



SALGA

South African Local Government Association

IMPLEMENTATION OF INTERVENTIONS IN LOCAL GOVERNMENT

PROVINCIAL ECONOMIC SUMMIT
PRESENTATION

By:
CHAIRPERSON OF SALGA
CLLR. SK MASHILO

16 October 2009





- INTRODUCTION
- LEGAL FRAMEWORK
- CORE ROLES AND RESPONSIBILITIES OF LOCAL GOVERNMENT IN LED
- IMPACTS OF THE ECONOMIC RECESSION TO LOCAL GOVERNMENT
- LOCAL GOVERNMENT INTERVENTIONS TO MITIGATE THE ECONOMIC SITUATION



The Economic Recession and Municipalities:

- Our municipalities in Mpumalanga like many other institutions have been negatively affected by the world wide economic recession and they are desperately exploring measures to ensure that they survive through this extremely challenging period.
- This economic meltdown is made worse in our case in Mpumalanga by the so called service delivery protests that are violent and have spread through out the province and which are regrettable to say the least.
- Our member municipalities are striving to ensure that we remain focused in terms of executing our mandate to deliver basic services even during this economic meltdown



- Section 152 of the Constitution of the Republic of South Africa, Act 108 of 1996 deals with the objects of Local Government which are:
 - To provide democratic and accountable government for local communities;
 - To ensure the provision of services to communities in a sustainable manner;
 - To promote social and economic development;
 - To promote a safe and healthy environment; and
 - To encourage the involvement of communities and community organisations in the matters of local government



- To provide leadership and direction in policy making
 - improve business environment and ensuring that the local area is conducive for business
- To administer policies, led programmes & projects that enhance the promotion of local economic development , and
- To be the main initiator of economic development through regulatory powers & promotion of industrial and small business development, social enterprises and cooperatives



- The following is cited as impacts of the economic recession to Local Government:
 - Declining revenues (low payment rates);
 - Inability to raise loan funding ;
 - Increased number of indigent households;
 - Increased demand for free basic services;

THE IMPACT OF THE ECONOMIC RECESSION TO LOCAL GOVERNMENT



- Job losses
- Business closures
- Contraction of private sector investment
- High level of unemployment



- The following are cited as local government interventions to mitigate the economic situation:
 - Projects reprioritization ; rescheduling and cost curtailment measures
 - mobilising local resources effectively
 - Encourage local economic development initiatives with specific focus to SMME's
 - Marketing local areas more effectively



- Created job opportunities by absorbing more unemployed people into the EPWP projects



SALGA
South African Local Government Association



THANK YOU