on improving lives of people. Both respondents further elaborated that LED has an objective in their municipalities of:

- creating a conducive environment for job creation opportunities,
- supporting SMMEs,
- creating workshops for skills development and

- supporting enterprise development.

From the above mentioned one can comprehend that the two respondents have a thorough understanding of LED as ELM and MLM LED managers, even though they are from different municipalities. There is still mutual knowledgeable and understanding of the concept LED.

Respondent C and D highlighted what LED ought to do, rather than defining as a starting point by outlining that it deals with protecting and creating a developed economy for their people. Respondent C concurred with respondent A by also highlighting that LED attempts to create a conducive environment for businesses to grow, subsequently alleviate poverty and create employment opportunities. Respondent D just as the latter respondent, outlines that LED is expected to assist SMMEs in enabling the business an opportunity of exposure so they can expand and be recognized and ensure that there are linkages of businesses.

From the above respondents, one can comprehend that though they understand the concept LED, their understanding is restrained as ELM and MLM IDP managers, unlike the LED managers.

Respondent E understands LED as the community, municipality and SMMEs working together to create projects that will create job opportunities and uplift the local economy of the people. Whereas Respondent F understands also as the integration of different businesses or sectors that grows the local economy. It also seeks to make the businesses accessible to people, so they are part of their local economy growth.

One can comprehend that the above respondents gave an LED understanding from a business perspective; this is seen by them constantly bringing up that the support is expected by these business chambers from the municipality LED. They constantly highlight that municipalities and businesses ought to work together to produce a developed local economy.

a. Relationship between LED and Job creation

All respondents from Emfuleni and Midvaal local municipalities, LED and IDP managers, together with the Sicelo and Evaton Business Chamber/ Associations responded positively indicating that 'Yes' indeed there is a relationship between LED and job creation. The importance of the relationship of LED and job creation lies in a healthy and constantly developed local economy. Koma (2014: 42) points out how LED has become the core fundamental activity in ensuring sufficient local employment opportunities and economy. This then assures the significance of adequate LED that unlocks a healthy economy producing employment opportunities.

Respondent A answered "yes" stating their reasoning that LED has a developmental mandate of creating an enabling environment for job opportunities. This then means that LED and job creation will always have a relationship. Respondent B concurred by stating one of the LED objectives, being the alleviation of poverty and one relevant to the study, which is the creation of job opportunities, which is how LED and job creation has a relationship. Further emphasizing LED and job creation cannot be separated.

Respondent C pointed out an important aspect stating that job creation is inclined with the development of the economy. As this is reflected in the Constitution (1996) mandated to the municipality to create social and economic development, utilizing the developmental LED policies to ensure creation of job opportunities. Respondent D indicated that there is a big link between LED and job creation because LED supports and enhances businesses in Sicelo. The support of these SMMEs through LED programmes allows growth of businesses, thus unlocking employment opportunities for the local communities.

Respondent E argued a different perspective stating that there is a theoretical relationship between LED and job creation due to limited support and intervention from the municipality to businesses. If there is little or no support and interventions of LED programmes for businesses, especially in Sicelo, this could not produce the desired outcomes of the job opportunities LED intended to produce. Thus, this might create blurred lines of the relationship between the two if the jobs anticipated do not materialize. Respondent F, contrary to the latter respondent, is satisfied and specified that they have experienced LED in the creation of job opportunities in their

associations for SMMEs as they previously partnered with a multiple businesses and programmes, thus granting people skills and creating jobs in Evaton.

The study comprehends that the relationship of LED and job creation is mainly evident in Evaton rather than in Sicelo. This is because Sicelo states that the minimal support to the business created a blurred line for these opportunities to materialize, whereas Evaton, as a Chamber/ association, has partnered with multiple businesses and LED programme to develop skills and create jobs. Midvaal LED Strategy (2015) gives an understanding why they experience blurred lines; this is because their 2015 LED strategy was still trying to introduce initiatives that will train and educate people; thus, in the recent Midvaal LED strategy (2021) giving several pillars on how they are to create jobs, unlike Emfuleni which already has already seen it materialized.

b. LED proven as a job creation mechanism in peri-urban areas, Evaton and Sicelo

All respondents from Emfuleni and Midvaal local municipalities, LED and IDP, together with the Sicelo and Evaton Business Chamber/ Associations, responded positively indicating that 'Yes', the existence of LED in peri-urban areas such as Sicelo and Evaton is a proven job creation mechanism. This was measured by the existing jobs created through LED.

Respondent A stated that the Gauteng agro-farming programme which the MLM was implemented has given support to the farmers for the farmers to also be part of the supply chain. In so doing, this helps the farmers to get enough support and grow their businesses. Being part of the value chain will help the Sicelo economy grow as their money and jobs will be within the borders of the area ensuring economic growth. Respondent B, however, states although ELM is a majority steel orientated industries, they should not only focus on one aspect, but also implement and take advantage of the tourism events that happen, especially in the Vaal River; this could also lead to investment attraction if adequately utilized. The respondent states that Evaton is a historical place which could attract tourists, hence the establishment of the Evaton Wilberforce where countless events took place. This is evident that the adequate implementation of LED in places such as Evaton can create job opportunities.

Respondent C states that Gauteng passed their Township Economy Bill for places such as Evaton. This becomes an advantage concurring with Respondent A stating that it helps money circulate in within the borders of Evaton. Respondent C and D agree that the support of SMMEs through LED programmes will help grow business thus proving to create jobs. There should be a linkage of supply chain and preferential procurement should be specifically for the local people. This will create growth of local businesses and demand for employment as the businesses expands.

Respondent E strong s that though they have not entirely materialized, in instances whereby there were projects, more especially partnered with the provinces, there are job opportunities created; for instance, Sicelo had a programme from the Gauteng province which worked at a new substation; the people from the community were hired to dig and also guard the new sub-station. Respondent F also agrees that the existence of LED in Evaton created an opportunity for various businesses and job opportunities such as agriculture, which the Evaton business chamber benefitted from by gaining skills and employment opportunities from farming.

The existence of LED from both Sicelo and Evaton has proven to be a job creation mechanism as both have benefitted from the above- mentioned LED initiatives.

5.2.1.2 LED role in creation of job opportunities

a. LED Programmes implemented to support job creation and promotion of SMMEs

The most programmes implemented were provincial rather than municipal initiated. The Midvaal programmes have more municipality programmes that create a conducive environment for job creation and promotion of SMMEs. These programmes are Sebenza Mbokodo, and the Sicelo Economic Development Centre. They also initiated an outreach for SMMEs awareness. Midvaal also brought provincial programmes which worked at Sicelo such as the power station and the water projects. Such projects created numerous jobs for the local community of Sicelo. The Emfuleni has more provincial and national programme rather than the municipality programmes. The programmes that were Emfuleni Local Municipality were linkages of sponsorships to the SMMEs and the agriculture department helps upcoming farmers with a lease for land so they can farm. The ELM also passed the Gauteng Township Economy Bill, the WRSETA grant and Family tree group.

Respondent A outlines the programmes implemented to support the promotion of SMMEs and job creation: Sicelo has an economic development centre manufactures Hubs of trees; gives all SMMEs every and any information as requested by the SMME owner. Also used times for purposes of workshops and if there are any opportunities needed in the Midvaal Sicelo benefits from them. This economic centre also keeps track of databases for cases such as infrastructure where people are needed to get jobs.

Respondent B outlines that the programme from Emfuleni are sponsorships for SMMEs to grow and partner with big businesses. Agriculture Departments gives upcoming framers land in collaboration with national department for them to become successful farmers. Mining grant funding for such projects and grant lease for land. This is a collaboration of national, provincial and private mines for the success of the project.

Respondent C only outlines that programme of Gauteng Township Economy Bill which was passed by the Gauteng Legislature in ELM. This aids in the supply value chain being restricted within the border of the specific areas to develop their economy. Respondent D highlights that they create an outreach for SMMEs. We partner with other provincial departments to support/ promote and create awareness. They ensure that SMMEs are registered so they can be used for procurement and tendering services.

Respondent E states that the programmes are not from the municipalities, but rather provincial government whereby there was digging to be done at a power station where SMMEs members of Sicelo were employed and also security guards to look after the station and the water project; a company from Sicelo in partnership with the provincial company was tendered to install pipes and this kind of labour was from Sicelo community members. Respondent F, in support with the latter respondent, highlights that the programmes are not from the municipality. The first is the WRSETA grant to support 400 applicants for township business growth. Family tree group is a distribution channel programme which gave people containers for tuckshops. Compliance for SMMES and Training for book- keeping and financial literacy.

b. LED strategies increasing or decreasing job opportunities:

All respondents from Emfuleni and Midvaal local municipalities LED and IDP managers responded positively indicating that their LED strategies are increasing job creation opportunities with just one respondent stating that it decreases the creation of job opportunities.

Respondent A boldly stated that their LED strategies do increase job creation; this is reflective in their National Performance indicator. Contrary to the previous respondent B who stipulated that their LED strategy on paper does increase the creation of job opportunities but, due to it not materializing the job opportunities decrease unlike with the first respondent. Respondent C and D being the IDP managers, stated that they are not able to answer this question as they do not have knowledgeable information enough to answer that question.

c. LED's role in the creation of jobs opportunities and promotion of SMMEs

All respondents from Emfuleni and Midvaal local municipalities LED and IDP responded positively indicating that 'Yes' LED does play a significant role in creating job opportunities and promoting SMMEs, though just one respondent stated that, them playing its role is dependent on certain factors which are a challenge to their municipality; there has been just minimal outcome of the opportunities as opposed to the greater envisioned plan. SMMEs from Sicelo had more than 7 out of 15 SMMEs owners which have below matric (Field survey, 2022) within that only 4 out of 15 had an understanding of LED (Field survey, 2022); such people still have businesses, though Masuku et al., (2016:7) point out that they lack entrepreneurial skills, hence the constant closing of businesses in Sicelo because they find it challenging to establish their business. Masuku et al., (2016:7), quoting the Applied Fiscal Research Centre (2000), a UCT research division in a report, emphasizes that LED must respond to their low economic growth by promotion of SMMEs and the creation of job opportunities.

Respondent A indicated that LED plays a significant role outlining that it works with various stakeholders to create jobs. Midvaal also have skills development, more especially for the youth. The municipality, through LED programmes, creates multiple jobs and empowers people with skills and business opportunities. There are also

programmes that help people with manufacturing and plumbing, so people can develop themselves. Respondent B concurs that LED plays its significant role; this is evident in the inter-departmental committee that the municipality has developed to have LED prosper; working together with the department of agriculture to lease property for businesses to operate and grant land to farmers. The ELM now works with the private sector, the mines, to give sponsors to farmers. There is also the establishment of agriculture programmes such as Vukuzenzele which works with plan and animal farming. These programmes grant people the ability to have gardens so they can sell to other people and, lastly, rehabilitate dumping sites for benefit of the people such as the one behind Thabong Mall, which is now an agricultural site.

Respondent C further stated that they agree LED plays its role though they did not further substantiate their answer. Respondent D also further outline a different perspective stating that the significance of LED playing its role is dependent on a various aspect such as a sufficient budget to create enough programmes for job opportunities. Another aspect is capacity of officials working in the LED space, highlighting that there is limited support and the scope the municipality have for LED.

Respondent E and F from a business perspective stated that the municipality does not understand the importance of promoting SMMEs to create jobs. Both respondents pointed out that the municipality has little or no intervention when coming to their SMMEs; thus, conclude that they do not have the will power to execute their roles of promoting these chambers.

The above highlights that both municipalities play a significant role in the creation of job opportunities and the promotion of SMMEs. Though done in various ways, the result is the creation of job opportunities. Midvaal empower the people through skills development workshops for people to be granted a fair chance to gain skills and become employable. Their programme also creates a variety of jobs the municipality needs as stated in the LED strategy 2017, where they stated that they taught people cutting grass skills and were granted employment to cut and maintain Midvaal. Emfuleni outlines that they created an inter-department which works together and is the link for various department and sponsorships for SMMEs to advance their businesses and create exposure for business spaces. There is also an agricultural programme in place which works with rehabilitating dumping sites into agricultural

space. These empower local community members as they are part of such projects. Emfuleni has a wide range of programmes to create jobs as opposed to Midvaal. Respondent D, however, raises a valid point that the limited initiative of the Midvaal municipality is due to limited capacity of officials as their LED are a very small unit, thus having limited support to what they envisioned.

d. Database of jobs created through LED

All respondents indicated that they do have a database of the jobs created through LED programmes. This is used to ensure the success of the LED programme that the municipality has in place, because, when checking, for instance, from 2015, one had 45 jobs and 2016 12 jobs. This would mean that the LED programmes are no longer materializing as expected.

Respondent A stated that 'yes', they do have a database of jobs created through LED. They gave a numerical figure of 2179 jobs currently from 2021 till 2022. Unfortunately, they do not have from the requested period. Respondent B stated that they also have a database of jobs created through LED and gave an estimation of 5000 jobs created thus far breaking down 1000 jobs a year from 2015 till 2020. Respondent C and D equally stated that this answer is beyond their knowledge of LED.

Respondent A also argued that these jobs in Midvaal are only from LED programmes and are exclusive of the CWP and EPWP. They argued that the researcher backdates the number given to 2015- 2020 being 10 895 jobs which the researcher decided not to do as the LED strategies in 2015 are totally different to the current one. Backdating this figure to five years would not be justifiable to the exact amount. Emfuleni, unlike Midvaal, however, stated that their estimation of 5000 jobs is inclusive of EPWP and CWP. This figure is completely worrisome as in the interview the respondent stated that their 2015 previous LED policy could not be implementable.

Respondent E and F both agreed that although they have been part of the programmes, especially which from province and other institutes, which promotes SMMEs, they both stated that they have been part of programmes though they say that they benefitted, and they had jobs, but do not have specific number of the jobs created. Sicelo SMMEs stated that they got jobs from the power station programme,

water programme. Evaton also stated that they have benefitted from WRSETA, family group as already stated above.

5.2.1.3 LED strategies within ELM and MLM

a. Adequate implementation of LED strategies

Most respondents from Emfuleni and Midvaal local municipalities LED and IDP managers responded positively indicating that 'Yes', adequate planning and implementation of LED strategies in ELM and MLM will guarantee a decrease in the high unemployment rate in Sicelo and Evaton. Masuku et al., (2016:3) elaborates the importance of having an existing LED that involves community members in the implementation of LED; by so doing, it would be easier to understand the challenges faced by the community and their development objectives rather than thumb sucking objectives which will later fail. This is evident in the study, as during the interview, respondent B stated that their LED strategies could not materialize due to outsourcing someone who had no knowledge of the development objectives of Evaton; hence, they are still challenged with creation of jobs opportunities and economic growth. Masuku et al (2016:3) highlights that all correct role players are needed to identify the best possible ways to develop the local economy and attract investors. Many respondents, especially SMME owners, stated that some LED projects do not speak to their economic needs. Hence, it is challenging for them to become part of these programs and ultimately benefit from them (Koma, 2014:47) also highlights this as a challenge of successes of LED policies.

Respondent A highlighted that the new approved LED document has programmes and projects that covers a variety of sectors such as the informal trading that will also be aided by being granted help for them to be registered and actively be part of the economy. The policy also looks at attraction of investment to partner and grow SMMEs, so they unlock employment opportunities and decrease the unemployment. Respondent B, contrary to the latter respondent states that the municipality had a challenge of the previous 2015 LED policy; this is because the policy planning was poorly designed as they outsourced someone from outside the municipality and, worse even, from the Vaal area who did not understand any challenges or developmental objectives of the Evaton, thus making the policy unimplementable. This was a challenging space as the strategies could not work as anticipated to decrease the

unemployment in Evaton. This is why Meyer (2014:626) alluded that poor LED strategies for municipalities in South Africa has led to being unable to tackle unemployment challenges as expected to adequately implement LED policies and activities; the most challenging is what respondent B outlined, that there was a lack of understanding of LED and its developmental activities within a specific area, hence the failure to design, plan and implement the 2015 LED policy. Hogwood and Gunn (1986:197) also emphasize that the non-implementation of this LED policy was caused by not being well researched, hence there was inadequate implementation of the ELM LED policy (2015) LED policy.

Respondent D concurred with respondent C stating that though there are good policies the challenge is mostly implementation of these policies. Rather than revisiting these policies to make them implementable, there is constant design and planning of more policies. Respondent E stated that they look forward to the planning of the new LED policy which is adequately planned for fighting unemployment through LED.

Emfuleni admits that their LED policy could not benefit them in anyway as it was done by someone who does not even work for them and who does not have an enhanced understanding. Though the policy looks good on paper, it needs to be revisited to make sure that there is amendment done so it can serve its purpose. Whereas Midvaal have done thorough research and planning in making sure the recent LED policy materializes and reaches the anticipated goals in fighting unemployment in Sicelo.

b. LED strategies address challenges of job creation in Sicelo and Evaton

There are several LED strategies that both municipalities have which seeks to address the challenge of job creation in both Sicelo and Evaton. Due to the respondents just naming limited, strategies in addressing challenges of job creation in Sicelo and Evaton, the study also investigated both ELM and MLM LED strategy documents.

Evaton and Sicelo LED strategies from respondents:

Respondents pointed out that there was a building of Evaton Mall as a strategy to create jobs for the people of Evaton. This project was from the government which gave land to ELM for building this mall. The respondents further elaborated that due to it

being a project situated in Evaton, people from Evaton benefited as they were hired for construction and others also hired for permanent employment in shops.

Respondents pointed out that the strategies addressing challenges of Sicelo was proposing programmes that aids people with skills development; this will capacitate the people even after the programme as they will be employable even outside the projects and programmes. Respondent further elaborated that these programmes employing these people also seeks to develop them unlock in a way that they also create jobs opportunities for themselves.

Midvaal LED Strategy (2017:215) has several LED strategies for addressing issues of job creation opportunities such as the inclusion of job creation initiatives whereby the municipality creates projects that create job opportunities within Midvaal. Developing small businesses unlocks job opportunities as businesses grow and expand; it requires more labour which is where employment opportunities arise. Improving quality of lives and service delivery which are creating jobs through service delivery, where there is a need for cutting grass, grant people skills and job of cutting grass for health and sanitations of people in Midvaal. These people getting stipend will improve the quality of life, thus they will be able to actively participate in the economy and pay their municipality rates and taxes. The growth of agriculture which is the support of all people in the agricultural spaces for them to expand and create employment opportunities; lastly, the procurement strategy and support local economic sectoral development; this is whereby they give the Midvaal people and businesses preference for procurement so that they grow their local economy.

Emfuleni IDP (2017-2021:12) points out LED strategies such as improving the quality of lives which focus on empowering the marginalized in Emfuleni. A large scale of housing development; this will open job opportunities within the infrastructure to help people gain skills and employment opportunities. Small business development, job creation initiatives and skills development; the promotion of skills development do ensure people are equipped for starting businesses and becoming employable when opportunities arise and, also the promotion of SMMEs, so they expand, unlocking demand for labour which will open opportunities for employment. Tourism development support and improved environmental quality; tourism in the Vaal is seen as one impactful place that can create a vibrancy which will attract investments, thus

creating jobs as they will want to be associated with such places. It opens a demand for the people of Emfuleni.

Some respondents admit that they could not have all envisioned strategies anticipated to create sustainable employment opportunities in their specific area. Due to being faced with a challenge of capacity and, people who do not have relevant qualifications and competence to develop and implement these strategies.

Both these municipalities, however, have strategies on paper though they do not only speak of Sicelo and Evaton specifically, but covers Vaal and Midvaal as a whole.

c. Workshops on job opportunities and skills development

Midvaal respondents outline their workshops for the municipality as the following:

- Workshops are done on a quarterly basis; there are two workshops done in a quarter. The recent was the June workshop conducted.
- These workshops educated people, more especially businesses on tendering; for instance, how to price for businesses.
- TUT programme capacitating people with business branding, management and how develop job opportunities within their businesses.
- Training for businesses.
- Ensure that people/ businesses are registered on the database so they are sourced by the municipality should needs arise.

Emfuleni respondents outlined their workshops for the municipality as the following:

Emfuleni highlighted that their workshops are closely conducted with the support of national and provincial government. Their programme enhances business skills and management. They also conduct workshops for educating people about agriculture.

Emfuleni further indicated that they provide all skills upon request of the people and SMMEs.

Also highlighting that they also offer soft skills to business and ordinary citizens, which is a course work programme for Business Management and Financial Literacy.

The only challenge that the municipality highlighted was that the Vaal economy is non-responsive to the new decentralization.

The respondent argued that though the Vaal is a steel orientated place, it still lacks to produce artisans, but rather have more plumbing developmental focus, that does not enhance the place it is in. The respondent further advises that there should be more technical schools which produces better artisans to take advantage of the steel industries situated in the Vaal.

Respondent E and F also stated that from an association and chamber perspective, that they do receive partial workshops for their chamber. Though Sicelo highlighted that though there are workshops; they receive the information way after the workshops were conducted.

The workshops provided by both municipalities do not produce sufficient support for the businesses to be sustained. Both municipality workshops lack diversity of different sectors of businesses that their municipalities have. Though these workshops are in place, there are no workshops that caters for technical skills such as the municipality stating that the Vaal steel need artisans. The collaboration of the municipality and the schools is required to ensure that they produce the desired needs of the specific area. Though there is the Vaal River, Sharpeville and Evaton, as places with rich historical backgrounds and Henley on Klip and Walkerville for tourist attraction, both municipalities still fall short in prioritizing tourism programs to advance competitive of these places to attract more investments.

d. Recommendations to improve creation of job opportunities

Respondents gave the following recommendations

Respondent A suggested that they work closely with SMMEs, even street vendors for a supply chain that constitutes the townships.

Respondent C stated that there should be and budget and capacity, so they are able to provide SMMEs with loans (create awareness campaigns for SMMEs for such initiatives). Furthermore, advising on soft skills training so businesses have an enhanced understanding and managing of customers, i.e., how to retain/ management and bookkeeping. Forming linkages between small and large businesses so that money can stay within the boundaries of Midvaal. Lastly, attracting relevant investments into areas such as Sicelo where there is high unemployment.

Though there are good policies, respondent C felt that the policies needed to be revisited so gaps are closed, and they are implementable. Also finding initiative to access international grants that can be accessed to benefit the economy. Respondent B highlighted that there is still a lot to be done in realizing that LED is a mechanism of development for Emfuleni. The challenge of capacity and adequate business also raised from the respondent mentioning also that LED department is given competent officials with relevant skills for planning and implementation of these policies. Also highlight that the policy should not just be designed and not adequately implemented. Develop an interdepartmental committee that work with various departments making sure that the strategies are aligned with the developmental needs of specific areas.

5.3 DATA PRESENTATION AND DISCUSSION FOR SUPPORT AND PROMOTION OF SMMEs BY THE MUNICIPALITY AND NUMBER OF JOBS CREATED THROUGH LED

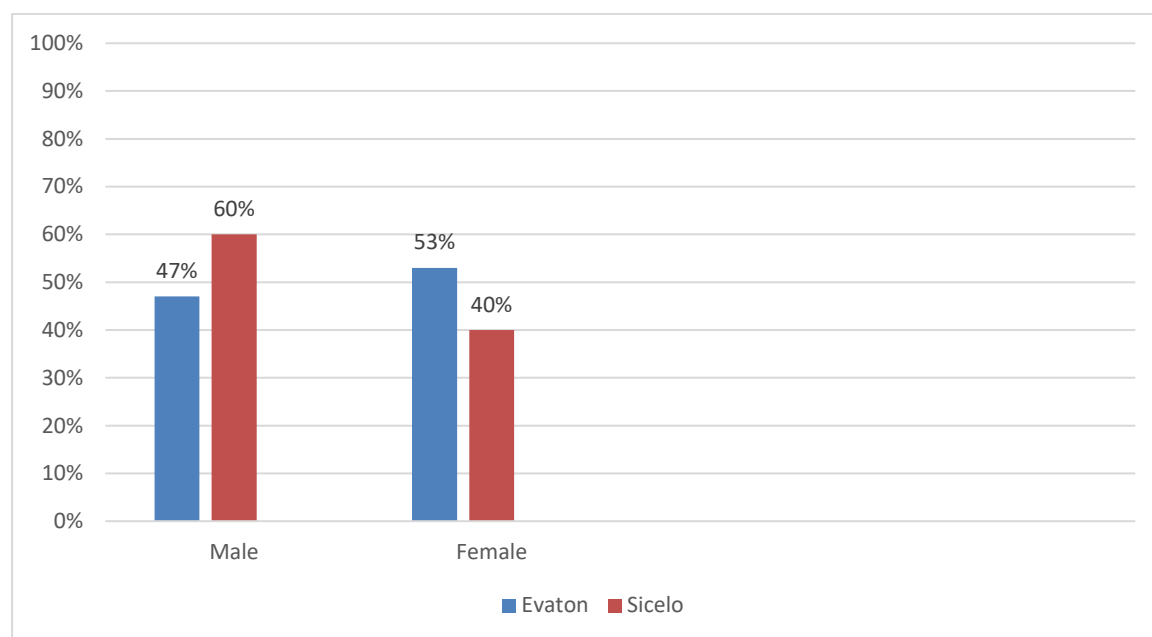
The below data sections seek to understanding the support and promotion the SMMEs gets from the municipality to expand these SMMEs and unlock creation of job opportunities from Sicelo and Evaton, and the number of jobs LED created through their programmes in collaboration with the above- mentioned townships SMMEs. Dietrich (2019) concurs with the above- mentioned stating that Small, Medium and Micro Enterprises (SMMEs) are seen as key drivers of growth and job creation on the global level. He further elaborates that promotion of SMMEs are used to attack economic challenges faced by South Africa.

5.3.1 Quantitative data presentation and analysis of data collected through questionnaire survey

The questionnaire survey consisted firstly of the biographical information, which included gender, designated group, age and education level; the total participation of the above mentioned will be in comparison between the two townships below.

5.3.1.1 Results for Gender of the respondents

Figure 5.1: Diagram 1: Gender



Source: Field survey, 2022.

Figure 5.1 suggests that 47 per cent of SMME owners from Evaton are male, and 53 per cent are female. It also suggests that Sicelo has 60 per cent of male SMME owners, and 40 per cent female owners. The table highlights that between the two township areas, Sicelo has higher male SMME owners than Evaton, and Evaton has more female SMMEs owners than Sicelo.

5.3.1.2 Response for designated groups

Table 5.1: Designated group.

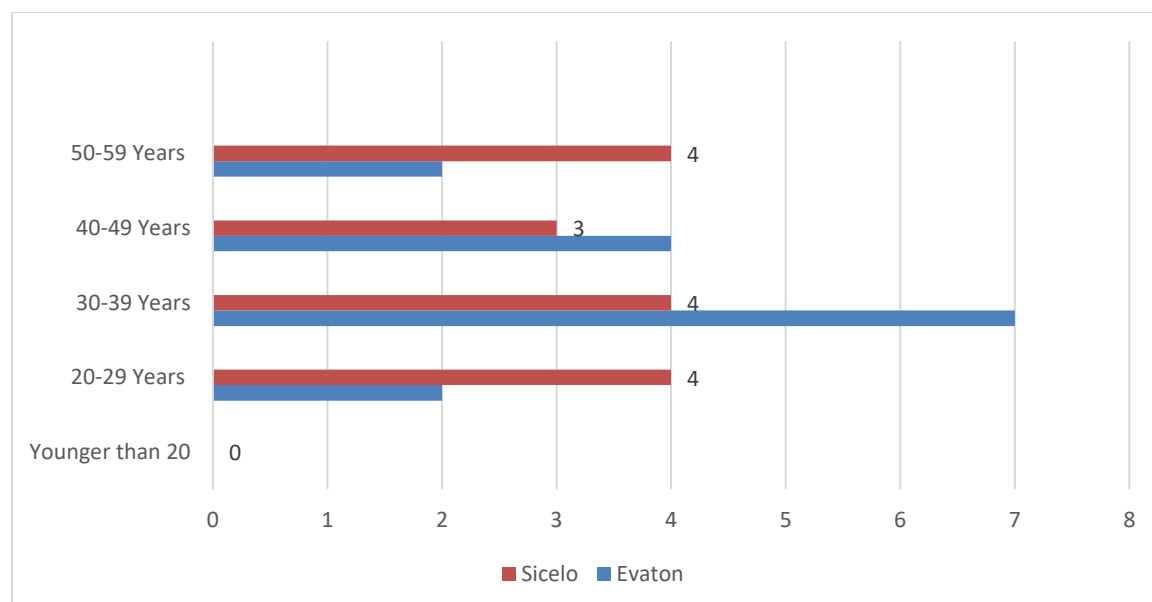
	Evaton	Sicelo
African	100%	100%
Total	100%	100%

Source: Field survey, 2022

Though the survey had five options for designated group, table 5.1 suggests that from both Evaton and Sicelo, the SMMEs owners are African dominated.

5.3.1.3 Response for age comparison

Figure 5.2: Age group comparison



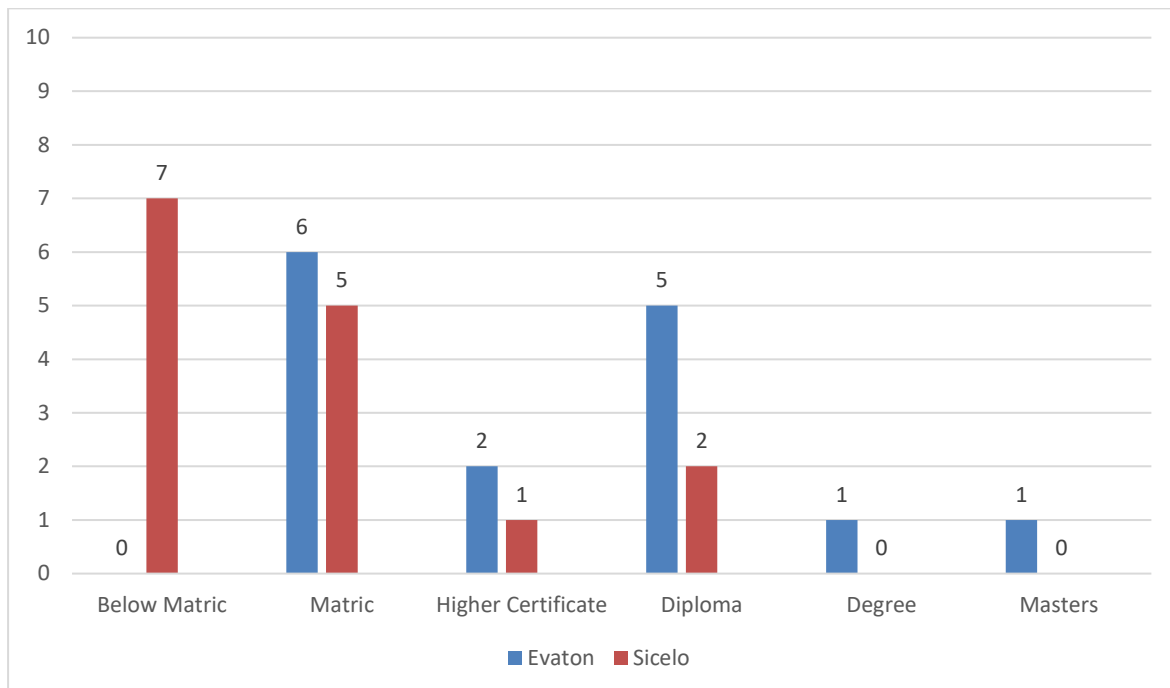
Source: Field survey, 2022

The ratio used for this table are whole numbers.

Figure 5.2 suggests that Evaton has more young adults ranging from 30 -39 years rather than Sicelo, who have four people who are within the business spaces in that age group. Sicelo, however, has a balanced distribution of age groups with an average of four people; all age groups actively participate even those who are younger ranging from 20-29 years who has four which is two 2 people more than vaton.

5.3.1.4 Response for Education level

Figure 5.3: Level of education by SMME owners



Source: Field Survey, 2022

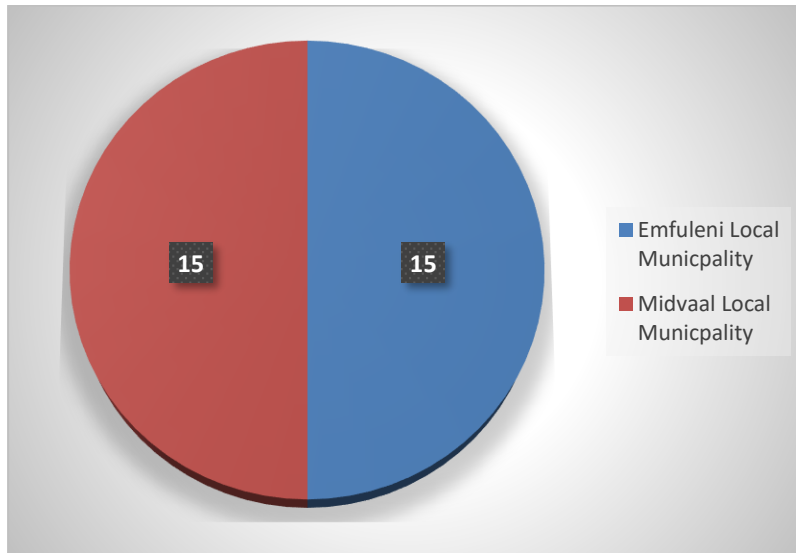
The presentation of this data will use a whole number ratio for the number of SMMEs level of education.

The education level between Sicelo and Evaton SMMEs owners has a huge gap. The figure 5.3 suggest that Sicelo has 7 people who have below matric, whereas Evaton does not have people who have below matric; the lowest education level for Evaton is matric with six people, which is still higher than Sicelo at five people. Sicelo has one person with higher certificate, with Evaton slightly higher with two people. Evaton also has five diplomas, whereas that is the highest level for Sicelo with two people, lower than Evaton. Evaton also has a Degree and Master's graduate. The table above suggest that Evaton has the highest level of education than Sicelo.

5.3.1.5 Response for SMMEs Data

Responses for municipality business operate under.

Figure 5.4: Municipality business operating under



Source: Field Survey, 2022

Figure 5.4 suggests that there is a total of 30 SMMEs. The SMMEs specifically operate under Emfuleni Local Municipality and Midvaal Local Municipality.

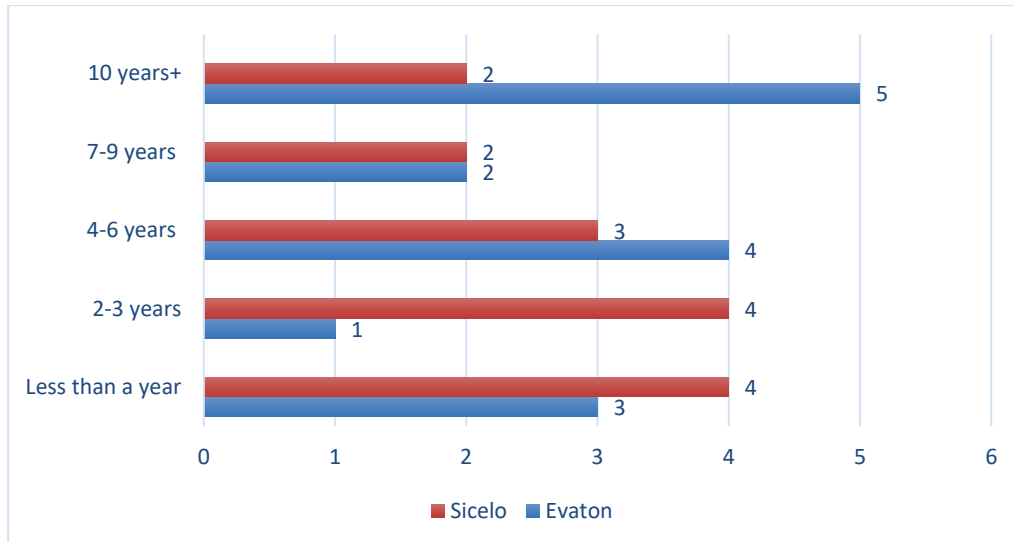
5.3.1.6 Responses for township location of SMMEs

The study only used SMMEs operation from Sicelo and Evaton; there are 15 SMMEs from Sicelo and 15 SMMEs from Evaton, giving a total grant of 30 SMMEs.

5.3.1.7 Responses for the number of years the business has been operating:

The ratio of the data will use whole numbers rather than percentages with total of thirty SMMEs responses, fifteen from each township

Figure 5.5: Number of years' business operating

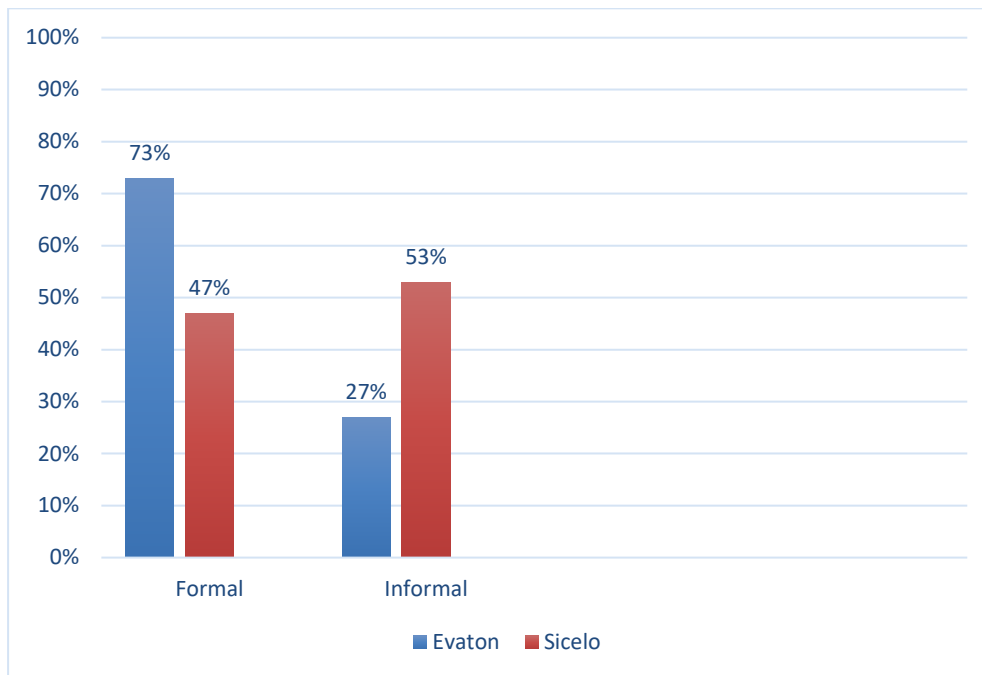


Source: Field Survey, 2022.

The above figure 5.5 suggest that Sicelo has more SMMEs establishments than Evaton. Sicelo has a total of eight SMMEs operating under a period of under one year to three years, whereas Evaton only has four. The chart also suggest that Evaton has more sustainable SMMEs operating as they have a total of seven SMMEs operating from seven to 10 years+, whereas Sicelo only has four SMMEs. The bar graph above also suggests that Evaton has more longer operating SMMEs than Sicelo. SMMEs from Sicelo are constantly opened rather than sustained like Evaton.

5.3.1.8 Responses for types of businesses

Figure 5.6: Types of business



Source: Field Survey, 2022.

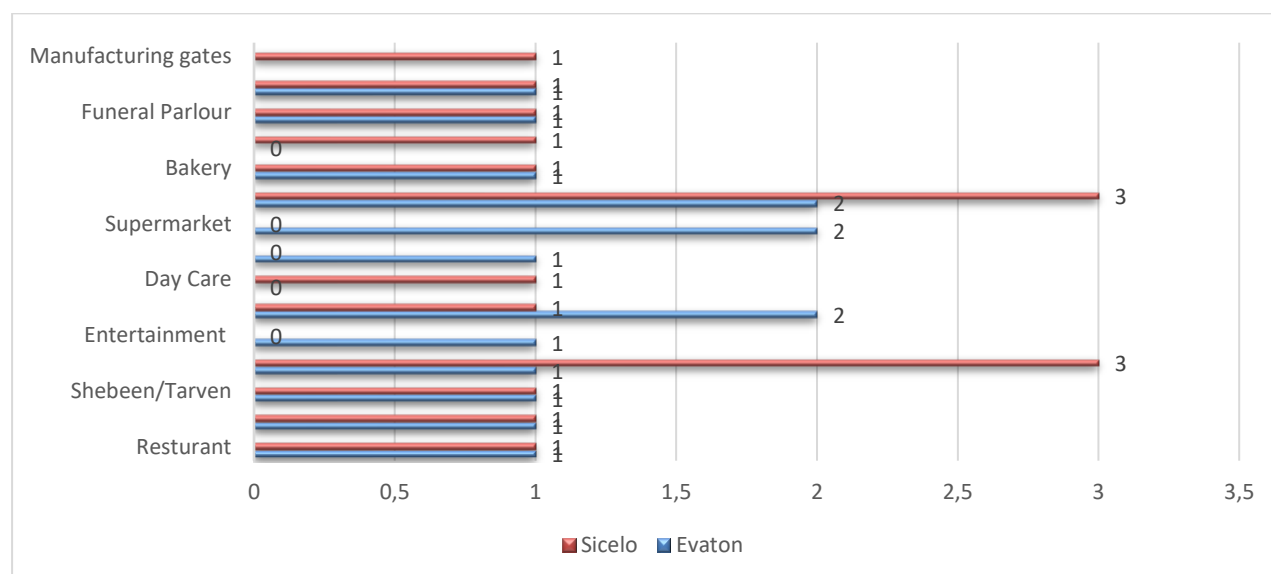
The figure 5.6 above suggests that Evaton has the highest number of formal SMMEs with 73 per cent whereas Sicelo has only 47 per cent of formal SMMEs. Sicelo has the highest informal SMMEs with 53 per cent than Evaton, the lowest with 27 per cent. This is evidence as the Midvaal LED Strategy (2017:501) suggest that Sicelo has a total of 37 informal businesses that operate from formal houses. This number excluded SMMEs that are operating even from the street, e.g., people selling veggies from a shack as an establishment. The municipality emphasized that such informal businesses will be prioritized in helping them grow so they are formalized.

5.3.1.9 Responses for different sector of business

There are a variety of business sectors. Sicelo has the highest retail with a total of eight whereas Evaton has five retail sectors. Sicelo also have agriculture, catering and manufacturing and retail sectors, whereas Evaton has catering, accommodation, manufacturing and a retail sector.

5.3.1.10 Responses for types of SMMEs field

Figure 5.7: Types of SMMEs



Source: Field survey, 2022.

The Figure 5.7 suggest that both Evaton and Sicelo have various SMMEs. Evaton has the highest which are Spaza shops, supermarket, and car wash. Sicelo also has high level of Spaza shops and salons.

5.3.1.11 Responses for understanding Local Economic Development

Respondents were asked if they have heard of the concept Local Economic Development before and give their understanding.

Table 5.2: Understanding of Local Economic Development

	Evaton	Sicelo
Yes	10	2
No	5	13
Total	15	15

Source: Field Survey, 2022

The Table 5.2 above suggest that SMME owners from Evaton have a better understanding of the concept of LED; a total number of ten answered 'yes' and Sicelo SMME owners has only two owners who understand the concept. Sicelo has the highest 'no' as SMME owners indicated that they have not heard of the concept before, and do not have any understanding of the concept, way higher than Evaton with only five.

When asked to give an understanding of Local Economic Development, the following was given from Evaton:

Majority of the respondent pointed out that LED is working together to empower and develop the local communities. It was also highlighted that LED should promote and support SMMES in Evaton.

Whereas with Sicelo the understanding of LED was the following:

LED is the development of local people of Sicelo and small businesses by means of supporting SMMES to generate more job opportunities. Another highlighted area was that the disadvantaged should be given the necessary support to participate in the local economy.

The above responses give a clear indication that both township SMMES have sound understanding of the concept LED.

5.3.1.12 Response for relationship between LED and job creation

Table 5.3: Relationship between LED and job creation

	Evaton	Sicelo
Yes	11	15
No	4	0
Total	15	15

Source: Field Survey, 2022.

The Table 5.3 suggest that all Sicelo SMMEs stated that LED does indeed have a relationship with job creation, whereas with Evaton eleven SMME owners stated that it does have a relationship, but four stating that it doesn't since they have never seen it materialize.

5.3.1.13 Response for existence of LED in townships as job creation mechanism

Table 5.4: Existence of LED in townships as job creation mechanism

	Evaton	Sicelo
Yes	11	15
No	4	0
Total	15	15

Source: Field Survey. 2022.

The Table 5.4 suggest that all Sicelo SMMEs owners believe that the existence of LED in townships such as Sicelo would be a proven job creation mechanism. This is stated because some owners highlighted that when LED programmes are within their areas, people from that areas do get jobs. Contrary to Evaton is that not all concur with the existence of LED in Evaton being a job creation mechanism as four stated that and eleven strongly believe that it can create jobs within those areas.

5.3.1.14 Response for LED playing its role in job creation opportunities

Table 5.5: LED playing its role in job creation opportunities

	Evaton	Sicelo
Yes	5	3
No	10	12
Total	15	15

Source: Field Survey, 2022.

The table 5.5 suggest that from both Sicelo and Evaton that, LED does not play its role in the creation of job opportunities in both townships. This is because the owners highlighted that had it been that the municipality understand the importance of this, they would show great involvement and support to SMMEs for them to grow and generate job opportunities. The few from both townships, who stated that LED plays its role, are one who have previously benefitted from a programme.

5.3.1.15 Response for LED Programmes that support implementation of SMMEs

Table 5.6: LED Programmes that support implementation of SMMEs

	Evaton	Sicelo
Yes	8	7
No	7	8
Total	15	15

Source: Field Survey, 2022.

The above Table 5.6 suggest that Evaton SMMEs indicate that eight know of LED programmes that support/ promote the implementation of SMMEs, whereas slightly by one, Sicelo has seven SMMEs stating that the know of programmes and vice versa; eight SMMEs indicated that they do not know of any programmes, whereas seven concurred with it from Evaton. Evaton knows of more programmes than Sicelo.

When asked which programmes they know, Evaton SMME owners stated the following:

- The programmes SMMEs know are not directly from the municipality but rather provincial government such as Gauteng, Enterprise Propeller.
- The next SMME owner concurred stating that they have also benefitted from provincial government for start-up funding such as Small Enterprise Development Agency.
- Some also outline that they have received assistance from institutions such as NYDA and SETA for any support and promotion needed for the promotion of their SMMEs.
- Sicelo also highlighted their programmes as the following:

- The Midvaal tender programme, which helps people with tender pricing, application etc so they can be sourced for projects.
- Some stated that though there are programmes they are aware of such as Sebenza Mbokodo, till date they have not benefitted from them in anyway.
- Business management programme for businesses.
- There were also programmes for linkage of start-up capital, though forms were filled, they did not receive till thus far.

From the two municipality, it is evident that from those who know of any programmes, especially in the Emfuleni, are mostly received from provincial and other government institution rather than the municipality, contrary to Midvaal, as there are programmes such as the tendering programmes and business management and other initiatives; but the only challenge is that they do not materialize as they should. People do not benefit from as they should.

5.3.1.16 Response for municipality importance of promoting SMMEs for job creation

Table 5.7: Importance of promoting SMMEs for job creation.

	Evaton	Sicelo
Yes	6	5
No	9	10
Total	15	15

Source: Field Survey, 2022.

The Table 5.7 above suggests that both municipalities do not understand the importance of promoting and supporting SMMEs for job creation opportunities. This is because both SMME owners stated with a total of 19 out of 30 stating that both municipalities do not understand, with Sicelo at ten and Evaton at nine 'Nos', these are all SMME owners that stated that the municipalities do not reach to them in any way to help promote or support them for that matter. There is also a total of 11 out of 30 stating that the municipality does understand the importance, but they are mostly businesses that have benefitted from the municipality interventions.

5.3.1.17 Response for SMMEs upliftment of their communities' lives

Table 5.8: SMMEs upliftment of their communities' lives

	Evaton	Sicelo
Yes	12	14
No	3	1
Total	15	15

Source: Field Survey, 2022

The Table 5.8 suggests that Sicelo has the highest number of SMMEs supporting their local communities' lives. Whereas, Evaton only has twelve SMMEs that support the lives of their community, two SMMEs below Sicelo. A total of twenty-six SMMEs out of thirty, from both Sicelo and Evaton confidently stated to supporting the lives of their local people. Sicelo has only one SMMEs that does not support the lives of the people of Sicelo, whereas Evaton has a total of three SMMEs that does not support the lives of people in Evaton.

5.3.1.18 Response for data base of jobs opportunities created

Table 5.9: Data base of jobs opportunities created

	Evaton	Sicelo
Yes	12	14
No	3	1
Total	15	15

Source: Field Survey, 2022

Table 5.9 above suggests that fourteen SMMEs from Sicelo have a data base of the job opportunities their SMMEs created. Evaton has a total of twelve SMMEs that has a data base of the jobs created through SMMEs. Both Evaton and Sicelo SMMEs has a total of twenty-six out of thirty SMMEs that has a data base of the jobs created through SMMEs. The Table further suggest that Evaton has three and Sicelo one SMMEs that does not have a database of the job opportunities created through SMMEs. There were various reasons why these SMMEs were without the database, some only having a few months in operation was one of the major reasons.

5.3.1.19 Response for number of jobs opportunities created through SMMEs

Figure 5.8: Number of jobs opportunities created through SMMEs



Source: Field Survey, 2022

Figure 5.8 suggests that SMMEs in Evaton have created more jobs which are 168, and Sicelo with 53. This is also an understanding of Evaton having more established SMMEs than Sicelo: as previously seen they have SMMEs which are more than 5 years to even having SMMEs that are 10+ rather than Sicelo having mostly SMMEs which are still new, which has more SMMEs operating under a year than Evaton. Though the study anticipated to get the number of jobs created by SMMEs through LED programmes, the SMMEs pointed out that the number of jobs given are mainly through SMMEs, and were not linked with any LED programmes etc.

5.3.1.20 Response for SMMEs prioritizing employment of local communities'

Table 5.10: SMMEs prioritizing employment of local communities

	Evaton	Sicelo
Yes	11	14
No	4	1
Total	15	15

Source: Field Survey, 2022

Table 5.10 suggests that 14 Sicelo SMMEs prioritize the employment of local communities with 14 SMMEs rather than the 11 Evaton SMMEs. Sicelo only have one SMME that does not prioritize the employment of local communities rather than Evaton with four SMMEs.

5.3.1.21 Response for workshops provided by municipality

Table 5.11: Workshops provided by municipality

	Evaton	Sicelo
Yes	2	5
No	13	10
Total	15	15

Source: Field Survey, 2022

Table 5.11 suggests that in both municipalities, there is little invested to the SMMEs by the municipality. This is because a total of 23 SMMEs out of 30, indicated that they have not received any workshop from the municipality, whether it be for soft or hard skills. Within the 23 SMMEs, 13 are from Evaton and 10 from Sicelo. Sicelo has the highest number of SMMEs who received workshops with five, with Evaton only having the lowest with two SMMEs.

5.3.1.22 Response for infrastructure development

Table 5.12: Infrastructure development

	Evaton	Sicelo
Yes	9	13
No	6	2
Total	15	15

Source: Field Survey, 2022

Table 5.12 s that Sicelo has the highest number of infrastructure development with a total of 13, and Evaton slight lower than that with nine. Dietrich (2019) emphasizes the importance for infrastructure development as a support mechanism in the growth of SMMEs, be it formal or informal. SMMEs were asked if they benefitted from these infrastructure development; SMMEs from Sicelo mostly stated that they did not benefit from those infrastructure development, only two stated one indirectly benefitted as workers bought from their SMME and another one procured for the project, whereas Evaton stated that one was given a scholar tender after the building to sell, that the

tuck shop another one, stating that there was also indirect benefit as the worker bought food from them and washed company cars at their car wash.

5.3.1.23 Response for SMME support/ promotion from municipality

Table 5.13: SMME promotion from municipality

	Evaton	Sicelo
Yes	3	1
No	12	14
Total	15	15

Source: Field Survey, 2022

Table 5.13 suggests that a total of 26 out of 30 SMMEs from both townships stated that they have not received any support from the municipality, with 14 being the highest from Sicelo, and 12 from Evaton. Only one SMME in Sicelo stated that they have received any form of support from municipality. Evaton also only have three SMMEs stating they received support from municipality. Sicelo SMME stated that they received resources such as a machine to start their manufacturing gates business, and Evaton stated that the municipality brought in a food hygiene specialist and gave them feedback on how to improve and retain customers. Lastly cleaning their workspace and fixing water challenge.

When asked how then they established their businesses and keep operating their businesses, they stated that they funded their own businesses or had personal loans and sponsors from Gauteng Enterprise Propeller and Small Development Businesses.

5.3.1.24 Response for recommendation by SMMEs

Both SMMEs owners from ELM and MLM stated that they would appreciate programmes that will educate them about LED so that they have better understanding of their role and responsibilities as part of LED stakeholders. Both townships also outlined that funding is a great challenge for them, hence they recommend linkages for SMME funding and sponsorships. Both townships also stated that the municipality should grant land provisions for them to operate from a sustainable place; both townships stated that even well-established stalls will be commendable. Support and

promotion of SMMEs being the created all SMMEs emphasized. The creation of a database to know all businesses so they are aware of potential SMMEs to be used for procurement.

While Evaton further recommended that the procedures of tendering be made transparent and understandable for them to partake in such processes. The Midvaal already has workshops focusing on educating their SMMEs on such. Evaton further recommended that the LED unit have knowledgeable people who work in that department, just as respondent B also highlighted in the interviews that this a challenge the municipality is faced with.

Sicelo further recommend that there should be equal distribution of resources as the rest of the Midvaal areas for them to grow and be par with the rest. Sicelo also emphasized the importance of provision of sanitations, which are toilets, even so that customers do not struggle with toilets. Lastly, due to Sicelo operating in an informal setting, they recommended that there should be better waste management so that it is conducive for them to operate, and their customers are served in a hygienic place.

5.4 CHAPTER SUMMARY

This chapter gives a thorough understanding of the interpretation, discussion and findings of the data collected through semi-structured interviews and questionnaire surveys conducted. The chapter outlines that there is mutual Institutional understanding of the concept of LED from all respondents in the study, regardless of them working from Emfuleni or Midvaal; the study also established the relationship of economic growth and job creation. The existence of LED in both these municipalities is a proven job creation mechanism, though minimal invention from municipality could cause blurred lines as the anticipated strategies might not materialize.

Midvaal stated that their LED strategies increases the job creation opportunities, whereas Emfuleni shared that their LED strategy on paper does increase the creation of job opportunities but, due to it not being, the attempt to create job opportunities decreased. The chapter further elaborates that there is minimal support and promotion of SMMEs from the municipality, thus the SMMEs and businesses associations ultimately benefiting from Provincial programmes rather than municipality- initiated programmes. The SMMEs and business chamber associations benefitted from

programmes such as WRSETA, Family tree, the building of a power station and water project from the provincial government in Sicelo; the people of Sicelo through SMMEs were given an opportunity to work there.

The minimal promotion of SMMES from the 30 SMMEs made it impossible for one to get the exact number of jobs created through LED. The number of jobs created by SMMEs was solely from the SMMEs. Though the business chamber, more especially from Sicelo, stated that their chamber has benefitted from quite several infrastructure developments that created jobs for the local communities' members from their SMMEs. The chapter also realized the failure of a LED policy due to lack of capacity in the municipality to plan and design their own policy, thus outsourcing someone from outside the municipality who does not have knowledge information about the developmental needs of the specific area. The LED strategies could not materialize as the policy could not be implementable. Midvaal also stated that the lack of capacity and budget makes it challenging to adequately implement the envisioned strategies for job creation opportunities. Both municipalities, however, provide skills development to empower their people though there is a gap between the provided skills and the demanded skills for their specific areas. There is still a lot that needs to be done for both municipalities in making sure that their LED policy benefits its people. Hence the next chapter 6 will give an empirical summary and chapter summary of the whole study and recommendations that the researchers give to aid the municipalities in maximizing opportunities for its local people.

CHAPTER SIX

RECOMMENDATIONS AND CONCLUSION

6.1 INTRODUCTION

The chapter provides an understanding of the purpose of the study. Furthermore, the chapter attempts to establish whether the study has achieved its research objectives. The content below will explore the realization of the study's objectives, outlined in chapter one, and the summary of each chapter. The chapter will include an empirical summary/ finding of the study. The chapter will also provide recommendations for Emfuleni Local Municipality and Midvaal Local Municipality LED utilized as a mechanism to create job opportunities, emphasizing the importance of a good relationship between all stakeholders, especially the municipality and SMMEs. The municipality's promotion of SMMEs aids with the development of the economy and the creation of job opportunities. Lastly, the study will also give recommendations for further research and concluding remarks.

6.2 OVERVIEW OF STUDY CHAPTERS

In Chapter one, the researcher outlined the study's execution using components such as orientation and background to the study, problem statement, significance of the study, methodology, research questions, and objectives. All these components were used to evaluate whether LED is a job creation mechanism, comparing Sicelo and Evaton townships between 2015-2020.

Chapter Two covered LED and the relationship between LED and job creation. The study provided a thorough elaboration on job creation and its different types. The study also provided a theoretical exposition of LED, incorporating international case studies on how LED is employed in the chosen countries. Furthermore, the application of LED in an international context for pro-growth and South Africa for pro-poor. Chapter Two also achieved the study's objective, examining the understanding of LED and the relationship between LED and job creation.

Chapter Three was more oriented on the three research objectives. The objectives focused on LED being proven as a job creation mechanism in areas such as Evaton and Sicelo. These objectives evaluated the availability and effectiveness of LED

programmes in supporting job creation and promotion of SMMEs. The chapter also explained whether LED strategies are decreasing or increasing job creation in both areas. The chapter focused on how LED in South Africa is employed, further narrowing it down to Emfuleni and Midvaal Local Municipalities. This chapter included the South Africans LED Legislative framework and policies, projects, strategies, and programmes proposed by both municipalities to increase job creation opportunities in Midvaal and Emfuleni.

In Chapter Four, there was a thorough elaboration of the research design utilized to collect data and the methodology employed in the study. The study employed qualitative and quantitative methods, known as a mixed method. The study used semi-structured interviews to collect qualitative data. Interviews were conducted with ELM and MLM, LED and IDP managers and Sicelo and Evaton Business chambers/associations. Furthermore, the study also used existing literature reviews and policies for data collection. The study used a questionnaire survey to collect quantitative data from Sicelo and Evaton SMMEs owners to understand the municipality's promotion to SMMEs. The chapter also included ethical considerations in ensuring that data is collected in a reputable manner and outlined the limitations and de-limitations experienced throughout the execution of the study.

Chapter Five gave interpretation and discussion of the data collected by granting enhanced deliberation of the responses from the interview respondents and questionnaire survey respondents. These respondents were from ELM and MLM LED and IDP Departments, Sicelo and Evaton business chamber/association CEO and Sicelo and Midvaal SMMEs owners.

Chapter Six focused on the last objective of the study, which is the solutions and recommendations for addressing the problem of job creation through LED. The chapter focuses on the study's findings and evaluates whether the findings align with the study's objectives. Furthermore, the chapter gives a summary of the study, the findings of the study, recommendations, and potential solutions on how to improve ways of creating more job opportunities through LED in Sicelo and Evaton.

6.3 SYNOPSIS OF THE FINDINGS

The study employed a mixed method approach. The researcher conducted semi-structured interviews with six respondents from Midvaal and Emfuleni Local Municipality IDP and LED departments and Sicelo and Midvaal Business chamber/associations. The study further conducted questionnaire surveys with Sicelo and Evaton SMMEs owners. The purpose of the interviews and questionnaire surveys was to investigate the existence of LED policies from both ELM and MLM and whether there are effective LED programs that do create jobs, promote creation opportunities, and promote SMMEs for growth, consequently unlocking employment opportunities for Sicelo and Evaton townships. The study findings are outlined below in line with the study objectives.

6.3.1 Institutional understanding of LED. What is meant by LED

Majority of the respondents had a sound understanding of the institutional understanding of what is meant by LED. Respondents were not only derived from LED managers, but also from IDP and Business chambers and SMMEs. Majority were able to give a sound understanding of LED. LED in this chapter, was understood as a process that is used to encourage the partnership of various stakeholders such the municipalities, communities' members and different businesses or sectors to address socio-economic challenges through encouraging economic activities to stimulate economic growth and creation of job opportunities. The above stated is aligned with Zaaijer and Sara (1993:129); an understanding of LED also concurring that LED is a process in which various stakeholders' partner to manage existing resources; the main objective of this collaboration is creation of job opportunities and stimulation of local economic activities.

Furthermore, the chapter outlined the importance for one to understand that the economic challenges addressed are through LED developmental strategies, programmes, and initiatives, which speaks to creating jobs opportunities as supported by (COGTA, 2020). Thus, the municipalities are expected to manage this process by creating a conducive environment for job creation opportunities, promotion of SMMEs, creation of skill development and the support of enterprise development. Scheepers and Monchusi (2002:82) further state that this kind of process of LED is expected to be managed by the municipality as mandated by the RSA Constitution (1996) to

promote social and economic development. The main objective of this process is making sure that there is economic growth and to empower the marginalised people from local communities as advised Koma (2014:41). Though LED has different stakeholders in ensuring it is a success, Masuku et al., (2016:2) concur the above stated emphasizing the greater responsibility municipality must carry in creating a conducive environment for promotion of SMMEs and job creation. As previously stated, the importance of the municipality ensuring success, all stakeholders should have a knowledgeable understanding of LED concept for them to understand the processes and their roles and responsibilities in aiding the municipality to deliver successful LED. Some respondents, especially, the SMMEs, outlining that there is limited understanding as the municipalities do not grant them the accessibility to understand and be part of LED programmes so they can benefit and actively participate in their local community's economic development.

6.3.2 LED a proven job creation mechanism in townships such as Evaton and Sicelo.

This objective is measured through the existing LED programmes and job opportunities created in Evaton and Sicelo. The Midvaal has several programmes which are existent in Sicelo, one being the existence of the Agro farming that gives people the opportunity to be part of the supply chain. Being part of the value supply chain grants the businesses an opportunity to expand and unlock employment opportunities for the people of Sicelo as the business grows it requires more labour. Two respondents stated the support of SMMEs will help keep the money circulate within a specific area and subsequently lead to sustainable economic growth. The existence of LED programmes and infrastructures developments was the building of the Sicelo Power Station built in 2018, and the project of repairing water pipes at Sicelo flats 2021, which are projects that are already operational. These two projects created and granted the people of Sicelo employment opportunities through collaboration of SMMEs as they sourced people from Sicelo. There were job opportunities of digging and guarding of the project just to name a few. A total of 11 SMMEs agreed to LED being a proven job creation mechanism as they benefited from these initiatives, whereas five stated that LED is not a proven job creation mechanism; this is justified as stated in chapter four, as a limitation of the study that Sicelo has many sections and the five SMMEs who did not benefit explained that they are from a different section

than where these programmes were implemented. These were jobs that were occupied by people from Sicelo' SMMEs, thus proving the existing of LED being a job creation mechanism for Sicelo.

Emfuleni outlined that though the municipality is more steel industry orientated the inclusion of a diverse approach in creation of jobs is of paramount importance. The inclusion of a diverse approach proposes sectors such as tourism, especially that we have the VAAL River as an advantage. Evaton is a historical place, this could be seen as an advantage of hosting events so they can create vibrancy and attract tourists and even investors in keeping the historical events of Evaton alive. In places such as the Wilberforce, countless events took place which resulted in more people being aware attending the events and allowing opportunities for people of Evaton. In Evaton, there has been agro-culture initiatives which were presented at the Wilberforce and granted to SMMEs from the business chambers/ associations benefitted from the skills granted and employment opportunities in farming as they are starting their own farming businesses. The evidence of jobs created through events executed in Evaton and the agriculture programme granted to SMMEs.

The existence of LED from both Sicelo and Evaton has proven to be a job creation mechanism as both have benefitted from initiatives either by the municipality or collaboration of the province and the municipalities together with local community members which resulted in the creation of job opportunities. Sicelo has more feasible evidence of LED being proven as job creation mechanism as Evaton still speaks of the possibility of diversifying all sectors and, especially, taking more advantage of the Vaal River.

6.3.3 Effective LED programmes supporting job creation and promotion of SMMEs

Prior to establishing the effectiveness of LED programmes supporting job creation and promotion of SMMEs, the research first wanted to investigate the existence of these LED programmes from all respondents, even from the SMMEs from both townships. The study findings outlined that most of these LED programmes in both municipalities are from the province and other government institute rather than initiated by the municipality.

Midvaal however, has more municipality-initiated programmes than Emfuleni. Programmes from the MLM are Sebenza Mbokodo, the Sicelo Economic Development Hub, and outreach of awareness for SMMEs. These programmes aimed at empowering SMMEs with resources to start-up of their businesses, or money to help start or sustain their businesses. The centre is used for aiding SMMEs in whatever need the municipality has that time. SMMEs owners stated that though the municipalities have these programmes in hand, their effectiveness of the above-mentioned strategies are questionable because most SMMEs owners, especially in Sicelo, stated that even after years of applications for the Sebenza Mbokodo, they still have not benefitted from the programme. Sicelo respondents stated that the Economic Development Centre is not always operational, thus this raises a concern as outlined by a municipality respondent that the challenge of capacity and sufficient budget for LED programmes limits the effectiveness of the programmes for promotion of SMME. Midvaal also brought provincial programmes which worked at Sicelo, such as the power station and the water projects. Though the projects were not municipality initiated, it created numerous jobs for the local community of Sicelo, thus proving to be effective in the creation of job opportunities.

The Emfuleni has more provincial and national programmes than the municipality. The LED department has created linkages of sponsorships from private mines to the agricultural SMMEs. This programme helps upcoming farmers with a lease for land so they can farm. Thus, a programme, as stipulated by the respondents, stated that over hundreds of farmers have benefitted from this project and are making a remarkable success of their farming, which some have expanded and unlocked employment opportunities as there is a gap of demand within those farms. The ELM, through the Gauteng Legislature has passed the Gauteng Township Economy Bill, which is focused at empowering the township economy, adding them to the value chain so that money is circulated within the boundaries of Emfuleni as a way of stimulating its economic growth. The SMMEs also outlined the programmes from the Gauteng Economic Propeller, Small Enterprises Development Agency, NYDA, and SETA which funds and help support and promote SMMEs. These programmes, both initiated by the municipality and province, are effective in the promotion of SMMEs. The WRSETA and Family tree group also contributed business resources and monetary expenses

to ensure they provide containers for people to start businesses and promotion of job opportunities.

However, there are more provincial and other departmental programmes than the municipality-initiated programmes; this is mainly because of challenge as raised by one respondent that their LED programmes could not be implementable due to lack of capacity in the municipality and finding adequate people to design and implement the LED, hence the LED department now had to look for sponsors from private sector.

Both municipalities have a combination of their own and other departments programmes in ensuring effective programmes for promotion of SMMEs and job creation opportunities. These findings then explain the responses of the total of nineteen SMMEs out thirty stating that the municipality does not support, promote nor understand the importance of promoting SMMEs due to encountering more provincial programmes than municipality-initiated programmes. The challenge of LED department capacity and budget also limits the full capacity of municipalities effective implementation of programmes as envisioned to create job opportunities.

6.3.4 LED strategies increasing or decreasing job creation opportunities

Both municipalities have LED strategies on municipality documents which states that the strategies seek to increase the creation of job opportunities rather than to decrease them. The MLM states that their strategies have increased the creation of job opportunities, whereas Emfuleni outlines the challenges of failing to implement a policy due to it not being feasible led to their municipality LED strategies decreasing the job creation opportunities in Emfuleni.

As stated above, both municipalities have LED strategies documents that anticipate increasing the creation of job opportunities. Midvaal LED Strategy (2017:215) has several LED strategies such as the *initiative of job creation opportunities; the improving of quality of services and service delivery; the growth of agriculture; the procurement strategy and support local economy sectoral development*. These strategies speak to various job creation opportunities such as municipality-initiated projects; creating jobs through service delivery, where there is a need for cutting grass, grant people skills and job of cutting grass for health and sanitations of people in

Midvaal, and people and businesses from Midvaal getting preference for procurement so that they grow their local economy.

A respondent stated that the implementation of granting people skills to cut grass and being hired by the municipality has already passed as there are groups who have been part of the projects already, and the workshops with several businesses are continuously underway in making sure they capacitate Midvaal SMMEs to be part of procurement and tendering processes. One respondent from Midvaal stated that their LED policy has created a total of 2179 jobs currently from 2021 till 2022, with the emphasis that the given figure is exclusive of the CWP and EPWP programmes. Thus, the Midvaal strategies do increase the job opportunities.

Emfuleni IDP (2017-2021:12) points out LED strategies as being a *large scale of housing development; small business development; creation of job opportunities initiatives and skills development; tourism development support and improved environmental quality*. The ELM LED strategies are recent, as the previous LED policy could not be implemented as previously stated, thus are still yet to be implemented. This is due to lack of capacity resulting in the municipality outsourcing a professor from an institution of higher education to help design the municipality LED policy. Some respondent admits that they could not have all envisioned strategies anticipated to create sustainable employment opportunities in their specific area, due to being faced with a challenge of capacity and people who do not have relevant qualifications and competence to develop and implement these strategies. However, a respondent from Emfuleni stated that they have created one thousand jobs a year, which are inclusive of EPWP and CWP programmes through other projects from national, provincial government and private sectors, even though these projects were not initiated by the municipality. Thus, for Emfuleni strategies decreased the creation of job opportunities.

6.3.5 Potential solutions and recommendation in addressing the challenges of job creation through LED.

There are several potential solutions and recommendations which were stated by the municipalities.

6.3.5.1 *Potential Solutions in addressing the challenge of job creation*

The building of Evaton Mall was a strategy used to create jobs opportunities for the people of Evaton. This project was from the government which gave land to ELM for building this mall. People from Evaton benefitted and for employment opportunities they are prioritized. The building of the Sicelo power station and the repairing of water pipes of Sicelo flats. This granted people of Sicelo job opportunities as they were prioritized. Providing skills development programmes that capacitate people with necessary skills so that when LED programmes are brought to them, they can participate in them and get jobs. These above solutions from both municipalities alone were not sufficient as it did not reach all people from different sections of the above-mentioned townships. Those who lacked competence and necessary skills in the time of the above-mentioned projects could not benefit any way.

6.3.5.2 *Recommendation for creation of job opportunities*

Both municipalities face challenges as stipulated in their recommendations, some challenges differ, while in others there are similarities; thus, several recommendations and possible solutions from respondents are outlined in addressing the challenges of job creation opportunities through LED. Both municipalities pointed out that though they have good planned policies, the challenge of capacity in the LED departments bring the department to a disadvantage: as one respondent stated, that it is possible that only one-person is expected to plan, design, and implement an LED policy, hence some municipalities opt for outsourcing people to aid in adequately implementing policies. Though the intentions are to help implement the policy, but a respondent already stated that their 2015 LED policy could not be implemented. Thus, it is important to have relevant and competent officials in those LED departments. Both municipalities recommend sufficient budget and capacity within the LED and IDP department or division in municipalities in making sure that these LED programmes materialise and produce the jobs as envisioned. Both municipalities should have a provision of soft skills training so that businesses are capacitated in running those businesses, especially, retaining of customers for potential business. Both townships also stated that the municipality should grant land provisions for them to operate from a sustainable place, and both townships stated that even well-established stalls will be commendable.

Midvaal point out there is a need for inclusion and direct intervention with the SMMEs as far as the informal businesses such as street vendors for the supply chain that constitute the township, so that money is circulated within a specific area and enhances the economic growth. Midvaal further suggest that the budget should be in such a way that it can loan SMMEs with start-up capital; such initiatives should be made known to all people of Midvaal, regardless of the areas they come from, as people from Sicelo complained of the lack of information afforded to them. Emfuleni recommends an inter-departmental committee so that every department is active in stimulating the growth of the economy. Emfuleni further outlined that though there are good policies as respondents stated, there is a serious challenge in implementation of these policies, thus advising that policies be revisited so that they can materialize as envisioned.

6.4 TESTING OF HYPOTHESES

- The implementation of LED policy can be an instrument that creates job opportunities in the townships of Sicelo and Evaton.
- The non-implementation of LED policy can be an instrument that does not contribute to job creation opportunities in the townships of Sicelo and Evaton.

The findings from the study and literature reviews accepted the hypotheses of the study. The Midvaal local municipality on the Sicelo speaks to the research hypothesis this is because the municipality adequately implemented their LED policy thus resulting to a total of 2179 jobs opportunities that was created, exclusive of CWP and EPWP. Contrary to latter, Emfuleni Local Municipality of Evaton township speak to the alternative hypothesis. This is because the municipality's LED policy was non implementable thus disabling the municipality to create job opportunities.

6.5 RECOMMENDATIONS FOR THE STUDY

6.5.1 Understanding LED for SMMEs and community members

There are several SMMEs owners who form part of the local community members who lack an understanding of LED. These people go as far as not even understanding that they are part of the partnerships that work with the municipalities, and other stakeholders in ensuring local economic growth within their local community. Eighteen out of thirty SMMEs disclosed their lack of understanding of LED, Sicelo having the

highest with thirteen responses. Mothiba (2022) states that it is the goal of South, through the inclusion of SMMEs, to create one million job opportunities. Thus, the researcher recommends that SMMEs, especially from Sicelo who lack formal education both from Stats and the Filed Survey (2022), be granted programmes that educate and capacitate them with the necessary knowledge, so they are on par with the 2030 goal of job creation and can step into their respective roles in the economic development of the country. Masuku et al., (2016:3) also emphasizes that it is of paramount importance to involve community members in the implementation of LED, so one can understand their challenges and developmental needs.

6.5.2 LED proven job creation opportunities in townships like Evaton and Sicelo

Rogerson (n.d), in a presentation, advises of linking tourism and pro-poor LED initiatives; such will be used to enhance opportunities to impact tourism in that specific area. Koma (2014:47) advises that it is important to have LED that speaks to the economic needs of that specific area for sufficient results, hence the researcher recommends the promotion and marketing of the Vaal River for Emfuleni and Walkerville, for Midvaal tourism would be of great significance. Both these places have rich historical events which could be used to enhance the tourism sector.

The existence of such initiatives will therefore create vibrancy in the areas and attract tourists which will therefore create job opportunities as tourists and investors. Such investments will help improve and grow the local economy of both Midvaal and Emfuleni. Though the study stated that both areas receive workshops, the researcher recommends that there should be appropriate skills development programme provided to the community in LED programmes; for instance, collaborate with the different public and private institution in granting people of Vaal steel orientated skills so that they are able to benefit from Arcelor Mittal intakes, and are employable, unlike taking people from outside Vaal. The inclusion of programmes for tourism so people are able to identify gaps prior to starting business, unlike business management courses to a business that will not succeed or benefit in those particular areas.

6.5.3 Effectiveness of LED Programmes to promote SMMEs and create jobs.

The LED Departments must first find if the LED programmes are relevant for that specific area. Hogwood and Gunn (1986:197) emphasize that non implementable LED results is mainly a result of poor research. The researcher thus recommends that the municipality have a LED researcher that will go out to collect data from the respective areas, as with LED one cannot use a blanket approach; this will aid the municipality with ensuring that they are providing programmes that will produce sufficient results. The researcher further recommends that the municipality expand its LED departments, as the existing stated to lack and professionalize LED unit in such a way that only competent people with the correct skills and qualification are in those offices ensuring there is adequate implementation of these LED programmes for envisioned job creation opportunities. The municipality must keep a data base of all SMMEs that would have been gathered by the LED researchers as alluded above, collaborate with these SMMEs and include them in their LED programmes so there are effective programmes that will benefit all SMMEs allowing expansion of businesses and also procure from these SMMEs allowing the money to flow within Midvaal or Emfuleni, in so doing growing the economy of the places rather than empowering people from outside their area. The expansion of SMMEs unlocks the opportunity for demand of labour in those businesses which will create employment opportunities. The current jobs created only by SMMEs without the collaboration of LED programmes are 158; the researcher advise that these SMMEs get supported and promoted to produce more.

6.5.4 LED Strategies increasing or decreasing creation of job opportunities.

The municipality should have a clear database of the number of jobs created through LED. This will enable municipalities the ability to evaluate based on specific figures, so that when they see a decrease in the creation of job opportunities, they can use different strategies, and when there is an increase, they can adopt those strategies and work on improving them to better results. Meyer (2014:626) emphasizes that poor LED strategies and programmes lead to inadequate implementation and ineffective LED programmes.

6.6 RECOMMENDATIONS FOR FURTHER RESEARCH

Based on the findings of the study. The recommendations for further study in ensuring the effective LED programmes for creation of job opportunities.

The researcher recommends that other aspects be thoroughly studied into the role of LED in implementation of municipal initiated effective LED programmes and promotion of SMMEs as a mechanism for job creation opportunities in both a municipality and a metropolitan municipality where there is evident LED policy such as City of Johannesburg or Tshwane, so one has enhanced understanding on a broader platform. This will make it easier for one to evaluate the effectiveness of LED in such municipalities, unlike LED policies that are not efficient to allow one the opportunity to evaluate its effectiveness, so they are improved.

The recommendations are that the research be:

- In the duration of the execution of the study, both municipalities 2015 LED policies were not effective as the current, as one could not even be implementable, and another only focused on one sector such as agriculture. One would recommend that since the current LED are more feasible, investigate its effectiveness for the creation of job opportunities through these programmes.
- The research includes other municipalities in Gauteng and focus on the inclusion of SMMEs and allow local community members an opportunity and be exposed to be part of the LED programmes so they can benefit from its areas LED.
- A further study on LED maximising the current SMMEs in their programmes to create more job opportunities.
- A further study of LED utilizing tourism from Vaal River and Henley on Klip as a means of creating vibrancy and attraction of investments in both municipalities for stimulation of economic development.
- Research on the insufficient capacity and budget by both municipalities as a challenge for adequately implementing LED programmes.

6.7 CONCLUDING REMARKS

The study gave a thorough understanding of LED and the relationship LED has with job creation. The study further investigated the effectiveness of LED programmes by first establishing the existence of these LED programmes in both Sicelo and Evaton. The effectiveness of these LED programmes to promote job creation and SMMEs was to prove whether the existence of these LED programmes, in both areas, are proven job creation mechanisms and that they support SMMEs with the potential of unlocking employment opportunities within those SMMEs. The study evaluates the existing LED policies from both municipalities to understand how many jobs the municipality has created and SMMEs through LED programmes, and by monitoring the increase or/and decrease of job opportunities through LED strategies. Lastly, the possible solutions and recommendation in addressing the challenges of job creation through LED.

The findings, however, indicate that there is sound understanding of LED in both areas, but there should be serious intervention for SMMEs for them to be given the necessary knowledge and understanding regarding LED as they are part of the stakeholders in advancing a successful local economy development. The present or previous LED programmes in Sicelo and Evaton have proven LED to be a job creation mechanism. The LED programmes from both municipalities are partially effective; the challenge faced by these municipalities is the insufficient capacity of the municipality LED departments. The 2015 LED strategies by Emfuleni were not able to be implemented, thus alternatively, the municipality outsourced sponsors from the private sector to implement the present LED 2017-2021 strategies, whereas Midvaal strategies have been successful and even implemented programmes from the strategies that advance skills development and employment opportunities. Midvaal strategies increased the creation of job opportunities as they have created 2179 jobs exclusive of CWP and EPWP programmes, whereas Emfuleni stated that the alternative solution of sourcing funds from private sectors to aid people SMMEs and employment opportunities, has created one thousand jobs.

There are several recommendations and solutions given in ensuring their challenges of creating job opportunities through LED. Finally, the researcher suggested that there be another study conducted based on various case studies such as City of Johannesburg. The importance of advancing SMMEs in the value chain, taking

advantage of the tourism sector to create vibrancy and attract more investments and employment and, lastly, investigate the insufficiency of capacity in LED department across all municipalities.

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ANNEXURE A: PROOFREADING CERTIFICATE



Proofreading Certificate

It is hereby certified that this dissertation has been proofread and edited for spelling, grammar and punctuation by a professional English language editor from www.OneStopSolution.co.za

Client

Zanele Tshabalala

Is Local Economic Development a Job Creation Mechanism:
A Comparative Study of Sicelo and Evaton 2015-2020

Editor

Bruce Wesson

Name

A handwritten signature in black ink, appearing to read "Bruce Wesson", written over a dotted line.

Signature

21 November 2022

Date

I cannot guarantee that the changes that I have suggested have been implemented nor do I take responsibility for any other changes or additions that may have been made subsequently. The track changes of the language editing will be available for inspection upon enquiry, for a period of one year.

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ANNEXURE B: INTERVIEW GUIDELINE FOR MUNICIPALITY OFFICIALS



INTERVIEW RESEARCH QUESTIONS

IS LOCAL ECONOMIC DEVELOPMENT A JOB CREATION MECHANISM: A STUDY
OF SICELO AND EVATON (2015-2020)

Biographic Questionnaire:

Name and Surname of respondent:

Gender:

Level of education (e.g. Matric, diploma, Honours, Masters, PhD)

Occupation of respondent:

ID/Passport number:

Address of respondent:

Email address:

Telephone number (W)_____and (H)_____

Cellular/mobile number:

Questions for Local Authorities Emfuleni/ Midvaal Local Municipality”

1. What is your understanding of Local Economic Development and what is the relationship between LED and job creation in Sicelo/ Evaton?
2. Is Local Economic Development a proven job creation mechanism for peri-urban areas such as Sicelo/ Evaton?
3. Which Local Economic Development programmes are implemented, and how effective are these programmes in supporting job creation and promotion of SMMEs?
4. Are your Local Economic Development strategies in ELM/ MLM decreasing or increasing job creation in Midvaal/ Emfuleni?
5. Do you think LED does play its vital role in creating a conducive environment for job creation opportunities in your area?
6. Do you have a clear database of the jobs created through LED in your municipality? Yes/ No. If so, how many jobs has your LED programmes created from the period 2015-2020?
7. Does adequate planning and implementation of LED strategies in ELM/ MLM guarantee a decrease in the high unemployment rate in Sicelo/ Evaton?
8. How has Midvaal/ Emfuleni Local Economic Development strategies addressed the challenges of job creation in Sicelo/ Evaton?
9. Do you organize workshops on job opportunities in your local municipality?

10. What more can the Midvaal/ Emfuleni local municipality do to improve the creation of job opportunities through LED?

ANNEXURE C: INTERVIEW GUIDELINE FOR SICELO/ EVATON BUSINESS CHAMBER/ ASSOCIATION



INTERVIEW GUIDELINE FOR BUSINESS CHAMBER/ ASSOCIATION

IS LOCAL ECONOMIC DEVELOPMENT A JOB CREATION MECHANISM: A STUDY OF SICELO AND EVATON (2015-2020)

Biographic Questionnaire:

Name and Surname of respondent:

Gender:

Level of education (e.g. Matric, diploma, Honours, Masters, PhD)

Occupation of respondent:

Name of Business:

ID/Passport number:

Address of respondent:

Email address:

Telephone number (W)_____and (H)_____

Cellular/mobile number:

Questions for Sicelo/ Evaton Business Chamber/ Association”

1. What is your understanding of Local Economic Development and what is the relationship between job creation?

2. Do you think Local Economic Development is a proven job creation mechanism for peri-urban areas such as Evaton/ Sicelo?
3. What is your understanding of the role LED plays in the promotion of SMMEs and creation of job opportunities in Sicelo/ Evaton?
4. Which Local Economic Development programmes are implemented, and how effective are these programmes in supporting job creation and promotion of SMMEs?
5. Do the local municipalities understand the importance of promotion of SMMEs to create jobs opportunities through LED? Y/N, explain your answer?
6. Does the existing LED framework encourage local communities to embark on formulation of SMMEs in order to create job opportunities for local communities?
7. Are there any methods your SMME utilize to review or measure if your SMME is uplifting its community?
8. Do you keep a clear data base of how many jobs opportunities your SMME creates/ created in Evaton? And if so, how many jobs has it created?
9. Does your SMME prioritize empowering the people of its community first before seeking to employ people outside the community?
10. Does the local municipality play its role in organizing workshops on job opportunities presented by SMMEs in your local municipality?
11. What more do you think the local municipality can do to improve the promotion of SMMEs?

ANNEXURE C: QUESTIONNAIRE SURVEY FOR SICELO AND EVATON SMMEs



LED AS A JOB CREATION MECHANISM: A STUDY OF EVATON AND SICELO (2015-2020)

QUESTIONNAIRE SURVEY FOR SMALL MEDIUM AND MICRO ENTERPRISES (SMMEs)

SMME: INDIVIDUAL QUESTIONNAIRES

SECTION A: DEMOGRAPHICAL INFORMATION

Please mark each question with a cross (X)

1. Gender:

Male	Female
1	2

2. Designated group:

White	1	African	2
Coloured	3	Asian	4
Other (specify):	5		

3. Age group:

Younger than 20	20 – 29	30 – 39	40 – 49	50 – 59	60 +
1	2	3	4	5	6

4. Level of education:

Below Matric	1
Matric	2
Higher Certificate	3
Diploma	4
Bachelor's degree or equivalent	5
Master's degree or equivalent	6
Doctorate degree	7

SECTION B: BUSINESS DATA

Please mark each question with a cross (X) or circle the correct answer.

5. Which municipality do you operate in:

Emfuleni Local municipality	Midvaal local municipality
1	2

6. Township Location

Sicelo	Evaton
1	2

7. When was your business established?

Year.....Month..... date.....

8. Number of years has been operating:

Less than a year	1-3 years	4-6 years	7-9 years	10 years +
1	2	3	4	5

9. Type of business?

Formal	Informal
1	2

10. Sector of your Business

Agriculture	Catering	Accommodation	Manufacturing	Retail	Tourism	Other, Specify
1	2	3	4	5	6	7

11. Type of SMME field:

Restaurant	Internet Cafe	Guest House	Shebeen/ taverns	Salon	Entertainment	Car wash	Day care Centre	Panel beat	Supermarket
1	2	3	4	5	6	7	8	9	10
Spaza Shop	Bakery		Other, specify						
11	12		14						

12. Have you heard about the concept Local Economic Development? YES / NO.

If yes, what is your understanding of the concept?

.....

.....

13. Do you think there is any relationship between LED and Job Creation? YES/ NO.**14. Do you think the existence of LED in your township is a proven job creation mechanism? YES/ NO.****15. Do you think LED play its role in creation of job opportunities in your area? YES/**

NO.

16. Have you heard of any LED programme/s which supports implementation of SMMEs in Midvaal/ Emfuleni? YES/ NO.

If yes, please state the programmes you know?

.....

17. Do you think the ELM/ MLM understand the importance of SMMEs for job creation opportunities? YES / NO.

18. Does your SMME uplift lives of people in your area? YES / NO.

19. Do you have a data base of jobs opportunities created by your SMME? YES/ NO.

20. How many jobs has your SMME created thus far?

.....

21. Does your SMME prioritise the employment of local community members? YES/

NO.

21. Does ELM/ MLM organize workshops for job opportunities in your area? YES/

NO.

22. Has there been any infrastructure development by the municipality in your area? YES/ NO.

If yes, how has your business benefited from it?

.....

23. As a business do/ did you get any assistant from your municipality? Yes/

NO.

If yes, what kind of assistant did you get?

.....
If no, where do/ did you get assistant in establishing your business?

.....
24. What recommendations can you give the municipality regarding LED in your area?

.....
.....
THANK YOU FOR YOUR PARTICIPATION AND COOPERATION