

# PART 1: Overview of the Municipality

## 1. Buffalo City Profile

### 1.1 Buffalo City in Context

Buffalo City is situated relatively centrally in the Eastern Cape Province, which is bounded to the south-east by the long coastline along the Indian Ocean.

The Eastern Cape Province is the second largest province in land area in South Africa, and covers some 169,580 square kilometres, which is 13,9% of South Africa's total land area. The province has the third largest population of South Africa's Provinces, approximately 6,4 million people (Census 2001), which is 14,1% of South Africa's people. The province is generally seen as one of the two poorest in South Africa. There are two major urban conurbations within the Province, Nelson Mandela Metropolitan and Buffalo City.

Buffalo City is the key urban centre of the eastern part of the Eastern Cape. It consists of a corridor of urban areas, stretching from the port city of East London to the east, through to Mdantsane and reaching Dimbaza in the west. East London is the primary node, whilst the King Williams Town (KWT) area is the secondary node. It also contains a wide band of rural areas on either side of the urban corridor. (See Figure.1 below). Buffalo City's land area is approximately 2,515 km<sup>2</sup>, with 68km of coastline.

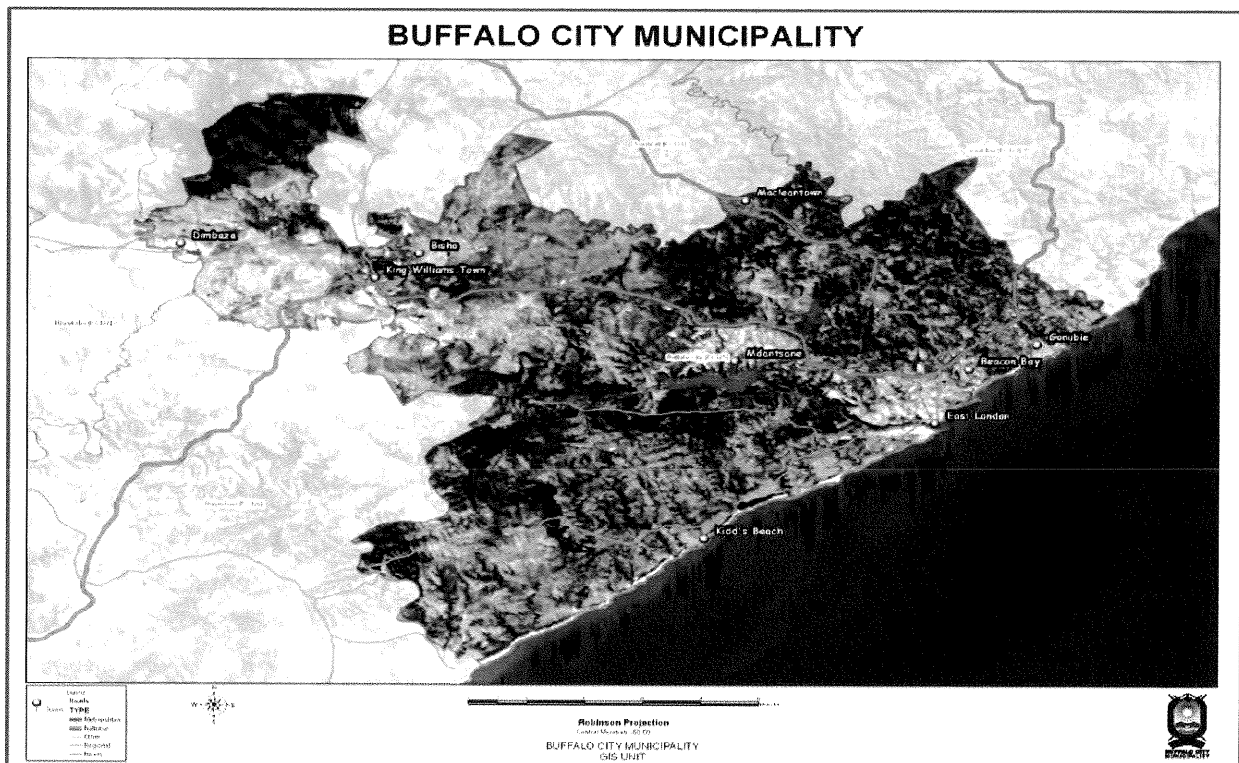


Figure 1: BCM Boundaries and Key Urban Centres

Source: BCM GIS Department



Both King William’s Town and East London have important functions. KWT functions as a Regional Service Centre whilst Bhisho, is the Provincial Administrative Centre and contains the seat of the Provincial Government of the Eastern Cape Province, whilst East London is the dominant economic centre.

Buffalo City is broadly characterised by three main identifiable land use patterns.

- The first has been described above, that is, the dominant urban axis of East London – Mdantsane–KWT–Dimbaza, which dominates the industrial and service sector centres and attracts people from throughout the greater Amathole region in search of work and better access to urban service and facilities.
- The second is the area comprising the fringe peri-urban and rural settlement areas, which, whilst remaining under the influence of the urban axis, is distinct in character and land use patterns. These include the Newlands settlements, those settlements that previously fell within the former Ciskei Bantustans, and the Ncera settlements located west of East London.
- Thirdly, the commercial farming areas form a distinctive type of area. These areas are dominant in the north-eastern and south-western (coastal) areas of the Municipality and are characterised by extensive land uses, with certain areas making use of intensive farming (irrigation-based).

## 1.2 Buffalo City Population

The Community Survey conducted in October 2007 by Statistics South Africa, estimates the total population of Buffalo City to be 724 306, a marked growth from the 2001 census which put it at 701 895. However, the community survey does not provide a breakdown of the population figures per constituent areas of BCM as it is normally done in previous censuses. In the last two censuses the BCM population was broken down as follows:

Table 1: Population 2001 & 1996 (Census)

Area	2001	1996
KWT & Surrounds	184,246	183,934
East London Area	204,862	187,120
Mdantsane Area	168,284	176,483
Rural South	63,967	62,530
Rural North	80,536	76,881
<b>Total</b>	<b>701,895</b>	<b>686,948</b>



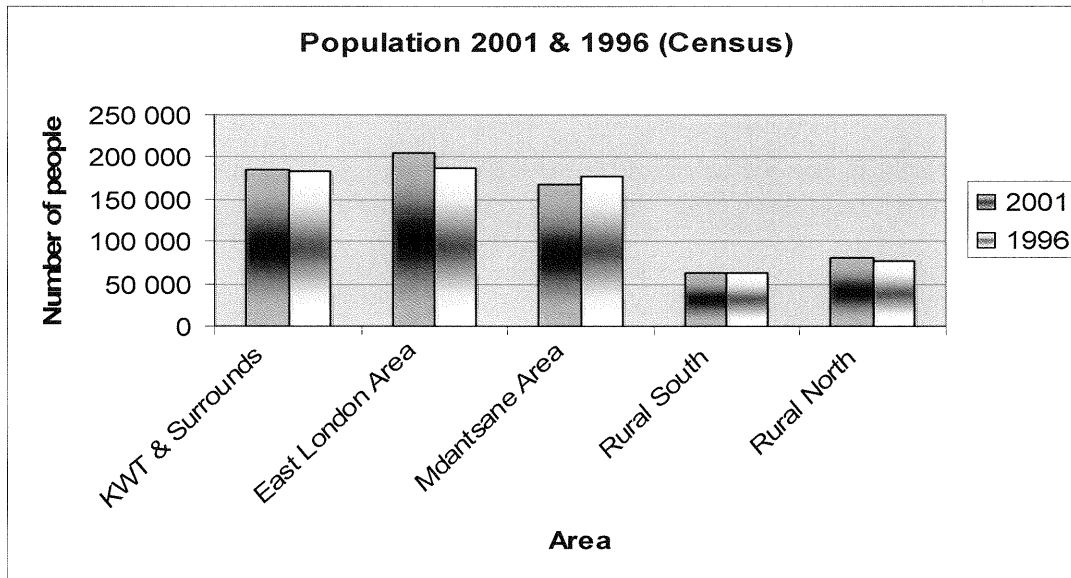


Fig 2: Population 2001 & 1996 (Census)

Whilst there has been some debate regarding possible under-counting of BCM in the Censuses, the Census figures are recognized as the official statistics.

The population has grown relatively slowly from 1996 - 2001 at 2,87%, an average of 0.6% per annum. Households have, however, grown at a much faster rate, as extended households 'disaggregate'. The growth rate for households over the five year period was 19,82%, an average annual household growth of 3,68%. This growth in the number of households translates into an increased demand for municipal services.

Table 2 below shows that out of the total population residing in Buffalo City, the Black African population accounted for 598 258 in 2001 and 616 833 in 2007. The smallest group was the Indian/Asian population with 4 334 in 2001 and 1 950 in 2007.

Table 2: Buffalo City Municipality population by population group, 2001 and 2007

Population group	2001		2007	
	N	%	N	%
Black African	598 258	85.2	616 833	85.2
Coloured	39 998	5.7	52 212	7.2
Indian or Asian	4 334	0.6	1 950	0.3
White	59 300	8.4	53 311	7.4

Source: Statistics South Africa, Population census 2001, CS 2007



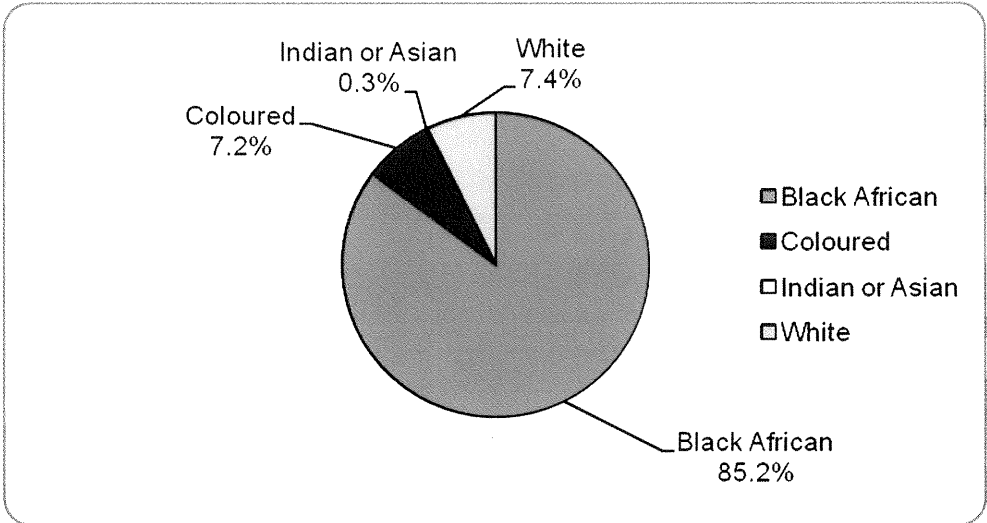


Figure 3: Buffalo City Municipality population by population group, 2007 Source: Statistics South Africa, Population Community Survey 2007

### 1.3 Buffalo City's Economy

Buffalo City is one of the key economic hubs of the Eastern Cape Province and is the most important economy in the eastern part of the Province. In 2004, it was estimated that Buffalo City contributed 23% to the total GDP of the Province and provided 19% of the Provinces formal employment opportunities.

Figure 4 indicates that in Buffalo City in 2007: a proportion of 37% of the working-age population were employed, 24% unemployed and 39% not economically active.

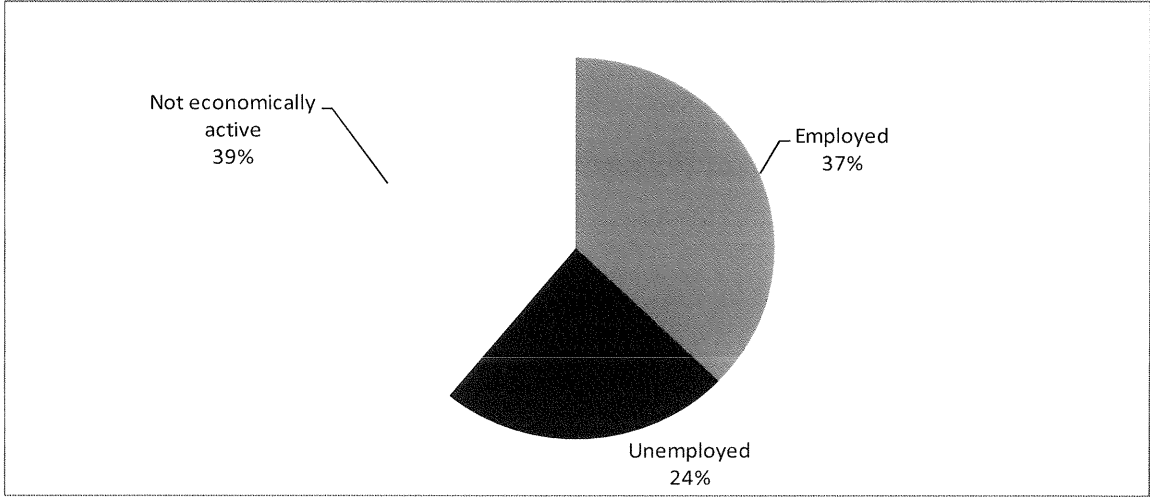


Figure 4: Distribution of labour market status, Buffalo City, 2007 Source: Statistics South Africa, Community Survey, 2007

Buffalo City's economy, like the South African economy, has over time shifted from primary and secondary sectors to a growth of the tertiary sectors. The top three sub sectors of BCM's economy are Finance & Business Services, Manufacturing and Government Services.

The relative growth of the tertiary sector versus the primary and secondary sectors over the period from 1995 to 2004 is graphically illustrated in figure B.3 below.



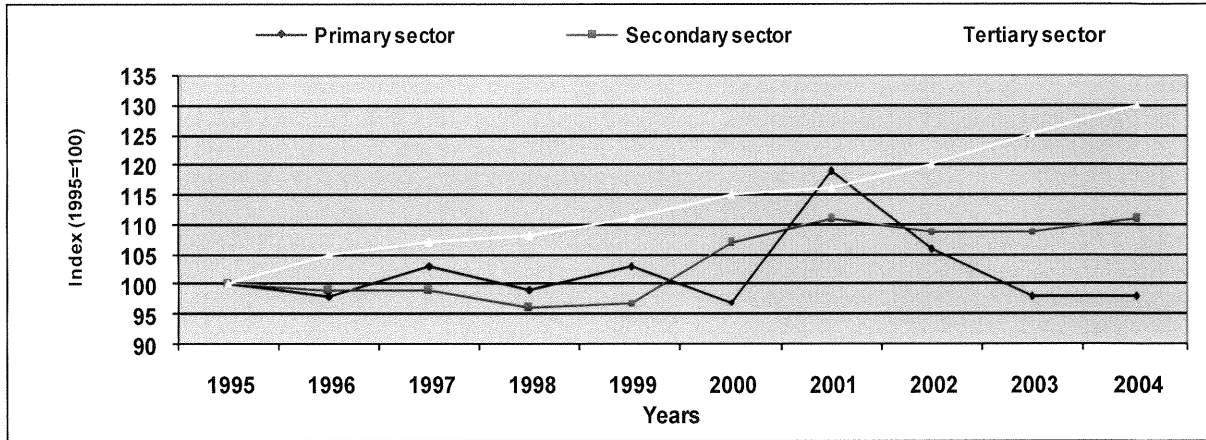


Figure 5: Growth Trends in the Broad Sectors of the Economy of Buffalo City, 1995 – 2004, constant 2000 rands Source: SACN Skills Report

The two major economic centres in BCM are East London and KWT. East London is a port city with a diverse economic base and home to global companies such as Daimler Chrysler South Africa (DCSA), Johnson and Johnson and Nestle. Of concern is the many clothing and textile factories which have closed down and the vulnerability of the remaining factories.

### Employment, Income & Skills

The shifts in the economy have implications for employment, with the past three decades showing a decline of employment in the primary (agriculture, mining) and secondary (manufacturing, construction) sectors and relatively higher employment in the tertiary sector (transport, trade, finance, and services).

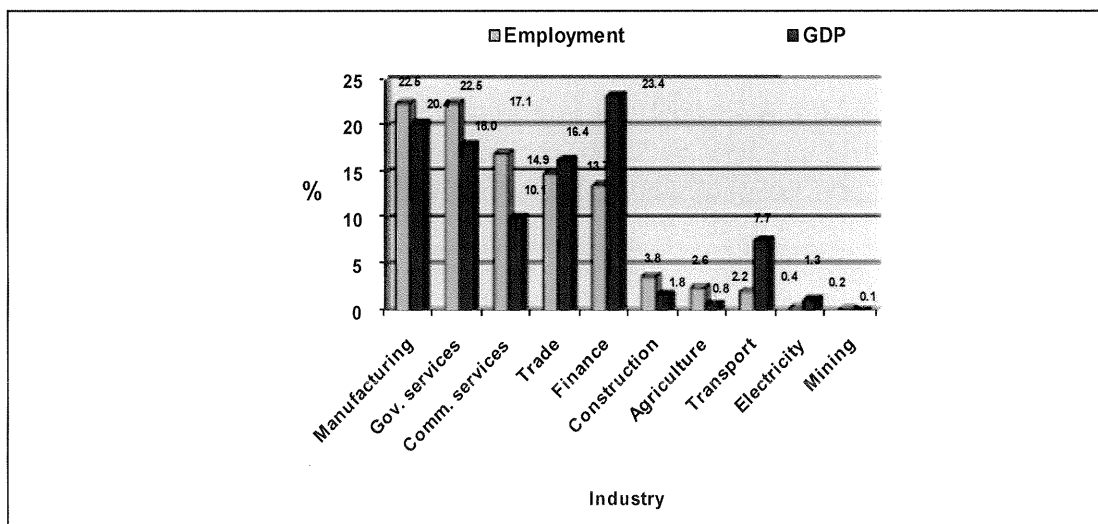


Figure 6: Employment and GDP by industry, 2004, Source: SACN Skills Report

The largest contributors to job creation in Buffalo City Municipality, after the public and community services sectors are finance, manufacturing and trade.

Cognisance also needs to be taken of the informal sector and its contribution to job creation in BCM. The SACN Skills Report defines the informal sector as the “economic activity that is not recorded in the national accounts and which is mostly unregulated.” Buffalo City has, in



comparison to the other nine cities, a lower proportion of workers in the informal sector (23%) and a higher proportion of workers in the formal sector (77%).

#### 1.4 Disability

##### **Definition**

A disabled person is defined as someone who has a sight, hearing, physical, intellectual, communication or emotional impairment that has lasted six months or more, that also prevents their full participation in daily activities or in educational, economic and social activities.

Note that in all the analyses that follow, persons with multiple disabilities are grouped separately. Data for absolute totals for each disability are available for Stats SA.

Table 3 below shows the number of people that were classified as disabled in Eastern Cape and South Africa, and the proportions suffering from each type of disability. It shows that:

- The largest proportion of disabled population in Buffalo City suffered from a physical disability (29,0%) and emotional disabilities (18,7%).
- The communication disabilities (3,4%) are the least form of disability among the disabled population of Buffalo City.

Disability	Buffalo City		Eastern Cape		South Africa	
	N	%	N	%	N	%
Sight	2 918	6.9	36 558	8.9	249 787	9.7
Hearing	2 780	6.6	35 539	8.6	180 395	7.0
Communication	1 453	3.4	16 028	3.9	91 067	3.5
Physical	12 309	29.0	130 080	31.6	769 774	30.0
Intellectual	2 183	5.1	24 129	5.9	128 840	5.0
Emotional	7 925	18.7	71 947	17.5	373 618	14.5
Multiple disabilities	2 025	4.8	17 907	4.3	122 738	4.8
Institutions	10 808	25.5	79 897	19.4	651 773	25.4
<b>Total</b>	<b>42 401</b>	<b>100.0</b>	<b>412 085</b>	<b>100.0</b>	<b>2 567 992</b>	<b>100.0</b>

Table 3: The disabled by type of disability, Eastern Cape and South Africa, 2007 Source: Statistics South Africa, Community Survey, 2007

#### 1.5 Housing conditions

##### **Distribution of households by Type of main dwelling**

Dwellings have been classified into four basic categories in this report: (a) formal<sup>1</sup> (b) traditional, (c) informal and (d) other<sup>2</sup>. Figure 7 indicates the type of main dwelling in which households lived in 2001 and 2007.

- It shows that the percentage of households living in formal dwellings has increased from 62,9% in 2001 to 70,6% in 2007.
- There was a corresponding decrease in the proportion of households living in the traditional dwellings over the time period from 8,1% in 2001 to 4,5% in 2007.
- The percentage of households living in informal dwellings decreased from 28,6% in 2001 to 24,5% in 2007.

