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DECLARATION

I, Unathi Mercy Lutshaba, hereby declare that

THE ROLE OF THE NELSON MANDELA BAY MUNICIPALITY IN ALLEVIATING POVERTY IN THE WALMER TOWNSHIP

Is my own work and that it has not previously been submitted for assessment or completion of any postgraduate qualification to another university or for another qualification.

Signed........................................
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DATE: 30TH November 2011
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ABSTRACT

After 17 years of democratic freedom, South Africa is faced with a variety of challenges. Such challenges include crime, which is driving South African professionals of all ethnic groups to emigrate, discourages foreign investments and hampers growth; the spread of HIV/AIDS and unemployment which is steadily increasing. The country also inherited vast inequalities in education, health and basic infrastructure such as access for safe water, sanitation and housing (Hoogeveen and Ozler 2006, p.2). According to the Education and Training Unit for Democracy and Development (ETU), South Africa has a small wealthy population and a medium sized middle income and poor populations. There is a big difference between the wealthy and the poor people and if one looks at it, it looks like we have two nations, developed and developing living side by side in one country.

This report will look at the role of the Nelson Mandela Bay Municipality in alleviating poverty in one of its critically distressed wards, the Walmer Township near the Port Elizabeth Airport. Even though welfare is national and provincial government’s role, municipalities are expected by the government to play a developmental role. The findings of this report revealed that the problem of poverty is still a challenge in the metro and a review of the current policies was advised and involving the people living in poverty in the processes.
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CHAPTER ONE
INTRODUCTION AND BACKGROUND TO THE STUDY

1. INTRODUCTION

In South Africa poverty and inequality are a legacy which was left by the pre-democratic government. Poverty is widespread and cannot be looked at as only a lack of financial resources. According to the Millennium Development Goals (MDG) Country Report 2010, the South African population living below the poverty line of $2.50 per day is 16.5 million. The predicament is deep and still serves as a serious developmental challenge for the government today. The report further concludes that it is highly unlikely that the 2015 target will be achieved to halve poverty (MDGR, 2010). To counteract the effects of poverty in South Africa, the government has prioritized a range of poverty reduction strategies which include the National economic and development frameworks, specifically the Reconstruction and Development Programme (RDP). This policy framework provided an integrated, coherent socio-economic programme for addressing the ills of apartheid, including the alleviation of poverty arising from long-term discriminatory policies and practises (African National Congress, 1994). Others are the National Growth and Development Strategy (NGDS) and the Growth, Employment and Redistribution (GEAR) strategy; the Medium Term Strategic Framework (2009-2014) which is a statement of government intent that identifies the challenges faced by the county and outlines a strategy for improving living conditions for the South African citizens. Because poverty is multidimensional in nature, actions aimed at eradicating it, should be progressively and comprehensively attended to in order to improve the material well being of the citizens (UNDP, 2010).

In the 2007 State of the Nation Address, former President Thabo Mbeki said that we need to draw sharp attention to review and refocus poverty reduction efforts. He also pointed out that poverty is central to all that the government does and that we cannot treat poverty reduction in isolation from building social cohesion (Former President Thabo Mbeki’ State of the Nation Address, 2007).

Since 1994, the government has embarked on the above-mentioned policies and laws in its approach to poverty alleviation. Poverty eradication was identified as an important challenge to address immediately and that resulted in the identification of a need for a poverty eradication strategy. In the Eastern Cape, the development of the Provincial Poverty Eradication Strategy was identified as one of the Department of Social Development’s contribution to the Provincial Service Delivery Acceleration Plan (EC Department of Social Development, 2009). The need for this kind of strategy arose from the fact that the programmes planned and implemented since 1994 in the name of poverty eradication have not delivered on their objective fully as was indicated.

This research will be reported in four chapters. Chapter one provides the background and introduction to the study such as the rationale, the study area, the research problem and sub-problems, the key research questions, the research aims and objectives, a brief overview of the research methodology and research outline. Chapter two will deal with the literature review focusing at various issues surrounding poverty and poverty alleviation. Chapter three outlines the research methodology followed and indicates what procedures were followed in collecting
information. Chapter four brings the conclusions from the discussions in the report and it also brings forward recommendations.

1.1 RATIONALE

This paper is intended to provide a comprehensive look at poverty in the Walmer Township, the role of the municipality in fighting the problem and the prospects for eradicating it. The strategies employed by the municipality to eradicate poverty seem unable to reduce the consequences of poverty in the townships, Walmer Township included, because some of the policies in place are not well implemented and hence do not benefit the maximum number of the citizens. No studies have been done and recorded as to the extent of poverty in that area and hence this report will, in the end, look at strategies which can help the municipality achieve or contribute towards the alleviation of poverty in Walmer. Before poverty was put on the development agenda by the African National Congress after 1994, white South Africans were given protection against poverty and vulnerability while black South Africans were excluded through discriminatory social and economic policies (Sagner, 2000). Now, the South African Constitution provides for everyone to have access to housing, health care services, sufficient food and water and social security (Section 26 of South Africa Constitution, 1996). The government is only able to afford to deliver on these rights up to a level where the resources to do so are available.

1.1.1 Background to the study

According to Masifunde, Walmer Township is one of the oldest cities in the Nelson Mandela Bay. The first recorded settlement dates back to 1905. Gqeberha, as Walmer Township is called in the Xhosa language that most of its residents speak, was designated to be in the “whites only” area under the Apartheids Group Area Act 1955, and therefore the regime tried to remove the Township. Due to the strong resistance of the township’s residents and support from the citizens in the nearby Walmer suburbs resident area, Gqeberha was never destroyed. But the price was high; apartheid authorities would deny Walmer Township the most basic infrastructure.

![Figure 1.1 Map of Walmer Township, Port Elizabeth.](image)

1.2 RESEARCH PROBLEM

Poverty is one of the greatest challenges facing the Nelson Mandela Bay Municipality.
1.2.1 SUB-PROBLEMS

Sub-Problem One: The Nelson Mandela Bay is a small metro in a largely poor province. The problem is persistent poverty, distress, deprivation, socio-economic vulnerability among approximately forty communities across the Nelson Mandela Bay (DP 2010, p. 1).

Sub-Problem Two: Poverty still reflects apartheid settlement patterns. Most of the poor people are found in the informal settlements and black townships. Improving economic activities in these areas is critical (EC Poverty Eradication Strategy 2009, p. 3).

Sub-Problem Three: Poverty in the Metro has a sever effect on children. Young children in the Walmer Township leave school without completing their matric (DP 2007, p.2).

1.2.2 Key questions pertaining to the research

The report seeks to have a comprehensive look at poverty in Walmer Township; the role of the NMBM is alleviating poverty in the Walmer Township and the prospects for eradicating it. The following are the key research questions:

- What is the extent of the problem?
- How is the problem currently being dealt with?
- Can the current problem approach be improved?
- Can the problem be alleviated?

1.3 RESEARCH AIMS AND OBJECTIVES

- The focus on the extent of poverty in the Walmer Township
- To identify or investigate how the municipality has been addressing the problem and its effectiveness in doing so
- To help identify a normative criteria to address the problem

In order to realise these above objectives, this report will also look at the living conditions of the people in that area and investigate how the municipality’s current strategy approach to address the problem have been implemented.

1.4 SCOPE OF RESEARCH

1.4.1 Socio-economic condition in Walmer Township

The Nelson Mandela Bay Municipality has 60 wards all across the Bay and the Walmer Township is ward 4. According to the councillor, the area has approximately 1000 households (4-5 people per household and according to the councillor its approximately 8 to 10 people per household) which suggest an approximate population of between 7000 and 9000 people. The area in informal and the houses are made up of shacks. There are no formal RDP houses in that area and the municipality intends to move those residents to another place because of environmental reasons. Infrastructure is also limited. While the Eastern Cape has high levels of poverty, some government departments are accused of under-spending their allocated budgets. For example,
according to the Eastern Cape Provincial Legislature, the Eastern Cape provincial government underspent on capital expenditure. “The national housing department had to take back R500 million from the province because it was not being spent as there were no housing projects ready to be implemented.” (The Herald 19th October 2007). This has devastating effects on the poor people. Funds which could help alleviate poverty are either not used or are mismanaged.

1.5 HISTORICAL PERSPECTIVES AND ADDRESSING PRESENT CHALLENGES TO SUCCESSFUL POVERTY ALLEVIATION

In this chapter the researcher tried to define poverty by drawing from the World Bank definition of poverty and from other research work done previously on the topic because poverty has different meanings to different audiences. The aim is to investigate the extent of poverty in Walmer Township and what the municipality of the metro has been doing so far to address the problem faced by the poor Walmer Township residents. Various policy documents such as the Nelson Mandela Bay Socio-Economic Empowerment Policy Framework, Reconstruction and Development Programme, GEAR, and Integrated Development Plan were implemented to address the problem and they will be discussed in this chapter.

1.6 RESEARCH METHODOLOGY

1.6.1 Research approach followed

The research methodology of this study will be descriptive, sourced from available literature, such as the Applied Research Skills Guide, Introduction to Social Research, Social Research Methods, etc. A number of normative criteria to deal with the research problem were identified from available literature. From that, conclusions will be drawn and recommendations will be made.

1.6.2 Research outline

- Chapter one provides a brief background to the study, including the research problem and the rationale behind it, the research questions which the report aims to answer, the objectives, an indication of the research methodology used and the research outline.
- Chapter two will focus on the literature review looking at the different dimensions of poverty and relevant policies in place
- Chapter three gives an overview of the research methodology used.
- Chapter four summarizes the report and also provides recommendations.

1.7 SUMMARY

This chapter was an introduction to what the readers can expect to see in the rest of this report. It entails the rationale, the study area and background, the explanation of the research problem itself, the aims and objective of the research, the literature review and the method which was used to develop the research paper. The next chapter is on the literature which the topic is based on.
CHAPTER TWO
HISTORICAL PERSPECTIVES AND ADDRESSING PRESENT CHALLENGES TO SUCCESSFUL POVERTY ALLEVIATION

2. INTRODUCTION

Even though South Africa has achieved democratic freedom, poverty is still widespread and continues to grow. There is a general consensus among economists and political analysts that despite actions taken by the government to reduce poverty, there are still about forty percent of people in South Africa who are living in poverty, with the poorest 15 percent in a desperate struggle to survive. According to the Education and Training Unit for Democracy and Development (ETU), South Africa has a small wealthy population and a medium sized middle income and poor populations. There is a big difference between the wealthy and the poor people and if one looks at it, it looks like we have two nations, developed and developing living side by side in one country. According to Hasan (2002: 6), poverty can be looked at in absolute or relative terms and using subjective or objective perspectives. He suggest that the root causes of poverty are situated in the structural inequities and inherent disadvantages that are at work in any social make up, and therefore is a socio-economic and political phenomenon.

This chapter will firstly look at the different definitions given to poverty and give an overview on the importance of measuring poverty, why must poverty be measured. I will also discuss briefly the different dimensions of poverty and the consequences of poverty. This chapter on literature review will also look at the South African government on poverty together with the relevant policies and laws in place that are focussed at addressing the problem in the region. The role of the Nelson Mandela Bay Municipality has played in alleviating poverty in Walmer Township will be discussed. The working of the Integrated Development Plan (IDP) of the Nelson Mandela Bay Municipality together with the municipality’s Socio-Economic Empowerment Policy Framework will also be discussed a little to see how have they been implemented with regards to alleviating poverty within the area. The municipality’s proposed feeding scheme initiative which is aimed at addressing poverty in the most critically distressed wards of the metro will be explained (The Herald 2010, p1).

2.1 DEFINITION OF POVERTY

Poverty has many definitions and can mean a number of different things but the one common factor which all these definitions have, is that they all show a material lack- lack of resources which is necessary for survival. World Bank defines Poverty as a ‘pronounced deprivation in the well-being’ (World Bank 2000, p.8). Deprivation on the one hand refers to how poverty affects a person’s life. It also takes into account how being poor limits what a person can or cannot do both in terms of immediate and future actions. The World Bank report further explains that’s this definition of deprivation can be compared to an understanding of poverty reflecting what poor people can or cannot do (World Bank, 2000). Wellbeing on the other hand can be measured in various forms and involves looking at poverty from the perspective of households, that is, whether households have enough income to meet their basic needs. Wellbeing can also be measured by looking at the kind of food people consume. For example, it would look at their diet to see whether they are eating the right food, etc. The most widely used approach views poverty as the incapability of an individual to function in society (Sen Index 1987, p.147).
2.2 TYPES OF POVERTY MEASURES

There are two main popular methods of measuring poverty, namely absolute poverty and relative poverty. Oosthuizen (2010, p.3) describes the absolute approach the following way: “The absolute approach to poverty measurement constructs a line that values in monetary terms the goods and services required to meet a set of absolute minimum living standards – unvarying over time – across the various basic needs. The value of an absolute poverty line is fixed in real terms, with the only changes to the monetary value being adjustments to take account of inflation.” One of the Millennium Development Goals (MDGs) is to eradicate extreme poverty and hunger (Millennium Project 2006, p. 1 of 1). According to this development goal, the general measure for the poor is those who live on less than $1 a day. The Copenhagen Action Programme defined absolute poverty as “a condition characterised by deprivation of basic human needs, including food, safe drinking water, sanitation facilities, health, shelter, education and information. It depends not only on income but on access to social services.” On the other hand, relative approach to poverty refers to a standard of living of other people’s income or expenditure distribution (Buatre, 2010). The subjective approach to poverty is more popular in Europe and it states that a person is poor when they feel they do not have enough to get along (Oosthuizen 2010, p. 3).

2.3 THE NEED TO MEASURE POVERTY

Draman (2003, p. 2) argues that there are various arguments amongst economic and political analysts about the importance of measuring poverty while it is a clear fact that poverty does exist. But measuring poverty is important because, how else would the state know where there problem lies and how to best allocate its resources? Without this knowledge, it would be a defeating exercise to even try doing something reducing poverty. The government is directing money each year towards social programmes, specifically programmes which are focussed at the poor. According to the Studies in Poverty and Inequality Institute, measuring poverty can contribute to effective poverty eradication in the following ways:

- By being able to measure poverty, the government can map geographically where poverty is more severe and so direct resources accordingly.
- By understanding the different dimensions of deprivations experienced by people living in poverty, government can focus its resources on specific programmes, such as housing, basic services, etc.
- By having a poverty measure, the government can, at appropriate intervals evaluate whether the poverty programmes are being effective and moving people out of poverty and improving their well being, both in the short-term and over an extended period of time.
- By placing information about the levels of poverty and the resultant inequality in South Africa in the public domain, a national commitment could be built to eradicate poverty that goes far beyond government (SPII, 2007: 20).

2.4 DIFFERENT DIMENSIONS OF POVERTY

This section seeks to further explain the extent of the problem in the Walmer Township by illustrating the different dimensions namely, Income, Employment, Health and Education.
2.4.1 Income and poverty

Up to date information on income in the Walmer Township is not available, but it is clearly an area where household income is very low. Because of income poverty, people are not able to afford to buy descent houses or cannot afford to buy essential public services of good quality. Bhorat (2005, p.3) argues that “it is important to take into account not only income poverty but also possession of assets and services accessed by the population”. Measuring poverty using only income overlooks the other important dimensions of human wellbeing such as employment, health, education and self-respect. According to Klasen, ‘income only constitutes an important input to well being (Klasen 1997, p. 1).

2.4.2 Employment and poverty

Unemployment, poverty and low levels of skills are one of the economic and social challenges facing South Africa today and these challenges have manifested into other social ills within the Nelson Mandela Bay Municipality, such as the unemployment rate of over 35 percent (NMBM’s Socio-economic empowerment Policy 2010, p.1). The social impact of these challenges has a severe effect on the poor. According to a Human Science Research Council’s Centre for Poverty and Employment and Growth report, the South African government has adopted targets to 2014, including the halving of unemployment and poverty (CPEG 2007, p.1). There is a strong relationship between poverty and unemployment. Unemployment in the Airport Valley of Walmer Township is at 24 percent (DP 2007, p.2). However this figure is estimated to be around 40 and 50 percent. The councillor for that ward estimates that about 10 percent of the people living in the Airport Valley are formally employed, meaning that an estimated 80 to 90 percent of the population is unemployed at this present moment. Unemployment is a significant indicator of the levels of poverty in a society.

2.4.3 Health and poverty

(Demographic Update, DP 2006) The unmet healthcare needs of households in the Airport Valley, Walmer Township constituted of 50, 7 percent. This number may have decreased since then. A few observations could be the contributing factor to health poverty in the Walmer Township. They are:

- The area is overcrowded and the living conditions are unhygienic
- The shacks which the residents live in are situated in the centre of an underground dumpsite and this increases the burden on the public health system.
- Due to environmental reasons, the area is not suitable for formal housing development.

The inadequate availability of tap water and polluted air from the dumpsite in the Airport Valley, poses health risks to the residents as it may lead to them getting sick. There is very limited infrastructure and water in taps is spaced throughout the area. There is also a food garden in the clinic nearby which is run by 15 old ladies from the greater Walmer Township area. Although not recorded but there a lot of child headed homes in that area. They do not participate in food production activities and as a result they tend to go the dumpsite to look for food when they are hungry (DP 2007, p. 2).
2.4.4 Education and poverty

Education was always a part of the racial inequalities in South Africa during the apartheid times. The system was characterised by insufficient educational facilities in the black communities and thus resulted in low employment of black people. It happened sometimes that the parents were not able to keep their children in school because they had to go work to earn a living for the family’ survival. But that also had its effects because little education cannot secure one with good employment. According to the community members (quoted from the Demographic Update, 2007), 8 out of 10 pupils drop out of school without completing Grade 12. Demographic Update 2007 also shows that 81 percent of pupils in the area did not complete matric. Other distinctive aspects of poverty with regards to education in the cities are constrained access due to insufficiently school sizes in rapidly growing cities. Another poverty aspect with regards to education is that, poverty makes it impossible to afford school expenses.

2.5 HISTORICAL PERSPECTIVES AND ADDRESSING PRESENT CHALLENGES TO SUCCESSFUL POVERTY ALLEVIATION

2.5.1 The South African government and broader framework within which poverty arises

In South Africa, political apartheid came to an end with the first democratic elections held in April 1994. And in its wake, the population was characterised by huge inequalities across racial groups. Using a poverty line of R322, at least 58 percent of all South Africans, and 68 percent of the African population was living in poverty in 1995, while poverty was virtually non-existent for Whites. The country also inherited vast inequalities in education, health and basic infrastructure such as access for safe water, sanitation and housing (Hoogeveen and Ozler 2006, p.2). South Africa is faced with a variety of challenges. Such challenges are crime, which is driving South African professionals of all ethnic groups to emigrate, discourages foreign investments and hampers growth; Unemployment which is steadily increasing; and the spread of HIV/AIDS. With all these challenges the country was faced with, the new government in 1994 introduced the Reconstruction and Development Construction (RDP) which described itself as a ‘socio-economic policy framework’ (Wikipedia, 2011. Reconstruction and Development Programme. Retrieved 10th November 2011 http://en.wikipedia.org/wiki/Reconstruction_and_Development_Programme ). Its aim was to address the imbalances of the apartheid regime and set goals such as job creation, redistribution through land reform and major infrastructure projects in housing, services and social security. However when then Minister J Naidoo was reassigned to another ministerial position, the RDP office eliminated as a separate office. The RDP achievements from 1994 to 2000 as indicated from the RDP Development Monitor were:

- Water: 4 million more people given access to clean running water
- Housing: 900,000 units completed, 1.1 million housing subsidies allocated
- Electrification: 1.5 million new connections
- Telephones: 4.2 million new connections
- Poverty relief: R3 billion allocated
• Health: 600 new clinics, free health care for pregnant women and children under 6
• Public works: 1,500 kilometres of roads built
• Land: 68,000 families resettled on farming land

(Source: RDP Development Monitor 2000, p.1)

In 1996, the government adopted a new macro-economic policy framework after the RDP office was dissolved. This was called the Growth, Employment and Redistribution (GEAR). It was also a macro-economic policy framework for growth which aimed to increase growth and job creation in the South African economy through a reduced budget deficit and falling rate of inflation. It also acknowledged the need for redistribution of income and opportunities in favour of the poor and it placed main emphasis on achieving this through high economic growth, to generate more jobs and income. The results were disappointing. Between 1996 and 1999, South Africa’s Gross Domestic Product (GDP) grew in real terms by an average of 2.1 percent annually which was below the population growth rate and short of the 3.8 percent GEAR deemed necessary (Harsh 2001, p.12). GEAR was criticised by the Congress of South African Trade Unions (COSATU) for not delivering on its promise but instead it brought about big cuts in government spending between 1996 and 1999. Evidence suggested that investment in infrastructure and human resources development in fact positively affects growth performance. Cuts in capital expenditure reduce government’s contribution to employment creation, poverty eradication and sustainable growth (Harsh 2001, p.13).

2.6 THE ROLE OF THE NELSON MANDELA BAY MUNICIPALITY IN ALLEVIATING POVERTY IN THE WALMER TOWNSHIP

The municipality, as the sphere of government closest to its residents has a responsibility of implementing the Reconstruction and Development Programme. Some of the key functions of the metro include water and sanitation, removal of refuse, providing electricity, roads and storm water drainage (DPLG 2000, p.1).

2.6.1 The municipality’s Integrated Development Plan (IDP)

One of the economic objectives of the country after 1994 was to improve the living standards of the previously disadvantaged residents and poverty alleviation was a major area of attention. The perception, that substantial economic growth in the past did not sufficiently address the needs of the poor, paved way for this. The starting point for the municipality was that priority should be placed on satisfying basic needs of people for food, water and shelter rather than focussing exclusively on economic growth indicators (Economic history of developing regions 2011, p7).

In the Nelson Mandela Bay, an IDP is used as a tool for development. ‘The IDP seeks to promote integration by balancing the social, economic and ecological pillars of sustainability without compromising the institutional capacity required in the implementation (Akani, 2000 quoted from Befile 2010, p.37).

According to the Development Facilitation Act 67 of 1995, Integrated Development Plan means 'a plan aimed at the integrated development and management of the area of jurisdiction of the
municipality concerned in terms of powers and duties, and which has been compiled having regard to the general principles contained in chapter 1 of Development Facilitation Act, 1995(Act 67 of 1995). It involves determining the needs of the community and how these can be best addressed. It is an interactive and participatory process and involves various stakeholders. The stakeholders are clearly stated in the IDP Guide Pack that they include the representation of the previously disadvantaged members of the public within communities that are marginalised or excluded, such as women, disabled people and very poor people (White Paper on Local Government 1998, p. 29). The White paper is currently under review (this was announced on 14 March 2011 in notice 221 of Government Gazette 34116).

According to the Department of Provincial and Local Government, the municipalities no longer have the task of providing basic local administration. They are now expected to play an important role in the country’s struggle against poverty and underdevelopment. Municipalities are required by the government to play a developmental role and in terms of the White Paper Local Government (1998), the IDP’s planning and strategic frameworks is suppose to help the municipalities in fulfilling their developmental mandate.

In terms of the Policy Paper, IDP has the following six roles to play:

- Provide a strategic framework for municipal management, budgeting, delivery and implementation.
- Ensure political accountability and continuity
- Facilitate interaction, engagement communication and the building of alliances
- Transform local government into a vehicle for development
- Promote socio-economic development
- Help municipalities devise holistic strategies for alleviating poverty and creating livelihoods (DPLG 2000, p.1).

In developing and implementing poverty alleviation programmes in the Nelson Mandela Bay municipality, the IDP emerged as an appropriate tool to address this, emphasizing poverty alleviation through an integrated approach and approaches focussing on specific community level programmes targeted directly at the poor namely community gardens, feeding scheme initiative and the War on Hunger Project which will be discussed later. Poverty alleviation has always been addressed from national government. Despite increasing global attention to poverty, poverty alleviation approaches have hardly focused on concrete policy intervention to be implemented by municipal authorities. It is with this reason that the second part of this section on the role of the Nelson Mandela Bay Municipality will give an overview of the Socio-Economic Empowerment Policy Framework to fill this gap (IDP 2007).

2.6.2 The NMBM Socio-Economic Empowerment Policy Framework

This section of the report draws in particular from work done on urban poverty alleviation issues in Asia, the urban poverty alleviation work at municipal level initiated by the United Nations Development Programme (UNDP)/United Nations Centre for Human Settlements (UNCHS)/

“IN PRINCIPLE, THE municipal government level can play an important role because it is responsible for the provision of municipal services (and for their coordination), for facilitating community initiatives and for issuing building permits and related licences for commercial and transport activities. The Urban Management Programme and the Turnaround Strategy has identified the following core causes of municipal non-performance and broad urban poverty alleviation intervention areas at municipal level :(4)

- Regulatory framework
- Access to municipal services
- Employment creation
- Protection from crime and natural disasters
- Intergovernmental support
- Issues of how municipalities are funded
- Coordination and integration” (Humphrey 2010 & Stren and Gombay, 1994)

The NMBM has already implemented one of the above mentioned interventions through its Integrated Poverty Strategy and has identified challenges which fall within the metro and which are relevant for implementation in the Walmer Township and the rest of the most critically distressed wards in the Bay. Through their regulatory framework, the municipality seeks to maximise employment creation initiatives, provide training, develop and transfer skills including internship mentoring and give expression to the NMBM’s commitment to capacity building and socio-economic development within the community it serves. These goals can only be achieved through the implementation of this policy framework which is partly aimed at reducing poverty, unemployment and improve skills level. And according to this framework, benefits will be achieved from an Expanded Public Works Programme (EPWP) approach (Draft Socio-Economic Empowerment Policy Framework 2010, p.2).

In terms of this case study report on poverty alleviation issues in Asia, the proposed regulatory framework affecting poor people is established by all spheres of government, namely national, provincial and local and is designed to apply to all. The framework lays down the rules and regulations in general and some degree of accountability (Stren et al).

2.6.3 Feeding Scheme Initiative

Nelson Mandela Bay’ situational analysis and statistics presented in the Integrated Development Plan 2006-2011 estimates, suggests that 37 percent of the Metro’s households (107 289 of the total 289 000 households or 481 000 people) suffer from hunger daily, meaning that those who have no meals at all. While 44 percent of households access at least one social grant, meaning estimate of 527 000 people close to half of the Nelson Mandela Bay population (Council Report,
In 2003, the municipality decided on a feeding scheme to address this problem. A feeding scheme-soup kitchen. Wikipedia (2011, p. 1) retrieved [10 November 2011], defines a soup kitchen as ‘a place where food is offered to the hungry for free or at a reasonably low price. It is frequently located in lower-income communities; they are often staffed by volunteer organizations such as church groups or community groups.’ In The Herald (23 July 2010, p.1), Nelson Mandela Bay Mayor Zanxolo Wayile declared a War on Hunger. The metro has embarked on a feeding scheme targeting the poorest areas of the city. In terms of the report, the scheme includes:

- Establishing community soup kitchens or food processing facilities and distribution centres
- Implementation in phases
- Immediate start of community gardens in certain areas to supply fruit and vegetables to the kitchen.

Unemployment and poverty are one of the greatest challenges facing South Africa and have manifested themselves within the Nelson Mandela Bay. According to The Herald, the unemployment rate is over 35 percent; 107 239 of the total number of 289 000 households are classified as impoverished; 44 percent of households access at least one social grant; HIV/AIDS is prevalent by 30 percent according to antenatal car statistics; 67 percent of adults (20 years+) have a qualification less than Grade 12 level and 20 percent of the residents have limited or no schooling; and lastly low household income where 67 percent of households earn less than R3200 per month.

2.7 COMMUNITY PROFILE OF THE AIRPORT VALLEY-WALMER TOWNSHIP

The Walmer Township is one of the oldest cities in the Nelson Mandela Bay. The first settlement dates back to 1905. The Airport Valley is an informal area and is situated next to Walmer in the suburbs of the city, net to the Airport Industrial Park and the Airport runway. The Airport Valley is not is not suitable for formal housing development because of the underground dumpsite that also had gas emissions emanating from there (DP 2007, p.1).

2.7.1 Population size and Income

The area has an estimated total population of 9000. The area is informal and consists of shacks. There are no formal RDP houses in the Airport Valley because there municipality plans on moving the residents in that area as it is not ideal for human settlement. There is no up to date information available on income for this area but looking at its socio-economic condition, it looks like household income is very low (DP 2007, p.1).

2.7.2 Age distribution

<table>
<thead>
<tr>
<th>Age group</th>
<th>Numbers</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4</td>
<td>1903</td>
<td>9.4</td>
</tr>
<tr>
<td>5-9</td>
<td>1953</td>
<td>9.6</td>
</tr>
<tr>
<td>10-14</td>
<td>1790</td>
<td>8.8</td>
</tr>
<tr>
<td>15-19</td>
<td>1951</td>
<td>9.6</td>
</tr>
</tbody>
</table>
2.7.3 Gender Profile

Female: 60%
Male 40%

(Source: Stats SA Community Survey 2006, quoted from the DP Report, 2006)

2.7.4 Unemployment

According to a municipality report (2010), unemployment is at 24 percent. However, this figure is now projected to be between 40-50 percent unemployed. According to the Councillor’s committee, inhabitants who are formally employed in the area are at 10% (estimation), meaning the rate of unemployment is high as 80-90 percent (Municipality’ socio-economic framework 2010, p. 1).

2.7.5 Education levels

Completion of Grade 12: According to community members 8 out of 10 pupils do not complete Grade 12. Demographic Graphic Update 2007 shows 81 percent of school going children did not complete Grade 12. ABET classes are not available in the area but the committee mentioned that youth can be motivated to attend by means of the feeding scheme to entice them (DP 2007, p. 2).

2.7.6 Dependency on state grants

More than 45 percent receive Government Grants (Demographic Update, DP 2007). Estimated between 55 – 60 percent in 2010. According to community representatives most people in the area are unemployed and live off state grants. The area is severely distressed. It is possibly among the top 5 most distressed areas in the Metro (DP 2007, p.2).

2.7.7 Self-sustaining activities

There are only three household vegetable gardens in the area. There are, however, gardens at the Clinic which is being run by 15 old ladies and at the Primary school in Area E. Julia, a community leader in the area - mentioned that they are short of seedlings and have problems with fencing the gardens. Animals enter the gardens and eat the vegetables so fencing is required (DP 2007, p.3).
2.7.8 Nutritional deprivations

The Airport Valley community is one of the most severely distressed in the NMBM. Although not recorded, there are many child headed homes in the area. Young people spend their time at the dumpsite playing and hunting for food and because they do not partake in food production initiatives in the community, they go hungry and find alternative food sources from the dumpsite. There is limited space for food production in the community (DP 2007, p.3).

2.8 SUMMARY

Poverty is still prevalent in South Africa even after 17 years of democracy. There is still a noticeable difference between the rich and the poor in our country and the causes of this lie beneath the inequalities inherited from the apartheid regime. From the community profile of the Walmer Township, education, proper housing, health and unemployment came as critical challenge for the area. It is clear from this chapter that the municipality’s current approach needs to be improved in order to see positive and immediate change to the problem faced by the Airport Valley residents. As things are, that area will always be a heavy burden in the metro’s budget if something is not done. The next two chapters will explain the research method followed and recommendations will be made in chapter four.
CHAPTER THREE
RESEARCH METHODOLOGY

3. INTRODUCTION

The word research means an organised and systematic way of finding answers to questions (Henrichsen, 1997). According to the Miriam-Webster Dictionary, the term research means an examination or investigation aimed at the discovery and interpretation of facts, revision of accepted theories of laws into the light of new facts, or practical application of such new or revised theories or laws (Miriam-Webster Dictionaries 2011, p. 1 of 2).

This chapter covers the research approach used, the technique used in collecting the sources and as well as the methods used. In Chapter One, the researcher raised the following key questions:

- What is the extent of the problem?
- How is the problem currently being dealt with?
- Can the current problem approach be improved?

These questions assist the researcher in selecting the appropriate methodology. Therefore, in this chapter, possible answers to the above mentioned questions will be recommended using the case study of Walmer Township which is the focus area of the research report.

3.1 RESEARCH DESIGN

A research design is a plan of action on how the research will be carried out. Punch describes research design as ‘all issues involved in planning and executing a research project, from identifying the problem through to reporting and publishing the results’ (Punch 2006, p. 22 &143). In general, the research design includes the following questions: Following what strategy; within what framework; from whom; and how?

How information was collected: This is about the methods employed to collect sources which the study is based upon. When research questions are indicated from the beginning, the research design sits between the research questions and the information and it shows how the research questions will be linked to the information available(Punch 2006, p.151).

The next section is going to explain the research design used in this study. For the purpose of this report, a descriptive research approach is used, sourced from secondary sources. This means that this report follows a qualitative approach.

3.1.1 Descriptive study

According to Experiment-resources, a descriptive research approach is “a valid design method for research specific subjects. This type of study is an invaluable scientific tool” (Experiment-resources: 2011, p.6). The outcome of a descriptive study is usually questioned and interpreted differently, but this kind of research approach is still preferable than not doing any research at all.
3.2 METHOD OF DATA COLLECTION

Data is a set of facts and figures collected together for a certain purpose. Soft data (words and sentences) indicates the qualitative research strategies and data collection techniques that differ from hard data (numbers) for which quantitative approaches are used (Neumann: 2011, p.165). Data can be collected using various ways such as interviews, observations, and documentary data. For the purposes of this research and due to the restricted extent of the research, only secondary sources were used:

3.2.1 Secondary sources

Secondary sources are all documents which were originally written and presented in the past by somebody else. According to Neuman (2011, p. 480), secondary sources are “the writings of specialist historians who have spent years studying the subject”. Careful planning was done to select the different books, journals and newspaper articles to ensure that they attempt to provide answers to the key questions posed by the study and that they give comprehensive and historical information about poverty in South Africa. The following paragraphs are an illustration of how these were applied in the study:

In Chapter One of the research report the MDGR indicated the extent of poverty in South Africa by showing the number of people living under the poverty line. Secondly, in his 2007 State of the Nation Address, former President Thabo Mbeki acknowledged the existence of poverty and suggested the need to draw the government’s attention on poverty reduction efforts (State of the Nation Address: 2007, p. 3). Sagner on the other hand, highlighted the discriminatory policies that existed in South Africa in the past that are perceived to have resulted in the existing inequalities still persisting (Sagner: 2000, p. 7).

In Chapter two of the study, the researcher illustrated how the second research question was attempted to be answered, by drawing on some of the policy documents of the government and the municipality and how they were used to address the problem.

In Chapter three of the report, researcher made use of the key research questions as a guide to how the research will be carried out (See chapter one).

In Chapter four, the researcher made recommendations based on the research questions which the study attempted to answer.

3.3 SUMMARY

In this chapter, the researcher explained the research method followed in compiling this report, the research approach, technique used as well as the method.
CHAPTER FOUR
RECOMMENDATIONS AND CONCLUDING REMARKS

4. INTRODUCTION

This section of the report is going to report on the conclusion reached based on the aims of this research. A summary of the results of the role of the Nelson Mandela Bay Municipality in alleviating poverty in the Walmer Township will be provided.

The next section of this chapter will give a summary of each chapter, after which, recommendations will be made and then a final conclusion will be given.

In Chapter one, the importance for taking this research was explained and the key questions which it sought to address were given. The key questions were:

- What is the extent of the problem?
- How is the problem currently being dealt with?
- Can the current problem approach be improved?

The aims and objectives for the research were highlighted and they were:

- The focus is on the extent of poverty in the Walmer Township
- To identify or investigate how the municipality has been addressing the problem and its effectiveness in doing so
- To help identify a normative criteria to address the problem

In order to realise these above objectives, this report also looked at the living conditions of the people in that area and investigated how the municipality’s current strategy approach to address the problem have been implemented.

Then chapter two which followed answered the key research questions and it also explained the aims and objectives of the research.

4.1 OVERVIEW OF FINDINGS

Poverty and poverty alleviation have always been at the centre of debate among political and economic analysts since forever. The main aim of these has been to come examine the root causes of the poverty challenge the country is faced with, make a diagnostic and come up with policies to address these. After obtaining democratic freedom in 1995, South Africa adopted the RDP policy which aimed to address the inequalities left by the previous government. This it did successfully and then the government introduced another policy tool which was going to address the imbalances of the apartheid regime and set goals such as job creation, redistribution through land reform and major infrastructure projects in housing, services and social security. However in 1996 the RDP office was disbanded.
This was followed by the Growth, Employment and Redistribution (GEAR) in 1996, which was also a macro-economic policy framework for growth which aimed to increase growth and job creation in the South African economy through a reduced budget deficit and falling rate of inflation.

4.2 RECOMMENDATIONS

Some municipalities do not have the capacity to collect and trace poverty information in their own cities. This can cause serious challenges because before any planning can take place, it’s firstly important to know the level of poverty in the area. The UNCHS (Habitat) established a database called Urban Observatory System for this purpose. It is a ‘worldwide information and capacity building network to help governments, local authorities and civil society improve the collection, management, analysis and use of information in formulating more urban policies’. Secondly, all the municipality stakeholders should come together to define the shared vision of their municipality and the quality of life they want to leave, this should be done as especially for the sake of the poor. Based on the previous chapters which attempted to answer the key research questions for this report, the following the recommendations are suggested:

RECOMMENDATION 1

The municipality could start by adopting a tradition of including people who are poor in formulating poverty policies. This strategy could result in a positive response in terms of raising the profile of poverty issues in the Nelson Mandela Bay Municipality. Involving the poor could ensure coordination of policies that are decided and implemented at local government level. In Belgium, for example, the tradition of including people living in poverty started in the early 1990s and Belgium was rather confident about the way it organised stakeholder involvement in its social inclusion (Hamel and Vanhercke: 2009, p.1). Even today, some stakeholders (decision makers) agree that these open discussion forums help to give a better understanding of the situation, problems and appropriate solutions to be applied.

RECOMMENDATION 2

Urban agriculture is becoming an important survival strategy in cities where there are poor people. It has become a source of income and a cheap source of food to households whose members have no alternative source of income. Members of the community do not need to go to school in order to learn this skill. The study recommends that the municipality should adopt a policy on this, which will encourage the poor to plant food beyond their subsistence survival. Research in Kenya and experience in Shanghai have shown that incorporating urban agriculture into the economic structure of government can have positive effects for the poor, not only to generate income but to improve their health as well (Memon and Lee-Smith: 1993, p. 137).

For example, on Heugh Road, Walmer there is a hydroponics food garden and its being run by 10 community members. That initiative is financed by the provincial government in partnership with donors from the European Union. The Nelson Mandela Bay Municipality is capable of supporting such a development. Land can be made available specifically for growing of food to benefit the previously disadvantaged groups in the metro and distribute information to let the poor know that
there is such an initiative available for them. People are missing out on opportunities because they don’t think of going to the municipality offices to enquire about the possible resources the municipality might have to help communities in need. The municipality needs to let people know what opportunities are there for poor people to take advantage of, by organizing and inviting community members to meetings in these poor communities and informing them of resources available to them. The municipality can offer information on acquiring land, land capacity, water, the markets for the fresh produce, provide trainings on growing food and basic business skills so that the community members can be hands-on in the running of such projects. Coordination and support services can be handled by the municipality.

RECOMMENDATION 3

Descent houses are what the community of the Airport Valley, Walmer Township need as a start. Having a roof under one’s head provides emotional relief. Children are affected by their living conditions and this can be seen in how they perform at school, and with adults it affects their performance and their self-conduct at work. The municipality needs to treat the delivery of formal RDP houses to Walmer residents with the greatest of urgency because housing is an important element in the survival approach of the poor. Housing gives the poor stability and offers an opportunity to accumulate assets and savings and can be seen as some source of employment. If there no formal RDP houses for instance, the demand for houses can be seen in various sub-markets. These sub-markets can vary from squatter housing to illegal low-income housing. For example, major cities in Asia have about 60 to 80 percent of the housing supply provided and financed through the informal sector mechanism. Studies in India, Korea, Philippines, Sri Lanka, Bangladesh and Indonesia show that formal sector response has been inadequate in meeting housing demand (Balisacan, Cortez and Lazo: 1994, p.9). In this situation, the municipality could together with the national government to come up with a housing programme that would see the demand for delivery of low cost housing being incorporated aggregate demand and supply of housing.

RECOMMENDATION 4

The Airport Valley is overcrowded and not suitable for formal RDP housing because it is situated in a next to an underground dumpsite and there are gas emissions from the dumpsite. Infrastructure is limited, electricity is informal and water taps are scattered around the area. These pose serious danger to human life and a burden to the public health system. The municipality should make addressing these issues a challenge.

RECOMMENDATION 5

Poerbo (1991, p.60) explains that ‘management of solid waste is a challenge’. The distances between the between the city and where waste is mostly generated increases as the city grows. The costs of managing waste for the municipality surely increase as a result of this, because new disposal sites are hard to find. Right now, for the Airport Valley residents, an appropriate location for a dump site is a challenge as well as a health hazard. As a solution to the problem, the municipality could engage
the community and offer a solution that would involve community participation in solid waste management. The municipality could be the public provider of sewage treatment, the trunk sewer system and the main collector lines. At the community level, consumer-based solutions could be implemented.

**RECOMMENDATION 6**

The only income-generating asset the poor people have at their disposal is their own labour. They receive income through self-employment or wage employment and unfortunately most poor people are either unemployed or under-employed. The core pillar of the Nelson Mandela Bay economy is the manufacturing industry. In the private sector, the manufacturing is the largest employer compared to the public sector in the Bay. During the recent global financial crisis, retrenchments that took place in the Nelson Mandela Bay Municipal area were over and above the then unemployment rate of 35 percent (Council Report: 2010, p. 1). The informal sector was born out of this and has becoming an increasingly important labour force. Informal sector activities vary across economic sectors and size. The municipality can provide infrastructure to enhance this informal sector. “In addition, small informal sector entrepreneurs could be strengthened by becoming organized through the establishment of professional organizations or unions which will be able to exert pressure to stimulate policy changes which benefit small informal sector entrepreneurs.” (Sethuraman: 1994, p. 8)

**4.3 CONCLUSION**

This research report examined the role of the Nelson Mandela Bay Municipality in alleviating poverty in the Walmer Township. This was done by studying the extent of the problem in the area and the current approaches which the municipality has employed to reduce poverty in the area. However, the poverty problem still remains a challenge for the metro. The report tried to provide a comprehensive look at poverty in the Walmer Township. No studies have been done or completed to record the extent of poverty in that area and in the last chapter the report provided some recommendations on how the municipality can intervene effectively to the alleviation of the problem.

In the second chapter, the report looked at poverty in South Africa and inequalities which are as a result of political apartheid before 1994. To address this challenge and to reduce the number of people living in poverty, the South African government prioritised a range of poverty reduction strategies including the Reconstruction and Development Programme. This was a socio-economic programme to redress the imbalances inherited from the past. In 2010, there were 16, 5 million people who were living below the poverty line of $2.50 per day and this serves as a developmental challenge for the government today. The report also highlighted the need to measure poverty because it considers it important to provide a clear picture to the government as to how big or small the problem is. It also helps the state to best allocate their resources. The chapter concluded that without measuring poverty, it would be a self-defeating exercise to even try to do something about it. Every year the government directs money towards social programmes, specifically programmes which are focussed at the poor people. When poverty is measured, the government can, at appropriate intervals evaluate whether the poverty programmes are being effective and moving people out of poverty and improving their well being, both in the short-term and over an extended
period of time and by placing information about the levels of poverty and the resultant inequality in South Africa in the public domain, a national commitment could be built to eradicate poverty that goes far beyond government.

The Nelson Mandela Bay municipality has a responsibility to implement RDP as a sphere of government close to its residents. The report highlights that as a starting point for the municipality, priority should be placed on satisfying the basic needs of the Walmer Township residents for food, water and shelter rather than focussing exclusively on economic growth indicators and the IDP is the appropriate tool used for this development, emphasising poverty alleviation through an integrated approach. The Nelson Mandela Bay also has an Integrated Poverty Strategy by which it seeks to maximise employment creation initiatives and socio-economic development within the metro. The goal of this strategy is to reduce poverty, unemployment and improve skills level. The report also presented statistics from the IDP 2006-2011 which suggests that about 37 percent of the metro’s households suffer from hunger daily and that’s close to half of the Bay’s population (Council report 2010, p.1). As a result of this, the municipality decided on a feeding scheme to address this problem, targeting the poorest areas of the city. Unemployment and poverty are one of the greatest challenges facing South Africa and have manifested themselves within the Nelson Mandela Bay.

Airport Valley Walmer is one of the oldest cities in the metro. The area is informal and has no formal RDP houses because the municipality is still planning to move those residents from there to a place that’s suitable for development. The area is one of the critically distressed wards in the metro. The report highlights that the Airport Valley in Walmer Township has critical challenges with regards to education, proper housing, health and unemployment.

Lastly, the report suggested a few recommendations. First one it was for the municipality to adopt a tradition of including poor people in formulating poverty policies to ensure coordination. Secondly, the study also suggested that the municipality to encourage the poor to plant food beyond their subsistence level. Thirdly, because there are no formal RDP houses in the Airport Valley, the municipality needs to treat the delivery of formal houses to the Walmer Township residents with urgency and the poor infrastructure (informal electricity and water taps scattered around the area) which pose serious risk and danger to human life. Lastly, the report recommended that the municipality provides infrastructure to enhance the informal sector activities which came about as a result of the global financial crisis that led to retrenchments in the manufacturing industry in the Nelson Mandela Bay.

Moving forward, a review of the current policies is advised and it should involve the people living in poverty to get a better understanding of the problem and to come up with appropriate solutions.


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