Socio-economic impact assessment

Fynbos Golf and Country Estate

DRAFT

Proposed establishment of a low-density leisure estate and golf course on Portions 12, 13 and 70 of the Farm Eersterivier 626

Eersterivier/Skuitbaai
Koukamma Municipality
Eastern Cape Province

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# Executive summary

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Executive Summary

The developers of the proposed Fynbos Golf and Country Estate appointed the service provider to assess the potential socio-economic impacts of the proposed development and to make suggestions on means to mitigate such impacts.

The first chapter of the report outlines the brief, the research approach and indicates the sources of information that will be used to inform the assessment. A community survey was undertaken among a sample of members of one of the potentially most affected communities, while the registered interested and affected parties were invited to participate in an opinion survey on the possible impacts of the proposed development. The validity of the survey information was tested. The community survey was found to be statistically valid, while the outcomes of the opinion survey among the registered interested and affected parties are indicative only.

The second chapter considers the international debate on golf development. The debate initially addressed environmental impacts (generally seen as negative) and economic impacts (frequently seen as positive, particularly in developing economies), it more recently has focussed also on the social impacts of such developments.

Chapter 3 addresses the meaning of socio-economic impact assessment and what needs to be assessed. According to one definition “A socio-economic impact assessment examines how a proposed development will change the lives of current and future residents of a community” (Edwards (2009:1). The South African Socio-Economic Impact Assessment Guidelines (DEAT, 2006 [ii]: 5) states that ‘Socio-Economic Impact Assessment creates the opportunity for the inclusion/participation of communities in Integrated Environmental Management. Participation in a Socio-economic Impact Assessment can lead to the empowerment of a community by giving it a channel through which its voice can be heard”. The chapter examines the national socio-economic impact assessment guidelines as well of those at provincial level. The Eastern Cape Province has no specific guidelines for golf estate developments and developers and practitioners are obliged to rely on the outcome of the EIA process.

The proposed golf estate development will be located in the area of the Koukamma Municipality in the western corner of the Eastern Cape. A socio-economic overview of Koukamma is presented in Chapter 4. It sketches the wide range of resources that makes this one of the most prosperous municipal areas in the Province, but draws attention also to the socio-economic disparities between the rich and poor.

The Eersterivier Kruis community lives north of the proposed development on land owned by the Moravian Church. This community has been identified as potentially most affected by the golf estate development. In order to gain a better understanding of the socio-economic conditions in this community, their aspirations and their fears, a brief socio-economic survey was undertaken among a sample of one third of the households. The outcomes are contained in Chapter 5, which sketches their levels of education and their relatively poor levels of skills that make them vulnerable to competition for scarce local employment opportunities. Their relatively high levels of unemployment and high dependency on social grants are noted. An opinion survey revealed their fears that other than a relatively small number of low-level job
opportunities, the community is likely to benefit little from the proposed new development.

After a brief summary of the plans for the proposed golf estate (Chapter 6), the next two chapters consider the potential social (Chapter 7) and economic (Chapter 8) impacts of the proposed development.

An assessment of the Koukamma Municipal planning guidelines finds tentative support for the expansion of coastal nodes, such as Eersterivier (the site of the new development) and even for golf developments. While no persons were displaced as a consequence of the acquisition of land for the new development, there are changes facing the Eersterivier Kruis community that go beyond the direct impact of the new golf estate. They are the main beneficiaries of a proposed new settlement that will be constructed on a municipal farm north of the Moravian Church land. A community Focus Group meeting and the outcomes of the opinion survey provides insights into their aspirations and apprehensions about the new development. Their greatest aspiration is to find sustainable employment on the new golf estate. Their greatest fear is that they will be unable to compete for these scarce employment opportunities against other job seekers from outside the immediate area. Both the Eersterivier Kruis community and the home owners in the coastal resorts fear that the consequence of the expected influx of work seekers will lead to increased levels of crime. The home owners in the coastal fear an influx of tourists will have negative impacts on their way of life and will place pressure on the limited beach resources and facilities. The capability of the different spheres of government to provide adequate levels of services to the area is assessed.

Chapter 8 assesses the potential economic impacts of the proposed development. It uses a systematic approach to assess the potential impacts on the different economic sectors in Koukamma. It assesses the potential economic impacts on wages, particularly in the local community, as well as the potential positive and negative financial impacts on the Koukamma Municipality and the other spheres of government. The financial viability of the proposed golf estate developers and their resilience during the current downswing in the demand for second homes are key factors in the perceived economic benefits of the new development. The most significant long-term positive economic impacts are likely to be on the economic well-being of the Kruis community and the impact of golf tourists on the Koukamma economy.

Recommendations are made on how the most significant social and economic impacts may be mitigated.

The final chapter summarises the most significant potential impacts of the new golf estate development.
The map indicates the location of Koukamma in the extreme south western portion of the Eastern Cape Province and the Cacadu District Municipality.
Chapter 1
Introduction

According to the Guidelines for Socio-Economic Impact Assessment (SEIA) published by the Mackenzie Valley Environmental Impact Review Board of Canada, “SEIA is the systematic analysis used during EIA to identify and evaluate the potential socio-economic and cultural impacts of a proposed development on the lives and circumstances of people, their families and their communities. If such potential impacts are significant and adverse, SEIA can assist the developer, and other parties to the EIA process, find ways to reduce, remove or prevent these impacts from happening.

Impacts are potential changes caused – directly or indirectly, in whole or in part, for better or for worse – by development activities.

SEIA can identify and distinguish numerous measurable impacts of a proposed development, but not every impact may be significant. The people who are impacted, directly or indirectly, have a say in whether impacts on valued socio-economic components are significant. While SEIA tends to focus on the avoidance of adverse impacts, SEIA also provides a forum for planning how to maximize the beneficial impacts of a proposed development. Beneficial impacts can include:

- a better standard of living due to increased access to employment, business opportunities, training and education
- greater access to and from a community and
- increased funding to improve social infrastructure and cultural maintenance programs.”

(Mackenzie Valley Environmental Impact Review Board, 2007: 6)

This, therefore, is the intention of the report that follows, that will focus on aspects of the socio-economic impacts – and proposals for the mitigation of negative impacts - of the proposed Fynbos Golf and Country Estate near the coastal nodes of Eersterivier/Skuitbaai in the area of the Koukamma Municipality in the southwest of the Eastern Cape Province.

1.1 The brief

On 18 June 2008 the Environmental Impact Assessment consultants for the proposed Fynbos Golf and Country Estate development published a Background Information Document for a “Proposed Establishment of a Low Density Leisure Estate and the redesign of the existing Skuitbaai golf course (also previously known as the Dirk Fourie Country Club) to an 18 hole course on Portions 12, 13 and 70 of the Farm Eerste Rivier 626”.

It explained that the “purpose of this Background Information Document (BID) is to provide stakeholders with the opportunity to register as interested and affected parties in the environmental assessment process and to obtain their initial comments on the proposed establishment of a Low Density Leisure Estate and the redesign of the existing Skuitbaai golf course to an 18 hole course on Portions 12, 13 and 70 of the Farm Eerste Rivier 626”.
As part of the EIA process, a Specialist Report is required to assess the potential social and economic impact of the development. The terms of reference for the Socio-Economic Assessment is summarised in the Scoping Report for the proposed development:

- To undertake a socio-economic survey of the area (current and potential);
- To undertake a socio-economic study of the development proposal indicating what the potential positive and negative impacts are;
- To quantify the socio-economic contribution that the development will have on the local community and the Koukamma Municipality.
- To describe the need and desirability of the development in light of the above.

In August 2009 a service provider was appointed to conduct a specialist Socio-Economic Impact Assessment that would in the end form part of the overall Environmental Impact Assessment of the proposed development.

The brief for the SEIA required the service provider to “undertake the necessary study to compile a social and economic impact assessment report for the proposed Fynbos low density leisure estate development being planned in the Koukamma Local Municipality in the Eastern Cape”.

Specific requirements included the following:

- Research to establish a baseline of socio-economic information that will inform the development concept and social and economic impact assessments;
- Identifying the key social and economic issues in the local community which could be affected or influenced by the project (i.e. impact criteria);
- Develop a comprehensive project description from a social and economic perspective to inform the impact assessments’
- Perform social and economic impact assessment for the proposed project;
- Formulate mitigation guidelines to reduce the potential negative impacts and interventions to maximize the potential positive impacts.

The brief provided guidelines for the assessment process. These included the

- spatial extent of the impact (e.g. local or regional)
- duration of the impact (temporary, short or longer term)
- significance of the impact (low, medium high)
- status of the anticipated impact (positive, negative, neutral)
- confidence in the predictions (low to high)
- probability/likelihood of the impact actually occurring (improbable to high probability)
- intensity of the overall impact on the social and economic systems (low to high)

1.2 Research approach

In order to meet the requirements of the brief and the overall requirements of a valid SEIA, the following approach has been followed.

- Definitions of Socio-Economic Impact assessment and the South African context, which provides an understanding of what needs to be assessed;
- Identification of communities or institutions that are most likely to be impacted by the proposed development;
- Relevant municipal policies;
- A description of the socio-demographic profile of the Koukamma municipal area;
The economic drivers in the Koukamma Municipality;
Identification of those socio-economic issues that are most likely to be impacted by the proposed development;
Social impact and recommendations for mitigation of negative impacts;
Economic impacts and recommendations for mitigation of negative impacts;
Synthesis and conclusions.

1.3 Sources of socio-economic information

When assessing the social and economic impact on the affected environment of a new development, it is important to place the proposed development in its local socio-economic context.

Information was collected from both primary and secondary sources.

- Primary information on the potential socio-economic impact of the development was obtained by means of questionnaire surveys among groups of interested and affected parties, the developers and interviews with municipal officials.
- Secondary sources were consulted for definitions and the methodology of SEIA, as well as to provide socio-economic information and statistics.

A range of secondary sources provide socio-economic information on the Koukamma municipal area. These include the following:

- The Municipal Demarcation Board website
- The Koukamma Municipal Integrated Development Plan (IDP)
- Its Spatial Development Framework (SDF)
- The Koukamma Responsible Tourism Sector Plan
- Municipal profiles prepared by the Cacadu District Municipality
- Information gathered for other purposes, such as the Koukamma Municipal Water Services Plan.

While some demographic and other data is available by ward, it appears that no specific socio-economic surveys have been conducted in smaller local settlements.

It is expected that a local community located at the mission settlement known as Eersterivier Kruis, situated only a few kilometres from the proposed development, is likely to be most affected by this development. In order to augment the municipal and ward-based socio-economic information, a socio-economic and opinion survey was undertaken among a sample of households in this community.

1.3.1 Primary research

The EIA Regulations (2006 [ii] Paragraph 23 (f)) requires, among others, "details of the public participation process conducted in terms of regulation 22(a) in connection with the application, including –

(i) the steps that were taken to notify potentially interested and affected parties of the proposed application;
(ii) proof that notice boards, advertisements and notices notifying potentially interested and affected parties of the proposed application have been displayed, placed or given".
The required steps were followed during the Environmental Impact Assessment process. In response to the invitation contained in the Background Information Document of 18 June 2008, 87 individuals or groups of the surrounding commercial farmers and residents of the coastal resorts registered as interested and affected parties (I&APs). This group was used as the focus group and were invited to provide their comments on the proposed development.

These steps were not repeated in full during the SEIA process. Instead, four groups of I&APs were identified:

- The first group comprised the list of 87 registered interested and affected parties (I&APs) that responded to the call to register as such in June 2008. These registered I&APs were used as a focus group to obtain their opinions on the proposed development.

- Notably absent as major registered I&APs were members of the Eersterivier Kruis community that live on Moravian Mission land only a few kilometres from the coast and the proposed development. It became apparent that the proposed development is likely to have a considerable impact on this community and it became the second focus group for the SEIA. A sample survey was undertaken among members of this community to obtain socio-economic information as well as their opinions on the likely impact of the proposed golf estate development.

- The local Municipality constitutes another level of I&APs. Interviews were conducted with Municipal officials that are responsible for planning and infrastructure to obtain their views on the proposed development, to discuss other developments that might affect the Kruis community and to collect information and planning documents. The opinion of the Mayor was obtained through the officials, as there was no opportunity to arrange a meeting with the politicians.

- Further possible interested and affected parties were the various Mfengu communities that live in the Tsitsikamma. These communities have lodged a claim with the Land Claims Commission for land over and above what they received in restitution in 1994. The claim extends towards the coast and clarity was needed on whether the proposed development was included in this claim. In brief, the Mfengu settled in the Tsitsikamma in the late 1830’s on land granted by the colonial government after being dispossessed of their land during the Xhosa Frontier Wars. The community was again dispossessed of their land when four separate Mfengu communities were forcibly removed from the Tsitsikamma to the Ciskei in 1977. The land was subsequently sold to white farmers who were contractually prevented from re-selling the land for ten years. The Mfengu fought a protracted battle to get their land back before the land could be resold, and in 1994, just prior to the first democratic election, the Mfengu lands were returned to them following civil litigation. The land is located south of the N2 national road and the community received financial compensation for portions of land north of the N2. Although the Mfengu land claim has, according to the Department of Land Affairs, officially been settled, the community in 1996 instituted a claim for additional land that extends to the coast. In discussion with the Chairman of the Tsitsikamma Development Trust (TDT), it emerged that the land occupied by the developers of the proposed Fynbos golf estate is not included in the claim. The TDT
appeared to be disinterested in the proposed development and the Mfengu communities were therefore excluded as I&APs.

1.3.2 The validity of the survey information

A socio-economic survey was thus undertaken among a sample of the Eersterivier Kruis community. Opinion surveys were furthermore conducted among two groups of I&APs, namely the Eersterivier Kruis community and those that registered as interested and affected parties as part of the EIA process. It is necessary to assess the validity of the information that was gathered from these two surveys.

1.3.2.1 The Eersterivier Kruis community survey

The Eersterivier Kruis community consists of approximately 60 households that live on land owned by the Moravian Mission Society. This settlement is located close to the proposed development along the road that leads from the coast northwards to the N2 national road and beyond to the Langkloof and Kareedouw, the administrative centre of the Koukamma Municipality.

A questionnaire was administered to a random sample of 20 households and a 100 percent response rate was achieved. The questionnaire (Annexure I) consisted of two parts:

- A list of ten questions on household composition, age, gender, education levels, skills, employment status, occupation, sector, monthly income and source of income(s).
- Questions that solicit their opinions on the expected impact of the proposed golf estate development.

Although the socio-economic profile of the participants differs, their expectations are remarkably consistent. These focus on work opportunities as the most important issue.

The number of households is known, is relatively finite and is the aggregate from which the sample was selected. It is suggested that all of the necessary sampling criteria were met for this component (see Cochran, 1963):

- The method of measurement (opinion survey) is appropriate / correct.
- The sampling frame (households) is appropriate / correct.
- The sample selection (random) is appropriate / correct.

1.3.2.2 Opinion survey among registered I&APs

The second group are the 87 registered I&APs, who are mainly home owners in the adjacent coastal villages or regular visitors. All of these were sent e-mails or faxes to explain the SEIA and request their co-operation to participate in the opinion survey (Annexure D).

In the end, there were 21 responses. One person responded after the information was analysed, so that this sample also consists of 20 respondents. This translates to a response rate of 23 percent.

It must be noted that this group of I&APs does not constitute a scientific construct from which a legitimate sample can be drawn. Some of them may be affected, while others are
merely interested. These two groups are not necessarily the same: an interested party is not necessarily affected, while it is more likely that affected parties will be interested.

There are other issues of validity to consider. I&APs do not constitute a finite population; the sampling frame cannot be determined; an opinion survey is likely to yield very biased results, as it is likely that a more vigorous response will come from those that oppose a particular development.

Under the circumstances the actual response rate is probably irrelevant. The fact remains that there was a response of almost one quarter of those that were contacted. The concept of I&APs is so flawed that it cannot be used as the basis for scientific sampling unless there is some other basis for defining the population (e.g. the finite number of households in the Eersterivier Kruis community). Any opinions of I&APs are indicative only, and must be viewed in the context of likely extreme bias. The opinions that were expressed by this focus group nevertheless are presented for the purpose of this study as the opinions of a group of stakeholders, but with due consideration of the issues of validity that were raised.

Both samples may therefore be considered to be valid, although for different reasons. Regarding the first group (Eersterivier Kruis), the validity and reliability are evident. Regarding the I&APs, the approach may be considered to be correct, in that at least some opinions have been secured. These can be used with objectivity, given that the incidence of bias is given prominence.

1.4 Arrangement of chapters

The chapters are arranged as follows:
- Chapter 1 is the introductory chapter that includes the brief and the research approach
- Chapter 2 gives an overview of the international debate around golf development
- Chapter 3 discusses socio-economic impact assessments and places it in the South African context
- Chapter 4 reviews the Koukamma municipal profile
- Chapter 5 analyses the outcomes of the Eersterivier Kruis community survey
- Chapter 6 outlines the proposed Fynbos Golf and Country Estate development
- Chapter 7 considers the local social environment and the potential social impacts of the proposed development
- Chapter 8 considers the local economic environment and the potential economic impacts of the proposed development
- Chapter 9 contains a summary of key findings and conclusions
- Annexures contain copies of the questionnaires, summaries of the outcomes and additional data sources
Chapter 2
The International Debate around Golf Development

In order to place the social and economic impact of golf development in its context, a brief overview of the international debate on the pros and cons of golf development is presented.

The responses to the mainly critical assessment of the impact of golf development is summarised and the considerable economic and, to a much lesser extent, the social positive impacts of golf are noted.

2.1 The basis for the golf development debate

Golf has become a popular sport. Throughout the world, and also in South Africa, golf courses have become a common land use in and around towns and cities.

The development of residential golf estates, however, is a more recent phenomenon that has seen golf courses and associated housing developments move away from the urban areas to grace areas of natural beauty in often remote areas. Golf estate living has become a lifestyle choice, either for purely residential purposes in a artificially ‘natural’ setting, or for golfing holidays.

Golf courses need space on which to develop, particularly when hospitality and residential components are added to the mix of land uses. Golf traditionally caters for the more prosperous members of society. The proliferation of such estates has resulted in fierce competition for well-heeled clients and has encouraged developers to seek out ever more spectacular settings to make such destinations more attractive and to give them a competitive edge.

Golf is an outdoor sport that demands good weather. New developments are thus drawn to coastal, forest or mountain settings where the weather is warm and that allows golf to be played throughout the year. This requirement inevitably draws new developments to areas with warm climates where, inevitably, water is frequently a scarce resource.

There is a percentage that golf courses require ample water to keep the greens lush. The addition of residential components increases the demand for water. Furthermore, as golf estates are increasingly located in otherwise isolated and scenic localities, the opposition to such developments have become more strident for both environmental and social reasons.

This discussion will focus briefly on the global experience and the social and economic objections to the establishment of golf estates.
2.2 Golf development – a critique

The Mediterranean coast is, like most of the South African coastline, a popular warm-weather destination for golfers. From Morocco to Egypt, on islands such as Crete and Malta, and, particularly, along the coastlines of Portugal and Spain, golf courses and residential golf estates have become magnets for both the rich and famous and mass golf tourism.

According to the author of an analysis of the impact of golf development on the island of Malta, “As one of the most rapidly expanding types of extensive land-use, golf course development has often attracted controversy when proposed as a policy to promote special-interest tourism. Malta is an extreme case in which such conflicts have arisen, being one the world’s most densely populated countries and having limited land and water resources” (Markwick, 2000: 515).

On the remote north eastern coastline of the Mediterranean island of Crete, attempts to construct several golf courses and associated holiday villages and hotels in a biological hot-spot has evoked fierce opposition. Not only is the locality remote and wild, but Crete is also a dry island and access to potable water poses a challenge. Plans to construct a large desalination plant in this pristine environment have given rise to even more protests.

In Egypt, golf courses are clustered around Cairo, with others near Alexandria in the Nile delta and along the Red Sea coast. A multinational company announced plans in 2009 to construct a golf estate close to Cairo and the in the hills overlooking Giza’s Pyramids (Construction Week Online, 2009). The development will include 2 500 villas and townhouses, a 550-room luxury hotel, retail space, sporting facilities, a hospital and a university. The proposed development has raised concerns based on its environmental and heritage impact.

More than one hundred golf courses have been built in Spain between 2000 and 2008. More of one third of the country’s golf courses and golf estates are located along the Costa del Sol in the province of Andalusia, which by 2008 had more than 118 courses. It was suggested that golf course development was used as an excuse to build holiday homes for foreign investors (New York Times, 2008). By 2008, competition from other luxury golf estate developments in sunny parts of the world resulted in a glut accommodation in Spain, particularly those developed for the golf tourist market.

Elsewhere in the world the golf development debate rages on.

Two golf-oriented projects adjacent to a wildlife reserve in Mexico have faced opposition from environmental critics (National Geographic News, 2007) due to its potential irreversibly damage to the forest ecosystem and wildlife.

In the Pacific islands of Hawaii, plans to develop a remote corner of its largest island as a golf estate and “a gated golf course community for the super rich” (The Independent World, 2000) have come under fire. The objections went deeper than concern for the environment. There were justifiable fears that the local Hawaiian community will be deprived of access to the graves of their ancestors and chiefs on what was considered to be sacred land, and that these graves could be desecrated should the development take place. Pre-historic ruins are likewise threatened by the proposed development. Furthermore, the area includes a small piece of British-owned land that contains a
memorial to Captain James Cook, who landed along this stretch of coastline. The visual impact of the golf development was seen as a threat to the peaceful area surrounding the historical and cultural sites.

Golf course and golf estate development in South Africa have elicited similarly vigorous and emotional reactions.

The language is emotive, with headlines such as “Golf courses under fire” (Endangered Wildlife Trust, 2004) and “It’s time to stop the developers riddling our natural heritage with holes” (Cape Argus Online, 2005). Referring to the development of luxury golf estates along the Garden Route, the latter article wrote that “Most of them are affordable only to the extremely well-heeled and contain no housing or facilities for menial workers and others whose daily labour is essential for them to function”.

In 2004, the then MEC for Environmental Affairs and Development Planning in the Western Cape Provincial Government commissioned a rapid review on golf course and polo estate development in the Western Cape after she had become “deeply concerned at the potential ecological and socio-economic impacts of the more than 30 golf and polo estates being proposed across the province” (Cape Argus, 2005). The report placed emphasis not only on environmental issues, but also socio and economic impacts, “because the ecosystem supports life”.

2.3 Answering the critics

Support for golf developments comes mainly from the developers themselves or those that are in some way associated with the developments. The golf industry has recently embraced the notion of sustainability and in many parts of the world there is a concerted effort to respond to both environmental and socio-economic concerns. The economic impact of golf is considerable and is frequently cited as a reason for allowing golf developments in both developed and developing countries.

2.3.1 Perceived positive impacts of golf development and golf tourism

It must be said that golf developments are not always seen as detrimental. Its positive economic and social impacts at times appear to outweigh its negative impacts.

In some countries, such as the islands of Tahiti in the Pacific, golf developments are still relatively rare and are seen to contribute to economic development. They are also seen as providing opportunity for social development by teaching children new skills.

Despite environmental and cultural objections to uncontrolled golf developments on the Hawaiian island, a 2008 study of the economic impact of the golf industry reported that golf contributed US$1.4 billion to the island’s economy every year. When the indirect impact is considered, this contribution rose to US$2.5 billion annually (Golf News, 2008).

Results from a 2008 study (Haydu et al, 2008) on the economic impact of the US Golf Course Industry indicated that there were nearly 16,000 golf courses in the United States at that time that created almost half a million jobs and generated $20.6 billion in value added (net income).
Golf is estimated in 2009 to contribute $11.3 billion of Canada’s Gross Domestic Product (GDP), create 341 794 jobs and $7.6 billion in household income, $1.2 billion in property and other indirect taxes and $1.9 billion in income taxes.

At a state level, in the US State of South Carolina alone, it was calculated that in 2007, the golf course industry created 33 535 jobs, had a total economic impact of $2 721 billion in output and sales and generated $276 million in federal, state and local taxes (Flowers, 2009).

While small when compared to the South Carolina example, in South Africa, the Rapid Review of Golf Courses and Polo Fields in the Western Cape acknowledged that the golf industry had a significant impact on the economy of the Province, which was calculated at about R650 million in 2004. The Report noted that this sum “excludes expenditure on new golf developments, golf events, etc.” (Western Cape, 2005: 22)

In South Africa, a survey undertaken in 2008 for the Professional Golfers’ Association (PGA) by James van Schoor, the author noted during a Moneyweb Podcast (2008) that the direct economic impact of golf in South Africa was R30 billion. Golf estate property development contributed almost one half of that sum. The next major contributor was activities related to current facilities (including, for example, membership and green fees).

Based on his research, Van Schoor estimated that golf is a major employer, generating at that time approximately 50,000 jobs.

2.3.2 The Spanish solution

Faced with an oversupply of golf estates in some areas of Spain, regional and local government structures have sought ways to address the problems.

There are instances where local governments and golf estate developers have been in negotiations to make vacant golf estate residential units available as subsidised housing for Spaniards that are unable to afford new homes on the open market.

In a more draconian step, the Andalusia regional government approved a new law in 2008 that restricts the development of golf estates and other regional governments have followed suit. It was suggested that restrictions on the construction of housing units will make most new golf courses in Spain uneconomical.

While such restrictions are unlikely to completely halt golf development in Spain, it is suggested that the continued demand from western Europe for ‘lifestyle’ holidays will fuel new development that offer new products, such as marinas, health spas and equestrian centres, to complement the golf component.

2.3.3 A future of sustainable golf development

The golf industry has in recent years put considerable effort into environmental sustainability of golf development. In a feature article entitled “What Does Golf Want to Stand For?”, the Golf Environment Organisation (GEO) in 2009 quoted a World Wildlife Fund official that noted that “Golf can, and indeed should become the leading sport on environmental and social issues”. The GEO encourages the industry to acknowledge the
criticism that has been levelled and advises that “the development of resource intensive, environmentally degrading new golf facilities, tainted by social inequity, must cease”.

In 2009 the GEO initiated a project to develop a set of global guidelines that “will enable the diverse stakeholders in golf development to achieve higher standards of social, economic and environmental return on investment”. These draft Guidelines for Sustainable Golf Development were presented to the Environment Session at the World Forum of Golf Architects in St Andrews in Scotland in April 2010. Whilst acknowledging that critics correctly point to environmentally damaging golf developments and those that “disenfranchise local people”, the draft report notes that “golf facilities can be social, economic and environmental assets.

It is likely that these international guidelines will play an important role in the future to ensure that golf developments are not only more environmentally responsible, but also economically and socially.

Even before the publication of these draft Guidelines, developers concerned about the negative publicity about the impact of golf developments were eager to be seen as sustainable. The visual impact of a golf estate development in a forested zone in Portugal, for example, suggested that the adverse impacts of the golf course could be mitigated by shifting the development to nearby abandoned mining sites that could be rehabilitated (Panagopoulos and Vargues, 2006).

In South Africa, the requirements to undertake an Environmental Impact Assessment for any new development and particularly those that will change the current use of the land, has compelled golf developers to consider the environmental, economic and social impact of their proposed developments. (The Western Cape Government’s Rapid Assessment of Golf Course and Polo Field Development, however, found several loopholes in the EIA Regulations that had allowed developments to be approved without due consideration of all it impacts.)

In conclusion, as the world becomes increasingly aware of the impact of humans on the health of our planet and the move towards sustainability, it is likely that developers of golf courses and golf estates likewise will become more sensitive to the criticism levelled at the industry and attempt not only to minimise potential negative impacts, but to take active steps to make a positive impact on the social and economic environments in which their development is located.

2.4 Golf tourism in South Africa

Despite the growing concern about the environmental and human impacts of the proliferation of golf courses and golf estates in South Africa, from an economic point of view there is general agreement that golf tourism in South Africa has considerable potential for expansion. Not only can golf be played throughout the year, but golf membership and green fees are relatively cheap when compared to foreign countries, such as Japan.

From an economic point of view, golf tourism and golf estates generate direct and indirect revenue, similar to any other tourism attraction. Golf estates generate direct revenue by providing accommodation and amenities. The estate generates business through rental accommodation, real estate, membership fees, green fees, golf cart rental food and
beverage sales, venue rental, events and more. They may incorporate other amenities, such as equestrian estates, wellness centres and golf academies. Such add-ons may attract more people that will in turn spend their money not only on the estate itself, but also as tourists in the local area.

The Rapid Review of Golf Courses and Polo Estates in the Western Cape notes that there is currently no data on the number of foreign or domestic golf tourists in the country.

The Rapid Review listed seven factors that need to be assessed to determine the economic impact of the golf industry. These included expenditure on

- Construction of the golf development
- Green fees
- Auxiliary items, such as caddies, food and beverage
- Membership fees
- Golf equipment
- Golf events and
- Expenditure by golf tourists.

The Report acknowledged that “there is virtually no information available to quantify these factors” (Western Cape, 2005: 19) and, at best, it was able to quantify only three of the listed factors, namely expenditure on green fees, on membership fees and on auxiliary items (caddies, food and beverage). An estimate for the total direct expenditure through the golf industry in the Western Cape through these three aspects of the golf industry came to R650 million. The proportional distribution of the three aspects was as follows:

- Rounds of golf/green fees 42.3 percent
- Auxiliary spending 34.6
- Membership fees 23.1

It is unfortunate that the Western Cape Review offers information on employment creation and the direct economic impact only for 18-hole courses. It is nevertheless of interest that it was estimated that in 2004 an 18-hole course generated approximately 75 jobs (which includes caddies), R8.5 million in direct expenditure from the three cost centres listed above and additional R4.2 million in indirect and induced expenditure (Western Cape, 2005: 23).

The Review cites research undertaken by Blij (2003) that estimates that the only 20 percent of the daily tourism spend (estimated at the time at R1 270 per day) will accrue to the golf industry, while the remainder is part of the general tourism-related expenditure.

It becomes clear that while careful consideration should be given to the environmental, human and aesthetic impacts of rampant golf estate developments that may spread over productive agricultural land and occupy some of the most scenic parts of the country, the economic impacts of golf tourism in an emerging economy offers compelling arguments for the growth of this industry in a country where high unemployment and low wages are the norm.

No two localities area alike. It is therefore imperative that each proposed golf development should be assessed carefully for its environmental, economic and social impacts so as to maximise the positive impacts and minimise the negative.
Chapter 3  
Socio-Economic Impact Assessment and the South African context

The following appears in the Preamble to the National Environmental Management Act, No. 107 of 1998:

WHEREAS many inhabitants of South Africa live in an environment that is harmful to their health and well-being:

everyone has the right to an environment that is not harmful to his or her health or well-being;

the State must respect, protect, promote and fulfil the social, economic and environmental rights of everyone and strive to meet the basic needs of previously disadvantaged communities;

inequality in the distribution of wealth and resources, and the resultant poverty, are among the important causes as well as the results of environmentally harmful practices;

sustainable development requires the integration of social, economic and environmental factors in the planning. Implementation and evaluation of decisions to ensure that development serves present and future generations;

everyone has the right to the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that —
prevent pollution and ecological degradation;
promote conservation; and
secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

It is clear that the Government considers social and economic issues as integral to the overall environment that needs to be protected in terms of the Act.

This chapter presents a summary of generally accepted definitions of socio-economic impact assessments (SEIAs) and the guidelines for SEIA that were published by the then national Department of Environmental Affairs and Tourism in 2006.

3.1 What is socio-economic impact assessment?

One of the commonly cited definitions of a social impact assessment (or SIA) was presented by the Inter-organizational Committee on Guidelines and Principles for Social Impact Assessment in 1994, which defined social impacts as “the consequences to human populations of any public or private actions that alter the ways in which people live, work, play, relate to one another, organize to meet their needs, and generally cope as members of society” (Centre for Good Governance, 2006: 4).
These Guidelines also refer to an SIA as an “effort to assess or estimate, in advance, the social consequences that are likely to follow from specific … actions …, particularly in the context of the US National Environmental Policy Act of 1969” (US Environmental Protection Agency, 2002: 2).

Equating SIAs to a risk assessment or risk management, it was stated that “One of the primary functions of an SIA is to anticipate the effects of defined types of change on the human community and to provide these anticipated effects to decision makers able to use them to evaluate the ‘goodness’ of alternative interventions” (US Environmental Protection Agency, 2002: 2).

Despite the use of the phrase ‘social impact assessment’, it is understood from all sources that social as well as cultural and economic impacts should be considered.

Edwards (2009:1) states that “A socio-economic impact assessment examines how a proposed development will change the lives of current and future residents of a community”.

The US Environmental Protection Agency literature review on social, cultural and economic impact assessments (2002) cites Burdge’s (1998) contention that social impacts are usually assessed and measured at the project or community level, while economic impacts are assessed at a regional or even national level.

3.2 What needs to be assessed?

Sources such as the US National Environmental Policy Act, list several social aspects that need to be considered, which include ‘ways people cope with life through their economy, social systems and cultural values’, ‘the ways communities are organized, and held together by their social and cultural institutions and beliefs’, ‘ways of life that communities value as expressions of their identity’ and more (NEPA Call-In Fact Sheet, October 1998: 1).

Edwards (2009:1) lists the following indicators that may be used to measure potential social and economic impacts of a development:

- Changes in community demographics
- Results of retain/service and housing market analyses
- Demand for public services
- Changes in employment and income levels
- Changes in the aesthetic quality of the community

The US Environmental Protection Agency Literature Review on social, cultural and economic impact assessments (2002), suggests that it will be difficult and probably unnecessary to assess a comprehensive set of indicators for each and every SIA. It is rather important to assess those variables that are the likely consequences of a particular proposed event. There will thus be reference to indicators that are likely to be affected by the proposed action, but the emphasis will fall on those variables that are likely to be strongly affected by the proposed action.

The Review defines social impacts as “generally reflected in changes in the ways in which a community is organised”. This could include changing residence patterns or the [ethnic]
composition of a community. Whilst noting that social information usually is based on census data and other secondary sources, the Review emphasises that “Community involvement is key to the construction of an accurate picture of social relationships and networks”.

With respect to cultural impacts, the Review notes that these are more difficult to define. It cautions against a narrow definition of the term that focuses only on historic and/or archaeological impacts. According to the Review, “A community’s culture generally includes all activities that are regarded as normal and conventional by that community, and the values (both positive and negative) placed on those activities. Changes in any valued activity would have an impact on the culture. The task of the SIA analyst is to determine which behaviours are positively valued and, subsequently, what might change those behaviours in a negative way” (US Environmental Protection Agency, 2002: 9).

Economic impacts generally refer to a change in the market value of an asset or resource because of a specific decision or activity that may affect a particular environment or locality. The Review points to indicators “that would include property values, the level of business activity, and the quality or quantity of jobs in a community” (US Environmental Protection Agency, 2002: 9). It recommends that a balance is sought in the decision process to minimise friction between ‘winners’ and ‘losers’.

The Review lists six social impact indicators, namely

- Population impacts
- Community infrastructure needs
- Community/Institutional arrangements
- Conflicts between residents and newcomers
- Political and social structures, and
- Individual and family level impacts

The full list is included as Annexure A.

At the level of the golf course or golf estate, the National Allied Golf Association (NAGA) of Canada (2008) provides a detailed list of components that may be assessed to establish the economic contribution of golf, of which several are listed below:

- Golf course design and construction
- Capital investments
- Real estate sales at golf course communities
- Equipment (clubs, balls, shoes, gloves, bags)
- Green fees and guest fees
- Club rental
- Initiation fees and dues
- Food and beverage services at clubs
- Practice expenses (range balls, lessons, golf schools)
- Golf cart rental
- Caddy fees
- Locker rental
- Golf apparel sales
- Travel (air fare, car rental, accommodation)
- Tournament sponsorships and revenues
- Tournaments (infrastructure, parking, hospitality, tickets, food and beverage)
- Books and videos
- Entertainment and hospitality
- Turf grass (equipment, chemicals, seed)
- Golf industry-associated employment (wage and benefit calculation)
- Charitable dollars generated through golf

It is clear that while economic indicators may be more easily quantified, the social and cultural impacts may be more difficult to measure.

### 3.3 SEIA in the South African context

According to the South African EIA Regulations, the content of a basic impact assessment report should include “a description of the environment that may be affected by the proposed activity and the manner in which the geographical, physical, biological, social, economic and cultural aspects of the environment may be affected by the proposed activity”. (DEAT, 2006 [i]: paragraph 23 d)

An Environmental Impact Assessment thus includes the impact of a development on the human environment and on the socio-economic circumstances of affected populations.

#### 3.3.1 South African Socio-Economic Impact Assessment Guidelines

The national Socio-Economic Impact Assessment Guidelines (DEAT, 2006 [ii]: 5) states that ‘Socio-Economic Impact Assessment creates the opportunity for the inclusion/participation of communities in Integrated Environmental Management. Participation in a Socio-economic Impact Assessment can lead to the empowerment of a community by giving it a channel through which its voice can be heard’.

In these guidelines, DEAT cites a comprehensive list developed by the Inter-organisational Committee (2003) of socio-economic variables that should be considered. These are listed under the following headings:
- Population change
- Community/Institutional arrangements
- Political and social resources
- Individual and family level impacts
- Community resources

DEAT furthermore cites a comprehensive list of categories for assessment by Vanclay (2003). Social considerations include impacts on quality of the living environment, health and social well-being, cultural impacts, impacts on families and communities, institutional, legal, and political and equity impacts and gender relations.

The list of categories is appended as **Annexure B**.

#### 3.3.2 Western Cape guidelines for golf development

Reference was made earlier to the Rapid Review of Golf Course and Polo Field Development that was commissioned in 2004 by the Western Cape Government. This
Review is the only comprehensive set of provincial guidelines to date that focus particularly on golf development.

The Review analysed a number of key potential impacts of golf and polo developments and provides guidelines for future developments of this nature.

Key issues for golf development that were analysed in the Review included the following:

- economic impact of golf courses and golf tourism
- impact on employment opportunities
- impact on the local economy through the procurement of goods and services
- spatial implications, such as the impact on agriculture and other land uses, services and transportation, heritage resources and sense of place
- social impacts, such as the impacts on vulnerable communities, farm workers, social investment initiatives and public access
- institutional impacts, such on the local municipality

In its article entitled “Golf courses under fire”, the Endangered Wildlife Trust wrote in 2004 that “Golf estates can negatively affect rural communities, undermine agricultural land use and threaten water supplies, because these factors are frequently not considered in the narrow site-specific environmental impact assessments commissioned ahead of approval”. Quoting from the Western Cape’s draft Rapid Review, it noted that “The development of high-income golf estates in an area characterised by low levels of income, lack of housing and basic services could further increase income inequality and add to the marginalisation of the poor”. Furthermore, it explains that rural residents are often ill-equipped to participate in public consultation processes on proposed developments. The Review makes reference to the negative affect of golf development in rural areas by taking productive farm land out of production and by displacing already vulnerable farm workers. The immigration of job seekers causes tension in the host communities.

### 3.3.3 Proposed guidelines for golf course development in Gauteng

In 2006 a master’s student at the University of Johannesburg submitted a treatise entitled *Establishing Guidelines for Environmental Management Plans for Golf Course Developments in Gauteng Province* (Botha, 2006).

Botha noted that impacts of the social components of golf course developments are relatively neglected when compared to the attention given to environmental impacts and these are not a specific focus of current legislation.

He provides a brief overview of the literature and concludes that environmental, social and economic factors should be included within a single assessment “in the context of planning for sustainability, or Integrated Planning and Assessment” (Botha, 2006: 24). He furthermore drew attention to the impact of large developments, particularly in rural areas, on the lifestyles of the local communities. He noted that “local community members cannot always participate effectively in public participation processes and they do not always benefit from golfing developments”. The impact of new golf developments on agricultural land should be quantified. Golf developments in degraded land, such as quarries or old mine sites, could, however, be beneficial.
The use of local labour was emphasised as a social commitment. Botha warned that new jobs on a golf development may attract people who are already employed, so that the impact on the quality of the lives of the local inhabitants could be less than anticipated. He stressed that social impacts should be seen not only in terms of job creation and recommends a much stronger relationship between developers and local communities to ensure that the developments have a positive impact on social well-being.

The economic impacts of golf were briefly outlined. Of interest is Botha’s caution that while tourism contributes significantly to the local economy, much of the value is retained in the visitors’ countries of origin by the foreign tourism companies.

Having mentioned these social and economic impacts, it is unfortunate that the ensuing guidelines refer to Environmental Management Plans rather than aspects of the EIA and SEIA processes. Botha recommended that “The EMP must address the management of all social aspects determined in the EIA phase and the Social Impact Assessments (SIA) that was conducted for the development. All the recommendations from these assessments must be incorporated in the EMP and mitigatory actions must be addressed in the EMP” (Botha, 2006: 58). No further mention is made of the economic impact.

In the EMP Evaluation Checklist, Botha mentions the following social issues that should be addressed:
- Social Management Plan
- Sense of place
- Education Plan for workers/contractors
- Cultural and Historical Protection Plan

### 3.3.4 Eastern Cape Provincial guidelines

The Eastern Cape Province has not yet developed guidelines of this nature and is satisfied to follow the national guidelines. New developments are subject to environmental impact assessments that consider also the cultural, social and economic impacts of such new proposals.

The Province has for some time been in the process of reviewing its Spatial Development Plan, but this process has not yet been completed. The existing Provincial Spatial Development Plan (2003) refers only to the need to limit ribbon development along the coastline. The Provincial Growth and Development Plan focuses on the economic value of the coast, but mainly in terms of the Wild Coast and industrial development in the port cities.

In the absence of provincial guidelines that may be considered when assessing the economic and social impacts of golf development in the Province, one is therefore able to depend only on the national guidelines. The Western Cape Rapid Review Golf Course and Polo Field Development suggested guidelines that could be considered in the Eastern Cape context, even though these have no legal standing in this Province.
Chapter 4
The Koukamma Municipality

The Koukamma Municipality is one of nine local Municipalities in the Cacadu District in the western portion of the Eastern Cape Province. It is located in the extreme south west of the District where it borders on the Western Cape Province (Figure 1 and Figure 4.1). According to the Koukamma IDP, the Koukamma Municipality covers an area of 12 540 km².

The town of Kareedouw in the Langkloof is the administrative centre of the Koukamma Municipality.

The Municipal area is divided into five wards. The area of the proposed Fynbos Golf and Country Estate falls within Ward 4.

The following sources provided much of the information that follows and are these are gratefully acknowledged:

- Koukamma Municipality Responsible Tourism Sector Plan (2009)
- Koukamma Local Municipality - Broad Socio-Economic Profile (published by the Cacadu District Municipality, 2008)

Where information is available, reference is made to conditions prevailing in the area around the proposed Fynbos Golf and Country Estate, such as Ward 4 or the Clarkson/Mfengu Farms/Eersterivier Rural Area.

4.1 Physical characteristics of the Koukamma Municipal area

The Municipal area is geographically divided into two distinct portions by the Tsitsikamma Mountains. To the north lies the Langkloof valley, which is in turn separated from the semi-arid Karoo to the north by the Kouga Mountains. South of the Langkloof and the Tsitsikamma mountain range lies the relatively narrow coastal plain known as the Tsitsikamma, an area of lush green pastures and of scenic beauty that includes the Tsitsikamma National Park.

In the Tsitsikamma the rivers are geologically youthful and run swiftly from the mountains to the sea through steeply incised valleys. The two major rivers in the Langkloof are the Kouga and the Kromme, both draining from west to east before reaching the ocean to the east of the Koukamma area.

Koukamma’s climate is classified as Temperate Coastal, although there are considerable variations between the Tsitsikamma and the Langkloof.

The coastal climate is mild. Average summer temperatures at Stormsrivier remain in the mid twenties while declining to between 17 and 20ºC during winter. The Tsitsikamma
receives the highest rainfall in the Eastern Cape Province. The rainfall of approximately 1 000mm per annum is spread throughout the year, with a peak in August. North of the Tsitsikamma Mountains the temperature range is more extreme. At Joubertina in the Langkloof the temperatures range from the mid to upper twenties in summer and between five and approximately 14 ºC in winter. Rainfall in the Langkloof occurs throughout the seasons, but is considerably less plentiful than along the coast. Joubertina’s average rainfall ranges from as low as 20 mm in February, June and September to double this amount in April and August.

Soils are fertile and together with plentiful rainfall (Tsitsikamma) and irrigable water (Langkloof) support a range of land uses, such as forestry and dairy farming along the coast and intensive fruit growing in the west and extensive grazing in the east of the Langkloof.

Three major veld types occur in the study area, namely Forest, Fynbos and Coastal Thicket. All of these have been considerably disturbed by human activities and much of the remaining natural vegetation and biomes is now classified as vulnerable or endangered.

Following biodiversity guidelines, the Koukamma Tourism Plan states that “no further greenfields developments that involve disturbance of indigenous vegetation are possible in the Tsitsikamma coastal region. Any such developments will need to take place in areas already disturbed by urban developments, cultivation or timber plantations. In this regard, the persistence of large areas of timber plantations that are fire prone, have a negative effect on water resources and that contribute to the spread of alien vegetation should be questioned as this may not be the best sustainable use of land in this region of competing land uses. Tourism developments, alternative forms of agriculture and limited urban developments may give a better economic and social return. As the Tsitsikamma area has some of the best agricultural land in the CDM (i.e. area of the Cacadu District Municipality), it is important that developments to not impact on existing agricultural land” (Koukamma Municipality, 2009: 122-123).

4.2 Land use and settlement patterns

The Koukamma area is dominated by small farms that support a significant rural population, which constitute three quarters of the Koukamma population. In 2007, Koukamma was 50.9 percent urbanised as compared to 71.4 percent for the Cacadu District. The Koukamma urbanisation rate increased from just below 30 percent in 1996 to just over 50 percent in 2001, after which it remained steady (Cacadu District Municipality, 2008).

The rural population is served by several relative small towns that are scattered throughout the municipal area along the major roads through the Langkloof and the Tsitsikamma.

The 2001 Census process divided the Koukamma Municipal area into 24 sub-places. These sub-places were grouped together into 13 nodes and a rural area. Statistics are not always reflected per existing node. The nodes of Clarkson, Mfengu Farms and Misgund constitute the rural node and information for the rural area refers to all three these sub-nodes together.
This map places Koukamma in its regional context. The Langkloof and Tsitsikamma are indicated. The map depicts the major urban nodes, the main roads through the Langkloof and the Tsitsikamma, as well as the link road to Eersterivier along the coast.
While the primary nodes, such as the towns of Joubertina and Kareedouw, offer a relatively full range of services, secondary and rural nodes are dominated by residential use and a considerably curtailed range of administrative, financial and service delivery functions. It must be noted at this juncture that Eersterivier is identified in the Koukamma Spatial Development Framework as a secondary node.

Rural residential development refers to the establishment of residential land uses outside of the recognised urban nodes. Rural residential developments may contain both permanent and non-permanent accommodation, such as holiday resorts. Following international and national trends, demand for the development of residential dwelling units outside the established nodes has increased. This trend is a result of people wishing to live less frenetic lifestyles in a semi-rural environment.

The Koukamma SDF points out that legislation and land use management guidelines applicable to non-urban areas have concentrated on the protection of high potential agricultural land and environmentally sensitive areas and calls for guidelines to inform non-urban residential development. As a point of departure, the SDF makes recommendations on the following:
- A generic density of 1 dwelling unit per 10 hectares
- All applications are subject to the new NEMA Regulations, i.e. scoping or full EIA process
- Access, road reserve widths and zoning of roads shall be provided to the satisfaction of the Districts Road Engineer: Provincial Roads
- Services shall be provided to the satisfaction of the relevant authority, although not necessarily by the municipality itself
- Create residential opportunities in rural areas, such as agri-villages, resorts and multiple-owner farms and estates
- Create opportunities for multiple ownership and various accommodation types within the rural areas
- The natural environment must be preserved
- Valuable agricultural land must be protected
- Sustainable development must be facilitated
- Facilitate economic development and growth within the rural areas

The major landowners in Koukamma are
- Commercial farmers
- State land – state land is registered in the name of the Department of Land Affairs, but managed by government departments or public entities, such as Forestry, Water Affairs, SANParks or Provincial Environmental Affairs
- The local authority (Municipality)
- The Moravian Church

4.2.1 New rural residential development

The Koukamma Municipality itself does not own large tracts of land which can be used either for residential development or the facilitation of agricultural transformation. In the rural areas most land is owned by commercial farmers with the majority of farm workers residing on these farms. It is imperative therefore that the Municipality access strategic land parcels to enable it to address the needs of the community, such as for rural

Draft socio-economic impact assessment - Fynbos Golf and Country Estate
Eersterivier/Skuitbaai - Koukamma Municipality, Eastern Cape Province
residential development. While the establishment of agri-villages is a strategy particularly to accommodate rural dwellers and farm workers, care should be exercised not to develop such settlements on high potential agricultural land. Furthermore, such developments are likely to be located away from the facilities and services of the existing urban nodes and should therefore comply with the National Government’s Sustainable Human Settlement approach to development. This requires that such new developments should include the provision of health services, cemeteries and schools.

The incidence of informal settlements in Koukamma is linked to the increase of in-migrants, including migrant labourers. The IDP notes that the “Council expressed concern regarding the administrative capacity to effectively monitor and control the influx to existing informal settlements as well as the establishment of new settlements” (Koukamma IDP 2007-2010: no page number, related to Table 24). According to the Koukamma SDF, “Only in exceptional cases where special desirability factors can be motivated should new nodes be considered”. The SDF furthermore cautions that “Although these areas do qualify for services in terms of the resident’s constitutional rights, Council’s financial assistance to these areas may be creating economically unviable settlements, which would detract from the effectiveness of identified nodes” (Koukamma SDF, 2006: 34). The Koukamma IDP in turn cautions that the scattered nature of settlements in Koukamma region will remain a challenge for the municipality to provide infrastructure and basic services to all the inhabitants of Koukamma.

It is the nevertheless the intention of the Koukamma Municipality to create another node north of Eersterivier to accommodate homeless rural dwellers and those living in informal settlements, such as Eersterivier Kruis (on land owned by the Moravian Mission Society).

The Koukamma IDP refers to 150 households in Eersterivier Kruis that live in informal housing and an additional 38 households on Bosman’s Gronde (Eersterivier) that should be accommodated in a new housing project (Koukamma IDP 2007-2012: Table 24). The Eersterivier Kruis community itself considers that there are only 60 households in the settlement. The Municipality supplied a list of 148 beneficiaries for subsidized (RDP) housing in the new settlement. The list of housing beneficiaries unfortunately does not indicate the current address of the applicants. Based on names alone, 40 of the beneficiaries appear to be Xhosa speaking and probably do not currently reside in Eersterivier Kruis or Bosman’s Gronde. If all of the residents of Eersterivier Kruis (60) and Bosman’s Gronde (38) have placed their names on the housing waiting list, these households may account for the remaining 100 names on the list of beneficiaries.

Golf estate developments constitute another form of rural residential development.

The recently developed 274.44 ha Tsitsikamma Coastal Golf estate is situated to the west of Eersterivier at the Storms River mouth and includes space for 505 individual residential stands as well as ‘fractalural ownership lodges’ (Tsitsikamma Coastal Golf Estate website). Plans for the estate include a wellness and sports centre, a hotel and a conference centre. When fully developed, at full usage this estate is likely to have a population that exceeds all but the largest Koukamma urban places.

The plans for the proposed Fynbos Golf and Country Estate near Skuitbaai and Eersterivier include approximately 228 residential stands and a hotel around the golf course on approximately 125 ha of land.
Such resort developments differ from other forms of rural residential development in that they do not need to comply with the National Government’s Sustainable Human Settlement approach to development. This implies that they need not provide social facilities such as health services, cemeteries and schools. Furthermore, no provision is generally made on golf estates to accommodate the employees. The proposed Fynbos golf estate has used construction teams from outside the municipal area and local labour from the Eersterivier Kruis community during the construction of the club house and golf course. It intends sourcing its longer-term labour needs from the local area, particularly from the Eersterivier Kruis community. While the Eersterivier Kruis settlement provides a potential labour force in close proximity to the proposed Fynbos Golf and Country Estate near Eersterivier, this and other similar developments may attract job seekers that are likely to add pressure on existing infrastructure should they decide to remain in the area.

4.2.2 Eersterivier Spatial Development Plan

The Koukamma SDF (2006) contains a spatial development plan for the Eersterivier nodal area that extends along the Eersterivier Road from its intersection with the R102 in a southerly direction to the coast (Figure 7.1).

In brief, the Plan addresses the following issues:
- Environmental sensitivity
- Land ownership patterns
- Existing Spatial Form (land uses)
- Spatial Development Plan - maps
- Land Needs, particularly to create a settlement on a Municipal farm to accommodate the housing needs of rural dwellers in the area, including the Eersterivier Kruis settlement. Access to the sea and the expansion of coastal residential development is addressed.
- Strategic Land Parcels, once again with an emphasis of land required to provide access to the proposed municipal settlement north of Eersterivier Kruis, but also to address the need to expand residential and (non-permanent) holiday accommodation at the coast as well as consideration for an application for a development proposal to the east of the existing Eersterivier Node.
- Strategic Land Acquisition to provide access to the new settlement on the Municipal farm.

4.3 Transport linkages

The Tsitsikamma is traversed from east to west by the N2 national road that links Port Elizabeth to the scenic Garden Route to beyond to Cape Town. The other major route is the R62 through the Langkloof. The old road between Port Elizabeth and the Garden Route (R102) runs parallel to the N2 and links some of the settlements that are bypassed by the N2.

Towns and smaller settlements are generally located along or close to the main roads through the Langkloof and the Tsitsikamma. A cluster of small resorts are located along the rugged coastline. Secondary roads link the smaller settlements, forestry settlements, farms and nature reserves to the main roads. Most of these roads, including those linking Eersterivier and other coastal resorts to the R102 and N2, have gravel surfaces, which may have a negative impact on tourism development (Koukamma Tourism Plan, 2009).
4.4 Population size and distribution

The total population of Koukamma stands at approximately 40 000. Since 1996, the population of Koukamma increased at an average annual rate of 3.6 percent per annum compared to an annual average growth rate of 1.1 percent in the Cacadu District and 0.3 percent a year in the Eastern Cape Province.

Koukamma is predominantly a rural Municipality. Only one quarter (25.45 percent) of the population of approximately 40 674 (2007 estimate) live in towns and smaller settlements (Urban Econ, 2006 and Cacadu District Municipality, 2008). The major towns of Joubertina, (estimate population 5 800 in 2007), Kareedouw, the administrative centre (4 000), and Louterwater (2 800) are located in the Langkloof.

In the Tsitsikamma, the urban portion of the population lives in small settlements. Some of the settlements are related to the timber industry, while others have developed around old mission stations. Significant Tsitsikamma settlements include Sanddrif (population approximately 2000), Woodlands (2000), Thornham and Coldstream (approximately 1000 each) and Stormsrivier Village (650).

The overall rural population of Koukamma is estimated at 14 310 in 2010 (Koukamma SDF, 2007). The historic Moravian settlement of Clarkson has experienced a considerable influx of people with the return of the Mfengu, but its population is contained in that of the surrounding rural areas. The coastal holiday resorts have small permanent populations, but these numbers increase considerably during the holiday periods. The populations of Eersterivier and the neighbouring resorts are likewise included as part of the rural areas that includes Clarkson and the Mfengu farms.

4.5 Ethnicity, age and gender profiles

Ethnically the majority (60 percent) of the population is ‘Coloured’, followed by Blacks (31 percent) and Whites (9 percent). This pattern is closer to what is found in the Western Cape. In the Eastern Cape Province, ‘Coloureds’ constitute only 7.3 percent of the population, and in the Cacadu District they comprise approximately one third (35.99 percent) of the population (Koukamma Tourism Plan, 2009: 85). The 2001 Census indicates that in that year 65 percent of the Koukamma population was ‘Coloured’ and only 25 percent Black. There is a pattern of an influx of Blacks into the area of the Municipality. This influx may be due to the perception (and reality) that unemployment levels are relatively low in Koukamma, compared to the rest of the Eastern Cape and that people are willing to move in order to stand a better chance of finding employment in Koukamma.

Koukamma has a youthful population, with nearly one third (30 percent) under the age of 15 (Koukamma Tourism Plan, 2009: 86). Other sources indicate that the proportion of children under the age of 15 has declined from 31.6 percent in 1996, to approximately one quarter (26.3 percent) of the Koukamma population in 2007 (Cacadu District Koukamma Municipal Profile, 2008:4). The proportion in the younger age groups is, however, lower than the provincial and national averages, which points to a decline in the population growth rate in Koukamma. The medium-term (2010 - 2015) population growth rates is estimated at 0.35 percent per annum, after which it is expected to decline to 0.25 per annum in the longer term (Koukamma SDF, 2007: 28).
Three quarters of the population is aged between 15 to 64 years. This is the age group that constitutes the potential workers. A small proportion of four percent are over the age of 64.

There is an equal distribution of males (50.03 percent) and females (49.94 percent). While the variance is not great, the Koukamma female population is below the average for the Eastern Cape Province (53.76 percent) and the Cacadu District (52.11 percent) (Koukamma Tourism Plan, 2009: 85).

4.6 Education levels

The following table is based on the 2007 Community Survey which is quoted in the Koukamma Tourism Plan (2009: 87).

<table>
<thead>
<tr>
<th>Education level attained</th>
<th>Percentage of population</th>
</tr>
</thead>
<tbody>
<tr>
<td>No schooling</td>
<td>8</td>
</tr>
<tr>
<td>Incomplete or complete primary</td>
<td>51</td>
</tr>
<tr>
<td>Incomplete secondary</td>
<td>33</td>
</tr>
<tr>
<td>Grade 12 (matriculated)</td>
<td>7</td>
</tr>
<tr>
<td>Higher education (post-matric)</td>
<td>1</td>
</tr>
</tbody>
</table>

Different sources yield different statistics and use different categories. According the Cacadu District Municipality (2008), education levels in 2007 were distributed as follows:

<table>
<thead>
<tr>
<th>Education level attained</th>
<th>Percentage of adult population</th>
</tr>
</thead>
<tbody>
<tr>
<td>No schooling</td>
<td>7</td>
</tr>
<tr>
<td>Grades 0 – 2</td>
<td>3</td>
</tr>
<tr>
<td>Grades 3 – 6</td>
<td>22</td>
</tr>
<tr>
<td>Grades 7 – 9</td>
<td>35</td>
</tr>
<tr>
<td>Grades 10 – 11</td>
<td>15</td>
</tr>
<tr>
<td>Matric only</td>
<td>14</td>
</tr>
<tr>
<td>Matric + certificate or diploma</td>
<td>3</td>
</tr>
<tr>
<td>Matric + bachelor’s degree</td>
<td>1</td>
</tr>
</tbody>
</table>

Of the seven or eight percent without any schooling, the Koukamma IDP notes that one quarter reside in Ward 4 (the Clarkson/Mfengu Farms/Eersterivier rural node).
The level of education composition reveals that there has been an increase in higher levels of schooling within Koukamma. In 1996, 13.1 percent of the population had a minimum of a matric (grade 12), whereas in 2007 that proportion had increased to 18.2 percent.

The overall educational profile indicates a population that is poorly educated. People who have only primary education are likely to be functionally illiterate. It is likely that as much as sixty percent of Koukamma’s population lack the reading, writing and numeracy skills that allow them to qualify for any but the most elementary occupations.

Technical skills levels are not known, but it is likely that a large proportion of the Koukamma population has low levels of technical skills that equip them only for elementary, poorly paid occupations.

4.7 Poverty and inequality


The Human Development Index (HDI) combines indicators of life expectancy, educational attainment and income into a composite human development index as a mechanism to measure levels of development.

In 2007, Koukamma’s HDI (0.57) was equal to the Cacadu District index of 0.57.

The Gini coefficient measures the inequality of incomes. A figure that approaches zero indicates an equitable distribution of incomes, while approaching one (1) indicates an unequal distribution of incomes among the population.

In Koukamma the Gini coefficient has worsened between 1996 and 2007 from 0.55 to 0.64, indicating that the rich is getting richer and the poor poorer.

The percentage of people in poverty has decreased from 27 percent in 1996 to 26.3 percent in 2007. This represented in 2007 a total population of 10 715 living in poverty. The Koukamma IDP, however, notes that because of prevailing low wages, more than one half of the Koukamma population may be considered to live below the poverty line.

4.8 Social services

Based on information in the Koukamma SDF (2007), a 2006 services backlog study indicated that apart from access to hospitals, access to other social services in Koukamma was above average.

- 96 percent of the Koukamma population had access to clinics (static and mobile), similar to the figure for the Cacadu District (94.8 percent), but considerably higher than the Provincial average of 69.6 percent;
- 56.3 percent of the Koukamma population had access to ambulance services, compared to 55.2 percent in the District and 42.6 percent in the Province;
- 93.8 percent of children in Koukamma had easy access to primary schools, slightly higher than the District (88.2 percent) and Provincial (87.0 percent) averages;
• Koukamma fares less well on access to hospitals. The figure for hospital access in Koukamma stood at 42.5 percent in 2006, compared to 48 percent in the District and 43.2 percent in the Province.

Both of the 24-hour hospitals are located in the Langkloof (Joubertina and Kareedouw). The Municipal area is, however, well served by eight static clinics in Kareedouw, Twee Riviere, Louterwater, Misgund and Krakeel in the Langkloof and in Sanddrif, Storms River and Clarkson in the Tsitsikamma. One mobile clinics services the Twee Riviere area in the Langkloof and two operate in the Tsitsikamma. The Lower Tsitsikamma Mobile Clinic visits Eersterivier once a month.

The IDP notes that “Health challenges are exacerbated by poverty and poor living conditions [that contribute to health and social conditions] such as HIV/AIDS, tuberculosis and alcohol abuse”. It was estimated that in 2007 nine percent of the Koukamma population was HIV-positive, a proportion only slightly lower than those of the Cacadu District and the Province, both with an HIV prevalence rate of 10 percent (SA Community Survey, 2007, in Koukamma Tourism Plan, 2009: 89).

Another social service is to provide public safety and security. An analysis of crime statistics for the period 2001-2006 indicates that Koukamma recorded some of the highest crime levels in the Province. While crime levels were declining in the Langkloof, there was an increase in crime in the Tsitsikamma in ten of the 33 listed crimes (Koukamma IDP).

The Cacadu District Municipality (Cacadu District Municipality IDP 2007-2012) used the Global Insight database, which provides a composite Crime Index for South Africa that can be used to compare crime over time and compare crime across municipalities and provinces. This index is based on the official reported crime statistics from the South African Police Service (SAPS), and applies weights to the different crime categories. More serious crimes are weighted higher than less serious crimes.

It appears that incidences of crime across the Cacadu District have generally decreased between 2001 and 2007. Crime levels in Koukamma have decreased to such an extent that the Municipal area in 2009 recorded the second lowest incidence of crimes (after Ikwezi Municipality) at 157 crimes per 100 000 population. This is a turnaround from the situation in 2001, when Koukamma recorded the second highest crime levels of the nine local municipalities in the Cacadu District (after the Sunday’s River Valley Municipality), which stood at that time at 320 crimes per 100 000 population Cacadu District Municipality IDP 2007-2012, 2010: 38).

Police stations are situated in Kareedouw and Joubertina in the Langkloof and at Storms River in the Tsitsikamma. Crimes are reported by police station and these are used to calculate the incidences of crimes every year that are released by the South African Police Services.

A comparison is given in Table 4.3 of the incidence of crime in 2009 across a range of categories in South Africa, Koukamma and Storms River in particular, which is the police station that serves the Tsitsikamma. The incidence of contact crimes is noticeably higher in Koukamma than the South African average. On the other hand, incidences of crime that are related to drugs, illegal possession of firearms, commercial crimes, etc. are well below the national average. Property-related crimes follow the national pattern.
### Table 4.3
Crime statistics: South Africa, Koukamma and Storms River, 2009

<table>
<thead>
<tr>
<th>Category of crimes</th>
<th>South Africa</th>
<th>Koukamma</th>
<th>Storms River</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact crimes (murder, assault, robbery)</td>
<td>32.7</td>
<td>46.8</td>
<td>48.8</td>
</tr>
<tr>
<td>Other serious crimes (drugs, illegal possession of firearm, commercial crimes)</td>
<td>35.2</td>
<td>25.7</td>
<td>24.1</td>
</tr>
<tr>
<td>Property related crimes (burglary, theft from premises)</td>
<td>25.4</td>
<td>24.4</td>
<td>23.6</td>
</tr>
<tr>
<td>Other</td>
<td>6.7</td>
<td>3.1</td>
<td>3.5</td>
</tr>
</tbody>
</table>

Calculations based on crime statistics provided on the SAPS website, South African Police Services, 2010

### 4.9 The Koukamma economy

The economy of Koukamma is dominated by the primary sector, particularly agriculture and forestry (Koukamma IDP, 2007-2012: 12). Tourism has increased and is likely to contribute more employment and incomes in the future.

The Langkloof is a major commercial fruit producing area. Sheep, goats and cattle is farmed in the drier eastern parts. The Tsitsikamma economy is dominated by dairy farming, forestry and tourism.

#### 4.9.1 Fruit production in the Langkloof

Information supplied in the Koukamma SDF provides information on the deciduous fruit industry (Koukamma 2006: 24). Although these statistics are now outdated, it nevertheless provides some insight of the extent of the industry.

<table>
<thead>
<tr>
<th>Hectares Cultivated</th>
<th>6 000 ha (irrigated)</th>
<th>5 500 ha (dry land)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labourers on farms</td>
<td>6 000 (permanent)</td>
<td>6 000 (seasonal)</td>
</tr>
<tr>
<td>Number of farming units</td>
<td>163 commercial</td>
<td>12 subsistence</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Estimated areas under fruit (Total area 4 299 ha)</th>
<th>Type</th>
<th>Area (ha)</th>
<th>No. of cartons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apples</td>
<td>2 900</td>
<td>6 000 000</td>
<td></td>
</tr>
<tr>
<td>Pears</td>
<td>830</td>
<td>2 700 000</td>
<td></td>
</tr>
<tr>
<td>Plums</td>
<td>132</td>
<td>560 000</td>
<td></td>
</tr>
<tr>
<td>Nectarines</td>
<td>73</td>
<td>200 000</td>
<td></td>
</tr>
<tr>
<td>Peaches</td>
<td>100</td>
<td>160 000</td>
<td></td>
</tr>
<tr>
<td>Apricots</td>
<td>264</td>
<td>120 000</td>
<td></td>
</tr>
</tbody>
</table>

Another website (SAfruitfarms.com Deciduous Fruit Production) gives the area under fruit as follows: Langkloof East 1,529,913 trees 1 431 ha
Langkloof West* 104 700 trees 111 ha
Data contained in the Koukamma Tourism Plan indicates that a much larger land area of 12 000 ha is under fruit trees (Koukamma, 2009: 95). No reason is given for this discrepancy in the estimated land under fruit.

### 4.9.2 Forestry in the Tsitsikamma

The rural economy of the Tsitsikamma is based on dairy farming and commercial forestry, as well as tourism.

A large portion of the western Tsitsikamma is taken up by forestry, both indigenous and pine plantations. The Tsitsikamma forest lies at the eastern end of a 200 km long stretch of ‘high forest’ that stretches from the Outeniqua mountains to the Tsitsikamma and beyond towards Humansdorp.

The South African National Parks manages the indigenous forests and are the biggest supplier of indigenous timber in the country. The Koukamma IDP notes that “The annual production is 500m$^3$ at R1000/m$^3$ for indigenous timber and 800m$^3$ at R1500/m$^3$ for blackwood. Only a certain amount of timber made available is subject to a Department of Water Affairs and Forestry quota”.

The South African timber industry is dependent on pine plantations. While the majority of the Eastern Cape’s plantations are located on the escarpment of the Amatola Mountains and northwards towards the Southern Drakensberg, one large block of plantations is located in the Tsitsikamma area. Pine plantations are under private and state ownership. Much of the Tsitsikamma area is state forests that were managed by Safcol prior to the privatization of the Department of Water Affairs and Forestry. A portion of the state forest has been managed since 2005 by MTO Forestry (Pty) Ltd in terms of a lease agreement with the Department of Water Affairs and Forestry.

In the Tsitsikamma much of the state plantations are young, due particularly to the devastating fires in 2005 (South Africa, Department of Water Affairs and Forestry, 2007). Following the fires, 2007 was the wettest in 50 years, causing flooding in the Tsitsikamma and elsewhere that pushed up the harvesting and transport costs from R70 to R94 per m$^3$. The area is currently experiencing a severe drought, with 2009 the driest in the past hundred years (SA Forestry Magazine Online, no date).

The forests also support other activities. The only forest fern and foliage operation of significance is based in the Tsitsikamma, where Forest Ferns produces 300 tons of foliage per annum, mainly for the export market. Honeybush tea is grown under young pine plantations at Lottering in the Tsitsikamma. Hiking trails traverse forestry areas and provide recreational opportunities.
4.9.3 Dairy farming in the Tsitsikamma

Due to its suitable soils and climate, the Tsitsikamma has become one of the foremost intensive dairy producing areas in the country. The Koukamma SDF (2006: 23) provides the following information on the Tsitsikamma dairy industry (2005 statistics):

- **Hectares Cultivated**
  - 9 700 ha (Irrigated)
  - 21 500ha (Dry land)
- **Number of cows**
  - 40 000
- **Labourers on farms**
  - 1500
- **Families supported on farms**
  - 11000
- **Industrial Workers associated with the industry**
  - 800
- **Problems**
  - The milk price does not keep pace with the input costs
  - Competition with subsidised overseas producers
  - Deteriorating roads
  - Insufficient funds for research

* The Koukamma Tourism Plan (2009: 95) indicates that the number of jobs on Tsitsikamma dairy farms stood at 2 300, which may refer to 2008 estimates.

4.9.4 Tourism

Tourism is growing throughout the area, with agri-tourism becoming more significant in the Langkloof and nature and adventure-based tourism dominating in the Tsitsikamma. Employment in the tourism sector is spread among the various economic sectors, such as Trade (including catering and accommodation), Transport, Finance & Real Estate and possibly also Agriculture (farm stays) and, to a small extent, Manufacturing (e.g. craft).

To the north of the Koukamma area the Baviaanskloof is likely to attract more tourists once the access roads are upgraded. In the Langkloof there is considerable growth potential in agri-tourism. South of the Tsitsikamma Mountains the tourism industry is well established. The scenic beauty of the Tsitsikamma offers opportunities for eco-tourism. The area lies at the eastern end of the Garden Route and the Tsitsikamma National Park and adjacent indigenous forests attract foreign and domestic visitors. The Park also provides access to the Otter Hiking Trail. The Tsitsikamma has become a popular adventure tourism destination.

The Koukamma SDF provided the following tourism-related information that is based on 2006 data obtained from the Tsitsikamma Tourism Information Office:

- **Number of persons employed in the Koukamma tourism industry**
  - 800-900 in season
- **Number of PDI’s employed**
  - 700- 750 in season
- **Turnover for 2006**
  - ± R110 Million
- **Total number of domestic visitors per year**
  - ± 190 000
- **Total number of foreign visitors per year**
  - ± 150 000
- **Tsitsikamma**
  - 1.6 million non-residents stopped at the Total Village (Storms River Bridge)
  - 30 000 to bungee jumping at Bloukrans Bridge
  - 210 000 to the Tsitsikamma National Park
Potential growth areas:
- Craft, cultural activities and eco-adventure
- Vegetable production for sale to restaurants and accommodation establishments
- Transport
- Golf, horse trails, local farm stalls, expansion of hiking trails, 4x4 routes

Stumbling blocks:
- Lack of funding for cultural products, infrastructure and roads

It is interesting to note that the Tsitsikamma tourism map that is replicated in the Koukamma Tourism Plan already refers to the golf course at Eersterivier as a ‘Place to Play’.

A slightly higher proportion of visitors to Koukamma are foreign tourists (52 percent). Statistics for the Eastern Cape (2004) indicate that international tourists spend on average almost three times more daily than domestic tourists (cited in Koukamma Tourism Plan, 2009).

Foreign tourists enjoy game viewing and local history, while domestic visitors enjoy adventure and nature-based activities. A survey conducted in 2008 among a small sample (20 respondents) of Koukamma visitors in preparation for the Koukamma Tourism Plan revealed the following preferred activities:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Game viewing</td>
<td>52%</td>
</tr>
<tr>
<td>Hiking</td>
<td>43%</td>
</tr>
<tr>
<td>Shopping</td>
<td>29%</td>
</tr>
<tr>
<td>Local history</td>
<td>29%</td>
</tr>
<tr>
<td>Birding</td>
<td>29%</td>
</tr>
<tr>
<td>Adventure</td>
<td>24%</td>
</tr>
<tr>
<td>Fly fishing</td>
<td>5%</td>
</tr>
</tbody>
</table>

The majority (43 percent) of tourists to Koukamma are day visitors, 14 percent stay for one night and 19 percent for two nights.

Over one third of visitors (38 percent) may be classified as young singles and another third (33 percent) visit as a family. Most of the visitors indicated that they would like more nature (33 percent) and adventure based (28 percent) activities. A significant minority required more nightlife activities (17 percent) and specialized shops (11 percent).

There are 27 registered and graded accommodation establishments in Koukamma in 2008 and 11 un-graded establishments (Koukamma Tourism Plan, 2009: 143-144). Most of these establishments are located in the Tsitsikamma. The graded establishments are mainly three- or four-star facilities that are evenly spread among the different accommodation types (backpackers/hostels, caravan/camping sites, self catering, guest houses, lodges, B&Bs). The un-graded establishments consist mainly of self catering accommodation (almost one half), with the remainder mainly B&Bs and guest houses. Most of the establishments employ on average four employees, while thirty percent employ between 12 and 18 workers (Koukamma Tourism Plan, 2009: 144). Most of the workers are locals.
An important issue is that much of the procurement for the tourism establishments are sourced from outside of Koukamma. Goods are purchased in Port Elizabeth, George, Humansdorp and Plettenberg Bay, where a wider range may be found. In order to maximize the contribution of tourism to the local economy, tourism establishments should use local labour and encourage local businesses to expand their ranges of goods and services, which will encourage tourism establishments to shop locally.

The Koukamma SDF encourages tourism stakeholders to expand the tourism and recreation base of the region “as they serve both the development of tourism opportunities as well as the protection of natural assets” (Koukamma, 2006: 39). The Koukamma IDP likewise notes that appropriate identification of resort development is required “without compromising critical biodiversity and ‘sense of place’”.

The Koukamma Responsible Tourism Sector Plan (2009) provides an in-depth analysis of the area, its natural and man-made assets, tourism supply and demand and the Plan itself, which includes the focus areas for development, an investment framework and an Implementation Plan.

4.9.5 Manufacturing

The manufacturing sector is small and based on local products, such as fruit (pack houses), timber (furniture manufacture, creosoted poles, charcoal manufacture) and dairy (small-scale cheese manufacturing). Except for the saw mills, cheese-making and craft production in the Tsitsikamma, most of the more significant manufacturing concerns are located around the larger towns in the Langkloof.

The Koukamma IDP notes that there exists considerable potential in the processing of agricultural and timber products. Agri-processing is one of the cornerstones of the Provincial Growth and Development Plan and the Koukamma Municipal officials should liaise with the Eastern Cape Development Corporation (ECDC) and other development agencies to promote the manufacturing industries that are based on local production.

In 2007 the manufacturing sector employed only seven percent of the total workforce, similar to the eight percent employed in construction (Cacadu District Municipality: 2008: 10).

The same source reveals that the proportions employed in these two economic sectors in the informal sector were again similar, standing at 12 percent for each of manufacturing and construction. It is possible that manufacturing, particularly in the context of the informal sector, includes craft production.

The manufacturing sector contributed only the fifth highest – or fourth lowest - Gross Value Added in Koukamma (approximately R78 000 000) in 2007, well below that of Finance, Trade, Agriculture and Community Services. The construction sector fared even worse, ranking only above Electricity as the lowest in terms of Gross Value Added (less than R50 000 000 in 2007).

4.9.6 Business services

The business sector includes sub-sectors such as Wholesale and Retail Trade, Finance and Real Estate and Transport. Businesses related to the tourism industry are included
in these sub-sectors. Most of the towns, particularly in the Langkloof, were established to serve the surrounding rural areas and they maintain this function to this day.

In Koukamma, the administrative centre provides a considerable range of business services, as does the larger town of Joubertina. Smaller urban places in Koukamma offer a limited number of business services. The Petroport at the Storms River Bridge has expanded and now offers business services to both locals and tourists.

While the business sector in Koukamma at first glance appears small and insignificant, it nevertheless provided employment to 19 percent of the workforce in 2007, second only to agriculture. The three sub-sectors in 2007 had a Gross Value Added of almost R400 000 000. The significance of this GVA may be measured against the GVAs of the other major economic sector in Koukamma: three times higher that the GVA of both the agricultural sector and manufacturing/construction.

The range of services may be sufficient to serve the rural hinterland, but will need to be expanded to serve the more sophisticated tourism market and to retain visitors in the area for longer periods of time. Although visitors may initially be drawn to the area to enjoy its natural beauty and adventure opportunities, most tourists, both domestic and foreign, require places to shop and be entertained (top two requirements). Neither of these demands can currently be sufficiently met in Koukamma.

4.9.7 Community services

Government departments and agencies and the Koukamma Municipality provide a full range of services that include education, health, safety and security, social grants, housing, physical infrastructure and more. Several, but not all of these issues have been addressed in paragraph 4.8 Social Services.

Community services, which consists mainly of these public services, contributed R120 000 000 in GVA in 2007, slightly lower than that of the agricultural sector. This sector provided employment to 12 percent of the workforce in 2007.

Domestic service employed another seven percent of all the employment opportunities in Koukamma (based on information contained in the Cacadu District Municipality Koukamma Profile, 2008).

4.9.8 Level of diversification in the economy

Koukamma is fortunate in having different topographies, climate, soils and veld types that supports a range of economic activities. The economic production structure of Koukamma is more diversified when compared to the overall Eastern Cape Provincial economy. This diversification makes the area less vulnerable in the face of exogenous factors, such as adverse climatic conditions or fluctuations in commodity prices.

The tress index indicates the level of diversification or concentration in an economy. An index of zero represents a totally diversified economy, while an index closer to 100 indicates an economy that is dependent on one or a small number of economic sectors. While the Provincial tress index increased between 1996 and 2007 from the mid to the high fifties, and that of the Cacadu District remained in the low fifties, the Koukamma tress index declined from the mid to the low forties. The level of vulnerability for Koukamma
has thus remained relatively constant between 1996 and 2007 compared to the rest of the Province (Cacadu District Municipality, 2008: 12).

4.9.9 Gross Value Added by economic sectors

Despite the fact that almost one half of the Koukamma employment is in the agricultural sector, in terms of gross value added the agricultural sector lies only third after the Finance and Real Estate sector, followed by Wholesale and Retail Trade.

Koukamma’s economy registered positive growth during the past decade. Based on data in the Koukamma Profile (Cacadu District Municipality, 2008), Gross Value Added (GVA) at constant 2000 prices indicated an increase from about R500 000 000 in 1996 to just under R800 000 000 in 2007. The GVA growth varied from year to year, declining by almost two percent in 1998, but maintaining positive growth rates thereafter (over 7 percent in 2007). The impact of the global economic crisis is likely to have an impact on the growth rates since 2008, but this has not yet been quantified.

Table 4.4
Gross Value Added by economic sector
Koukamma 2007

<table>
<thead>
<tr>
<th>Economic sector</th>
<th>GVA (constant 2000 prices)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rands (approximate values)</td>
</tr>
<tr>
<td>Agriculture *</td>
<td>132 000 000</td>
</tr>
<tr>
<td>Mining</td>
<td>0**</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>78 000 000</td>
</tr>
<tr>
<td>Electricity/gas/water</td>
<td>24 000 000</td>
</tr>
<tr>
<td>Construction</td>
<td>48 000 000</td>
</tr>
<tr>
<td>Wholesale/Retail trade</td>
<td>147 000 000</td>
</tr>
<tr>
<td>Transport</td>
<td>70 000 000</td>
</tr>
<tr>
<td>Finance/Real estate</td>
<td>174 000 000</td>
</tr>
<tr>
<td>Community services</td>
<td>120 000 000</td>
</tr>
<tr>
<td>Households</td>
<td>No value given</td>
</tr>
</tbody>
</table>

* Includes forestry ** Should include sand quarries, but no value given.
(Source: Cacadu District Municipality 2008)

It is imperative for any local authority, including Koukamma, to maintain and improve its economic growth rate to have a significant improvement on poverty and welfare indicators.

4.9.10 Employment patterns

The 2007 Community Survey indicates that 53 percent of potential workers in Koukamma are employed and this is confirmed by the information contained in the Koukamma SDF (see Table 4.4 below). The level of employment must be viewed with caution, as it is possible that a proportion of employed persons are casual workers or under-employed.
(working only a few hours a day or a few days a week) of seasonal workers who were employed at the time of the survey.

According to one of the source documents, a relatively low 12 percent of potential workers is considered to be unemployed (Koukamma IDP and Koukamma Tourism Plan, 2009:95). Another source puts this figure at 7.9 percent of the potential workforce in 2007 (Cacadu District Municipality Municipal Profile, 2008), a figure that has declined somewhat from the unemployment rate of 9.6 percent in 1996. One quarter of those seeking work reside in Ward 4, which includes the rural node of Clarkson/Mfengu Farms/Eersterivier.

These unemployment figures must, however, be viewed with caution, as a considerable proportion of the workforce finds only seasonal work during the fruit harvest (the workforce doubles during harvest time). These can at best be considered to be underemployed.

Over one third (36 percent) of potential workers are classified as not economically active. It is likely that this group includes not only housewives and welfare grantees, but also discouraged work seekers, seasonal labourers that were not working at the time of the survey and subsistence farmers.

The following employment statistics is contained in the Koukamma SDF. Information on the employment pattern in the rural area that includes the vicinity of the proposed Fynbos Golf and Country Estate development is provided for the purpose of comparison.

**Table 4.5**

**Employment patterns, Koukamma total and rural areas**

<table>
<thead>
<tr>
<th>Employment category</th>
<th>Koukamma total</th>
<th>Rural areas*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed</td>
<td>54.1</td>
<td>62.6</td>
</tr>
<tr>
<td>Seasonal workers not currently employed</td>
<td>2.4</td>
<td>2.6</td>
</tr>
<tr>
<td>Unemployed</td>
<td>20.1</td>
<td>14.7</td>
</tr>
<tr>
<td>Other</td>
<td>23.4</td>
<td>20.1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>22 514 (100%)</strong></td>
<td><strong>(100%)</strong></td>
</tr>
</tbody>
</table>

* The rural areas include Clarkson, Eersterivier, Mfengu farms and Misgund

The table indicates that a higher proportion of the population is employed in the rural areas than the overall Koukamma proportion. The unemployment rate in the rural areas is likewise lower than the overall Koukamma unemployment rate.

The highest levels of employment in the formal sector are in the Agricultural sector (46 percent), with Trade (13 percent) and Community Services (12 percent) a distant second and third in terms of employment absorption (Table 4.6).

The employment pattern in the informal sector is very different to that of the formal sector (Table 4.7). The informal sector is dominated by day to day trading which accounts for two thirds (67 percent) of informal sector employment. A further quarter of informal sector employment is created in the manufacturing and construction sectors.
Table 4.6
Total employment by economic sector, Koukamma 2007

<table>
<thead>
<tr>
<th>Economic sector</th>
<th>Total employment %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture *</td>
<td>46</td>
</tr>
<tr>
<td>Mining</td>
<td>0</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7</td>
</tr>
<tr>
<td>Electricity/Gas/Water</td>
<td>1</td>
</tr>
<tr>
<td>Construction</td>
<td>8</td>
</tr>
<tr>
<td>Wholesale/Retail Trade</td>
<td>13</td>
</tr>
<tr>
<td>Transport</td>
<td>1</td>
</tr>
<tr>
<td>Finance/Real Estate</td>
<td>5</td>
</tr>
<tr>
<td>Community Services</td>
<td>12</td>
</tr>
<tr>
<td>Households</td>
<td>7</td>
</tr>
</tbody>
</table>

* Probably includes Forestry

Table 4.7
Informal sector employment by economic sector
Koukamma 2007

<table>
<thead>
<tr>
<th>Economic sector</th>
<th>Total informal sector employment %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade</td>
<td>67</td>
</tr>
<tr>
<td>Construction</td>
<td>12</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12</td>
</tr>
<tr>
<td>Transport</td>
<td>7</td>
</tr>
<tr>
<td>Community Services</td>
<td>2</td>
</tr>
</tbody>
</table>

4.9.11 Income patterns

Although Koukamma is considered to be one of the most prosperous municipalities in the Eastern Cape, statistics reveal that Koukamma households are generally poor.

The SA Community Survey (cited in Koukamma Tourism Plan, 2009) indicates that 44 percent of Koukamma households earned less than R19 200 per annum (less than R1 600 per month) in 2007. R1 600 per month was at that time the equivalent of two old-age pensions. Nearly three quarters (72 percent) of households earned less than R38 400 per annum (R3 200 per month). Only 13 percent of households in Koukamma earned more than R6 400 per month, which even in 2007 was a fairly meagre income for a household of between 4 and 5 people.
Table 4.8
Distribution of annual household incomes, Koukamma 2007

<table>
<thead>
<tr>
<th>Income range</th>
<th>Percentage of households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rands per annum</td>
<td>Rands per month</td>
</tr>
<tr>
<td>No income</td>
<td>0</td>
</tr>
<tr>
<td>1 – 4 800</td>
<td>1 – 400</td>
</tr>
<tr>
<td>4 801 – 9 600</td>
<td>401 – 800</td>
</tr>
<tr>
<td>9 601 – 19 200</td>
<td>801 – 1 600</td>
</tr>
<tr>
<td>19 201 – 38 400</td>
<td>1 601 – 3 200</td>
</tr>
<tr>
<td>38 401 – 76 800</td>
<td>3 201 – 6 400</td>
</tr>
<tr>
<td>76 801 &gt;</td>
<td>6 401 &gt;</td>
</tr>
</tbody>
</table>

The Koukamma SDF paints an even bleaker picture of poverty in Koukamma’s rural areas. Using 2001 Census data, it calculated that as much as ninety percent of the people living in the rural areas around Clarkson, Eersterivier, the Mfengu farms and Misgund) were living in poverty at that time (based on Table 15: Individual monthly income, Koukamma SDF, 2007: 32).

In conclusion, there is clearly a mismatch between the apparent wealth of resources and economic activities in Koukamma and the level of poverty that prevails among its population, and particularly those living in the rural nodes and surrounding farming areas. The issue is not simply one of low incomes, such as is common in the agricultural sector. Low incomes is but one contributing factor that is linked to overall prevailing levels of poverty that in turn is related to ill-health, social problems and poor levels of education and skills. This situation will need a combined effort from government, civil society and the individuals themselves to access better housing and social services and gain the required education and skills levels that will, in the end, allow Koukamma’s people to make informed choices regarding their social and economic futures.
Chapter 5
The Eersterivier Kruis community survey

5.1 Introduction

As indicated earlier, it was decided to conduct a brief socio-economic survey of a sample of households in the Eersterivier Kruis community (referred to simply as Kruis in the remainder of the report). The community live in informal housing on land belonging to the Moravian Church. It is located immediately to the north of the proposed golf estate development.

The first reason for this decision is that this community is likely to be most affected by the Fynbos Golf and Country Estate development. It was considered important to gain a better understanding of the community and its socio-economic profile.

Secondly, the Kruis community clearly expected that the development would make a difference to their community. It became apparent that early communication between the developers and the community raised expectations of employment and housing among people who are either employed on short-term contracts, in low-income jobs or are seeking employment and have no legal security of tenure. These expectations, and early signs of disillusionment, were evident during a meeting between the researcher and a focus group of ten community members that took place at Kruis on 11 November 2009.

The intention of the Kruis community survey was two-fold:
- To obtain a better understanding of the socio-economic conditions and livelihoods of the community, and
- To record their perceptions, expectations and concerns regarding the proposed golf estate development on their doorstep.

The principal of the local school facilitated the survey and an administrative employee of the school was appointed to conduct personal interviews with a random selection of 20 of the approximately 60 households that form part of the Kruis community. Everyone was prepared to participate, which resulted in a 100 percent return.

Errors and bias are common among questionnaire-based surveys. After checking the questionnaires, a number of errors became apparent and a follow-up meeting was arranged to address these issues. The sample of 20 households is relatively small, but nevertheless represents a 33 percent sample. Although instances of bias in the selection of the households cannot be excluded, it can nevertheless be stated with some confidence that the sample was valid and that the data is a fair representation of the socio-economic profile of the community and their perceptions of the proposed development.

The information was analysed and the results are presented in the paragraphs below. Where appropriate, comparisons will be drawn with municipal information.

5.2 Household demographic profiles
The average household size among the sample is 4.25 persons, with a range from a single individual to seven (7) persons per household. Three quarters of households consist of four to six persons per household.

### Table 5.1
**Household size distribution, Eersterivier Kruis sample 2009**

<table>
<thead>
<tr>
<th>Household size</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>4</td>
<td>4</td>
<td>20</td>
</tr>
<tr>
<td>5</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>6</td>
<td>3</td>
<td>30</td>
</tr>
<tr>
<td>7</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td>4.25</td>
<td>100 %</td>
</tr>
</tbody>
</table>

Three quarters of the sample households are headed by males and one quarter have female heads. There is no discernible pattern in the ages of household heads. Among male headed households these range from 31 to 69 years of age, while the range among female heads of household extends from 31 to 83.

It is interesting to note that the incomes of female-headed households are only eight (8) percent lower than male-headed households. The female-headed households are particularly reliant on grant incomes. All the female-headed houses in the sample received either an old-age pension or child support grant and these are frequently equivalent to the wage incomes of poorly skilled workers. It must be acknowledged, however, that two-thirds of male-headed households likewise derive at least part of the household incomes from social grants.

Female-headed households are nevertheless more likely to be poor than those headed by males. Forty percent of female-headed households earn less than R2020 per month, compared to 33 percent headed by males. Furthermore, female-headed household are, on average, larger (5.4 members per household) than those that are headed by males (3.9 members per household). This means that there is less money available for each member of those households that are headed by females.

### Table 5.2
**Comparison between female and male-headed households**

<table>
<thead>
<tr>
<th>Indicators (November 2010)</th>
<th>Female-headed</th>
<th>Male-headed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportions of households</td>
<td>25 %</td>
<td>75 %</td>
</tr>
<tr>
<td>Average household size</td>
<td>5.4</td>
<td>3.9</td>
</tr>
<tr>
<td>Average monthly household incomes</td>
<td>R2 182</td>
<td>R2 379</td>
</tr>
<tr>
<td>Proportion earning less than R2020 per month</td>
<td>40 %</td>
<td>33 %</td>
</tr>
</tbody>
</table>

### 5.3 Age and gender composition
As may be observed from Figure 5.1, the Kruis sample indicates a fairly youthful population, with over one third (35.3 percent) under the age of 15. This proportion is similar, although slightly higher, than the Koukamma proportion of 30 percent of the population younger than 15. Close to 60 percent (57 percent) of the sample population is under the age of 35. The sample of 85 individuals is too small for conclusive observations, but the age and gender distribution of the total sample population indicates the typical pattern of a youthful and growing population, with a broad base (younger age groups) that tapers steadily to a narrow band in the over 65 year age group (4.7 percent). The latter indicates a relatively low life expectancy in the community.

The data does not explain the small proportion of males under the age of 15. It is likely, however, that young males leave the settlement after school to seek employment elsewhere, which will account for the small proportion of males between the ages of 15 and 34.

### Figure 5.1
Age and gender composition, Eersterivier Kruis sample 2009

#### 5.4 Education levels

All the children of school going age attend school. The primary school children attend the local school in the settlement, but the closest high school is located in Kareedouw. Most of the learners use a taxi service to travel to and from Kareedouw.

For the purposes of this analysis, adults are considered to be persons over the age of 15 that are no longer attending school.
Among the adults in the sample, only three of the 54 adults have never attended school (5.5 percent). An addition two (2) persons have not progressed beyond Grade 4 (previously Standard 2). The percentage of adults that have no more that four years of schooling stands at 9.3 percent. This group is unlikely to read and write effectively to cope with the demands of everyday life.

UNESCO defined illiteracy as a state of a person who is functionally unskilful in reading and writing and who cannot engage effectively in all those activities in which literacy is normally assumed in his/her group or community. This definition was subsequently expanded to include the ability of a person to prepare a person “for a social, civic and economic role that goes far beyond the limits of rudimentary literacy training” (Coombs, 1985: 280). According to others, adults who have successfully completed less that seven years of formal education (Grade 7 or Standard 5) may be considered functionally illiterate (Aitchinson & Harley, 2006).

Aitchinson & Harley (2006) cite the 2001 South African census that reveals that 32 percent of South African adults may be considered to be functionally illiterate. If this expanded definition of functional illiteracy is applied, the figure for the Kruis sample amounts to a lower proportion than the 2001 national average, namely one quarter of adults (14 of the 53 adults or 26 percent) in the Kruis sample community may be functionally illiterate and thus unable to function effectively in society and in formal sector employment. Due to the differences in education categories that were used to depict the Koukamma education levels, it is difficult to draw comparisons. The 2007 Community Survey found that 59 percent of Koukamma’s adult population had not progressed beyond primary education. This compares to 49 percent of the Kruis adults that have only primary or lower education levels.

At the other end of the educational scale, 15 percent of the Kruis sample population have matriculated, compared to estimates of between 7 and 14 percent for Koukamma.

On the whole, the Kruis population appear to have higher overall education levels when compared to the rest of Koukamma.

Table 5.3

<table>
<thead>
<tr>
<th>Age groups</th>
<th>No school</th>
<th>Grades 1-4</th>
<th>Grades 5-7</th>
<th>Grades 8-11</th>
<th>Grades 12</th>
<th>Matric +</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-34</td>
<td>1</td>
<td>0</td>
<td>6</td>
<td>14</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>35-64</td>
<td>1</td>
<td>1</td>
<td>11</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>65 +</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Percentage of sample</td>
<td>5.7% (3)</td>
<td>5.7% (3)</td>
<td>37.7% (20)</td>
<td>34.0% (18)</td>
<td>15.1% (8)</td>
<td>1.9% (1)</td>
</tr>
</tbody>
</table>

Although one should proceed with caution in view of the small size of the sample, the data (Table 5.4) indicates that young adults have on average attained higher education levels than the older generation.
Three quarters (74.1 percent) of young adults have progressed to secondary education. Just over half (51.9 percent) of those between the ages of 15 and 34 have at some high school education, while a further 22.2 percent have completed matric.

Among the older adult age group (35 to 64 years), slightly over one third (35 percent) have progressed beyond primary education. Only 20 percent have at least some secondary education, a further 10 percent have completed matric and one individual (5 percent of the sample) has matric and a NQF3 certificate.

None of those over 65 years of age has progressed beyond primary education levels.

As males appear to be under-represented in the younger age groups, no analysis based on gender was undertaken.

5.5 Skills levels

Over sixty percent (62.3 percent) of the sample of adults indicated that they had acquired some or another skill. Only one of these is a formal NQF3 qualification.

The skills otherwise appear to be informal, probably acquired on the job.

Among the male respondents, one half of these skills are related to the construction industry (carpentry, painting and plumbing). The sample includes males who have worked as machine operators, while other skills include driving and one respondent that worked as a handyman in the army.

Among female respondents, the skills include embroidery and other domestic skills, first aid and a student librarian.

An unexpectedly large proportion of female respondents indicated skills in embroidery, the result of an earlier training initiative by the Department of Social Development. The group appears to be in dire need of upskilling and product development. This will allow them to produce something unique and portable that may be sold to holidaymakers.

5.6 Employment status

Figure 5.2 below indicates that at the time of the survey under half (46 percent) of potential workers were in some form of employment, whether permanent, temporary, contractual, self-employed, full or part time. One quarter (26 percent) of potential workers are seeking employment.

Data for Koukamma as a whole indicates a higher level of employment (54 percent compared to 46 percent in Kruis). The Kruis employment levels are particularly low when compared to those given in the Koukamma SDF for the rural areas, what include the areas around Clarkson, the Mfengu farms and Eersterivier. One explanation is that rural dwellers generally live on the farms where they are employed. Although small, informal and situated on mission and private land, the Kruis community probably shares the attributes of other small settlement nodes in Koukamma and their socio-economic situation is likely to equate those of urban places, rather than of rural dwellers.
The 28 percent that are not working and not seeking work are welfare grant recipients (old age pensions and child support grants) or housewives. This proportion is slightly higher than Koukamma as a whole (23 percent) and the rural areas (20 percent).

The single self-employed person is a shop-keeper. There is little other evidence of self-employment.

### 5.7 Occupation of employed persons

Two thirds of the working population are employed as farm labourers and domestic workers (Figure 5.3). These groups traditionally require low levels of education and skills. A further 12 percent are employed as unskilled workers. That means that nearly three-quarters of the Kruis sample workers are employed in occupations that demand low levels of elementary skills.

Only 20 percent are employed in semi-skilled and supervisory capacities.
There appears to be no correlation between education levels and occupation. Domestic and farm workers are as likely to have passed matric as those in semi-skilled positions.

**Figure 5.3**
*Occupation of employed persons, Eersterivier Kruis sample 2009*

### 5.8 Employment by economic sector

More than one third of the workers find employment in the agricultural sector, 28 percent in domestic households and one in five in the construction sector. Eight percent are employed in the retail sector and a further eight percent in Community Services (government).

These figures emphasise the preponderance of participation in either low-income sectors (two thirds work as agricultural labourers and domestic workers) or in a sector dominated by short-term contracts (construction).
A comparison was made of the employment by economic sector between the Kruis community and Koukamma as a whole:

**Table 5.4**

Total employment by economic sector  
Koukamma (2007) and Eersterivier Kruis (2009)

<table>
<thead>
<tr>
<th>Economic sector</th>
<th>Koukamma %</th>
<th>Kruis %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture *</td>
<td>46</td>
<td>36</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7</td>
<td>0</td>
</tr>
<tr>
<td>Electricity/Gas/Water</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>8</td>
<td>20</td>
</tr>
<tr>
<td>Wholesale/Retail Trade</td>
<td>13</td>
<td>8</td>
</tr>
<tr>
<td>Transport</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Finance/Real Estate</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Community Services</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>Households</td>
<td>7</td>
<td>28</td>
</tr>
</tbody>
</table>
Employment among the Kruis community members is concentrated in far fewer economic sectors than the Koukamma pattern. This pattern reflects the limited employment opportunities in rural areas. While a smaller proportion of Kruis workers are employed in agriculture than the municipal share, employment in construction and households (domestic workers) is considerably higher than in Koukamma as a whole.

The survey questionnaire was kept as brief as possible and socio-economic questions were limited to one page. No questions were posed on whether the employment was full time or part time, permanent or temporary. During a focus group discussion with residents, it became apparent that the farm and domestic workers are generally (but not always) in steady, although at times in part-time employment, while those working in the construction industry were usually employed on fixed-term contracts. This uncertainty was considered to have a negative impact on households, as it was difficult to make long-term plans that required financial commitment.

5.9 Sources of incomes

Only one individual in a single-person household receives no income whatsoever. He is supported by his adult working children, who do not form part of his household.

Of the 53 adults in the sample, 46, representing 87 percent, received a monthly income from various sources at the time of the survey. One half (52 percent) derived their incomes from salaries and wages: over one third (37 percent) solely from salaries and wages and a further 15 percent a combination of wages and child support grants.

A large proportion of adults are grant-dependent. Sixty one percent of incomes are derived from welfare grants: over one third (37 percent) from child support grants and almost one quarter (24 percent) from old age pensions.

Table 5.5

<table>
<thead>
<tr>
<th>Source of individual incomes</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary/wage only</td>
<td>17</td>
<td>37</td>
</tr>
<tr>
<td>Old age pension</td>
<td>11</td>
<td>24</td>
</tr>
<tr>
<td>Child support grant/child maintenance</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td>Salary/wage + child support grant</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Own business</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>TOTAL</td>
<td>26</td>
<td>100%</td>
</tr>
</tbody>
</table>

Of the 20 households in the sample, only four (20 percent) derive their incomes solely from salaries and/or wages. One of these is the single household in the sample that derives an income from their own business.
5.10 Personal incomes

Personal incomes vary between R240 and R5 000 per month. The lowest individual incomes are derived from child support grants, which, at the time of the survey in November 2009, amounted to R240 per child per month. The highest personal income was earned by a self-employed person.

Because of the wide range of personal incomes, the calculated average personal income of R1 017 per month serves little purpose. The table below is more informative, indicating the spread of personal incomes among the income ranges.

A mere 8.4 percent of individuals earn R2 000 and over. The bulk of personal monthly incomes falls between R1 000 and R1 999. One half of individuals have monthly incomes of below R1 000.

Table 5.6

<table>
<thead>
<tr>
<th>Personal income range</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;500</td>
<td>10</td>
<td>21.7</td>
</tr>
<tr>
<td>500 – 999</td>
<td>13</td>
<td>28.3</td>
</tr>
<tr>
<td>1 000 – 1 999</td>
<td>19</td>
<td>41.3</td>
</tr>
<tr>
<td>2 000 – 4999</td>
<td>3</td>
<td>6.5</td>
</tr>
<tr>
<td>5 000 +</td>
<td>1</td>
<td>2.2</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>46</td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

A closer scrutiny of the data provides an indication of the spread of incomes among the various occupations or economic sectors:
- The lowest personal incomes are derived from child support grants. Even two grants amount to only R480 per month.
- The monthly wages for domestic workers range from as little as R300 to a maximum of R1 600. Some (but not all) of the respondents have indicated that they are employed on casual or part-time bases, which may account for the low wages, but this cannot be confirmed.
- Construction workers earn between R500 and R1 800 per month. Those earning the lowest wages may work only part time, but, as in the case of the domestic workers, this cannot be confirmed.
- Farm workers generally earn between R1 000 and R2 000 per month, although some individuals may earn as little as R700 monthly.
- Those earning the highest incomes (over R2 000 monthly) are employed mainly in the retail sector or (one individual) in government.

5.11 Household incomes

Monthly household incomes among the sample households range from nil to R5 000.
- Over one half of households earned between R2 000 and R4 999 every month at the time of the survey in November 2009.
The second largest proportion (almost one third) of households earned between R1 000 and R1 999 monthly.
Ten percent earned less than R500.

<table>
<thead>
<tr>
<th>Household income range Rands</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>&lt;500</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>500 – 999</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1 000 – 1 999</td>
<td>6</td>
<td>30</td>
</tr>
<tr>
<td>2 000 – 4 999</td>
<td>11</td>
<td>55</td>
</tr>
<tr>
<td>5 000 +</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>TOTAL</td>
<td>20</td>
<td>100%</td>
</tr>
</tbody>
</table>

It was not possible to draw direct comparisons with the municipal distribution of household incomes, as different income categories were used. Taking into account increased incomes, it can be said that 35 percent of the Kruis households earned less that R2 000 per month, compared to higher share of 44 percent of Koukamma households who earned similarly low incomes (less than R1 600) two years earlier (Table 4.7). The proportion of Kruis households who earn comparably higher incomes is, however, very limited when compared to the Koukamma pattern.

A total of R45 170 flowed into or was generated by the sample Kruis population every month. The sample was based on 20 of the estimated 60 households in the settlement. While the sample is small and subject to bias, it is nevertheless possible that, based on the outcome of the survey, approximately R135 000 in income is generated every month for the entire Kruis community and R1 620 000 every year.

In conclusion, it appears from the sample survey that the Kruis community is relatively homogeneous in terms of social and economic indicators. Judging from the discussions with a Focus Group of residents, there is a strong sense of community, mutual support and very low levels of crime.

The main socio-economic problems relate to limited local employment opportunities and lack of access to home-ownership and freehold title. It appears that the community have considerable expectations that the proposed new golf estate will address the employment issue, while the proposed new municipal housing development north of the settlement will give them ownership of formal housing.
Chapter 6
The proposed Fynbos Golf and Country Estate

The proposed Fynbos Golf and Country Estate will be developed on the escarpment to the north of the coastal resorts of Skuitbaai and Eersterivier (Figure 6.1). The surrounding area consists of farmland that is devoted mainly to commercial dairy farming.

Access to the proposed development will be along the existing poorly maintained provincial gravel road MR388 that links the coastal resorts to the R102 and N2 and across the Tsitsikamma mountains to Kareedouw in the Langkloof.

According to information supplied by the developers, the company bought the old Dirk Fourie Country Club and existing golf course that was upgraded in 2008/09, as well as portions of land to the north of the golf course.

The development is proposed on Portions 12, 13 and 70 of the Farm Eerste Rivier 626. Portion 70 is the site of the old golf course. Portions 12 and 13 extend northwards and were previously used for agricultural purposes (grazing). It is proposed to consolidate the three portions to create a development area of approximately 125 ha.

The Scoping Report outlines the components of the proposed development:
- “The existing 9-hole golf course will be upgraded and extended to 18 holes. The new golf course will be available to the existing members, the estate homeowners and the general public.
- Approximately 225 single residential erven of ± 850 m² and approximately 75 smaller group-housing units are planned around the new golf course.
- A new clubhouse, hotel and approximately 10 golf lodges are planned to promote tourism in the area.
- A golf academy to train young golfers is planned in the area of the existing clubhouse.
- A low cost housing area consisting of approximately 60 houses is planned near the existing Moravian settlement to the north of the development.
- 37.6 ha of Agricultural land will be consolidated with adjacent farm portions. In total approximately 70 ha of farmland will be lost to the development.
- Natural areas on the farm consist of coastal fynbos on the steep south facing cliffs as well as wetlands and dams. These sensitive areas will not be developed. The wetlands are presently overgrown with alien vegetation, and will be rehabilitated to ensure healthy functioning of these natural assets”.

(CEN, 2008: 42-43)

The most significant interim changes to this plan are as follows:
- The existing 9-hole golf course will be upgraded, but not extended to 18 holes.
- Plans to develop a 60-unit low cost housing development near the existing Eersterivier Kruis settlement have been abandoned. The Koukamma Municipality is planning a new settlement node north of the Kruis settlement that will provide formal housing for the Kruis community and other rural people.

Draft socio-economic impact assessment - Fynbos Golf and Country Estate
Eersterivier/Skuitbaai - Koukamma Municipality, Eastern Cape Province
The site layout plan appears as Figure 6.2.

It will be seen from the layout plan that the residential component will be located to the north of the existing (but since upgraded and expanded) club house.

There are no rural service centres in the immediate area apart from the small commercial node at the intersection of the Eersterivier road, the R 102/N2 and the road across the mountain to Kareedouw. Kareedouw is the major service and administrative centre of Kareedouw and is situated approximately 20 km north of the proposed development area. Kareedouw’s range of services is limited and construction materials will be sourced mainly from suppliers from Plettenberg Bay to the west (in the Western Cape) to Port Elizabeth (Nelson Mandela Bay Metro) in the east.

The development will consist of two distinct phases:
- The first phase includes the reconstruction of the golf course and the upgrade of the old club house.
- The second phase consists of the development of the estate and the construction of the residential units.

Construction had already started to improve the access to the property, to reconstruct the golf course and to upgrade the club house. Labour was sourced locally (from the Eersterivier Kruis community) and from as far afield as Jeffrey’s Bay in the neighbouring Kouga Municipality, due to the lack of local skills.

The services (water, sanitation, electricity/power) are being supplied by the developers and will therefore not be the responsibility of the Koukamma Municipality.
Figure 6.1
The proposed Fynbos Golf and Country Estate and the coastal resorts

Figure 6.2
Layout plan of the proposed Fynbos Golf and Country Estate (overleaf)
Chapter 7
An assessment of the social impacts of the proposed
Fynbos golf estate development

7.1 Introduction to the assessment of the socio-economic impacts

In the following two chapters the potential socio-economic impacts of the proposed Fynbos golf estate development on the local, Municipal and broader environments will be assessed.

It is at times difficult to separate the social and economic issues and impacts. Social Impact Assessment is acknowledged internationally to include both social and economic impacts (DEAT, 2006). The DEAT SEIA guidelines cite the University of Wisconsin definition of socio-economic impact assessment “as an examination of how a proposed development will change the lives of current and future residents of a community” (DEAT, 2006, 4), and issues that may affect the lives of people may be both social and economic.

For the purposes of this report, the social and economic impacts will be addressed separately. There are likely to be many overlaps, as social impacts may be a consequence or economic changes, or vice versa.

7.2 Data sources informing the socio-economic impact assessment

Input from various sources was employed to inform the assessment of the likely social and economic impacts of the proposed golf estate development:

- **Desk research**
  Information obtained from a range of sources on the Koukamma economy and development issues provided the context for the assessment of the likely socio-economic impacts of the proposed development. Issues raised in some of these sources acted as triggers to identify areas of potential positive and negative impacts of the proposed golf estate development.

- **Data supplied by the developers**
  A questionnaire (Annexure C) was drafted and sent to the developers to provide information on the potential economic impact of the proposed golf estate development. Included in the second part were questions relating more particularly to social issues. The co-operation of the developers in supplying this information is gratefully acknowledged.

- **Information supplied by the Koukamma Municipality**
  Officials from the Koukamma Municipality’s Finance, Infrastructure and Planning departments generously gave of their time and supplied documents and data and their co-operation is also gratefully acknowledged.

- **Registered Interested and Affected Parties**
During the EIA Scoping phase, people from the surrounding areas were invited to participate in the public consultation process and to register as Interested and Affected Parties (I&APs). Both farmers and home owners in the coastal resorts were expected to participate. During the Scoping phase, the I&APs raised issues of concern as well as of potential positive impacts, some of which triggered issues that were addressed in the subsequent SEIA process.

As part of the SEIA process, all the registered I&APs were approached by e-mail or fax and requested to provide additional information on their perceptions of the social and economic impacts of the proposed development of the golf estate (Annexure D, the questionnaire, Annexure E, a summary table of the results and Annexure F, an analysis of their perception).

It was interesting to note that very few local farmers appear to have registered as I&APs. All of those that responded to the subsequent SEIA opinion survey were home owners in the coastal resorts. The lack of response from the farming community to the proposed development is noted.

- **Eersterivier Kruis community**
A public participation meeting was held with members of the adjacent Eersterivier Kruis community during the EIA Scoping phase, but they are not listed as registered I&APs. During a Focus Group meeting in the settlement in November 2009 several relevant issues were raised by the participants (Annexure H). A subsequent socio-economic and opinion survey (the questionnaire is appended as Annexure I) provided a socio-economic profile of this community (Chapter 5) and insight into their perceptions, aspirations and concerns regarding the proposed development (Annexure J, a summary table of the opinion survey and Annexure K, an analysis).

### 7.3 Methodology for the social impact assessment

- Using the various classifications of potential impacts as a point of departure, each of these issues was considered in relation of the proposed development. The classification and categories of impacts were amended to provide the context for the discussion on the potential and perceived social impacts.
- Information obtained from the Scoping Report, overview of social issues in the Koukamma Municipal area, provided by the developers and the opinion surveys among the Kruis community and I&APs formed the basis for the assessment.
- The potential impacts were applied to the people living in the immediate area and to the government structures that supply social services.

By their very nature social impacts are likely to be qualitative, rather than quantitative.

The US Environmental Protection Agency Literature Review on social, cultural and economic impact assessments (2002) suggested that the emphasis during the assessment will fall on those variables that are likely to be *strongly* affected by the proposed action.

The Review defined *social impacts* as “generally reflected in changes in the ways in which a community is organised”. This could include changing residence patterns or the [ethnic]
composition of a community. The Review emphasised that “Community involvement is key to the construction of an accurate picture of social relationships and networks”.

With respect to cultural impacts, the Review notes that these are more difficult to define. It cautions against a narrow definition of the term that focuses only on historic and/or archaeological impacts. According to the Review, “A community’s culture generally includes all activities that are regarded as normal and conventional by that community, and the values (both positive and negative) placed on those activities. Changes in any valued activity would have an impact on the culture. The task of the SIA analyst is to determine which behaviours are positively valued and, subsequently, what might change those behaviours in a negative way” (US Environmental Protection Agency, 2002: 9).

The following potential and perceived social impacts will be considered:
- Changes in land use
- Population change
- Social well-being and community level impacts
- Labour absorption, skills development and material well-being
- Impacts on the rendering of public infrastructure and services

Much of the qualitative information will be based on the outcomes of the opinion surveys that were conducted among samples of the registered I&APs (most of which are coastal home owners) and the Eersterivier Kruis community.

7.4 Changes in land use

A new residential estate on the area of the old golf course represents the introduction of a new land use in the Eersterivier/Skuitbaai area.

Another potential change in land use is the development of a new Municipal settlement on a farm north of the Eersterivier Kruis settlement. Although this new housing development is not liked directly to the development of the golf estate, it affects the Eersterivier Kruis community that was identified as one of the parties that is likely to be most severely affected by the proposed golf estate development.

Both of these land use changes will be considered as social impacts of the lives of the people living in the vicinity of the development.

7.4.1 Alignment with Municipal planning and land use guidelines on new rural and coastal residential development

In order to assess the potential social impacts of the proposed development, issues that were raised in the Koukamma Spatial Development Framework (SDF, 2006) and elsewhere will be used as a point of departure. These refer particularly to current and proposed land uses and constraints to development in particular localities, including the Eersterivier node.

*Please note that this aspect of the assessment refers only to the guidelines and recommendations that are contained in the Koukamma SDF and excludes consideration of legal environmental regulations.*
Rural residential development refers to the establishment of residential land uses outside of the recognised urban nodes. Rural residential developments may contain both permanent and non-permanent accommodation, such as holiday resorts. Golf estate developments constitute another form of rural residential development.

The Koukamma SDF points out that legislation and land use management guidelines applicable to non-urban areas have concentrated on the protection of high potential agricultural land and environmentally sensitive areas and calls for guidelines to inform non-urban residential development. The recommendations on the development of new rural residential developments include the creation of residential opportunities, multiple ownership and various accommodation types in rural areas, which includes resorts and estates.

The Eersterivier Spatial Development Plan likewise recommends that “The expansion of coastal residential development needs to be accommodated” (Koukamma SDF, 2006: 88). Figure 7.1 depicts the Eersterivier development node near the coast.

Despite issues around the protection of high potential agricultural land (discussed further as a potential economic impact), the proposed Fynbos Golf and Country Estate appears to be the type of development that is envisaged in these recommendations.

In discussion with Koukamma officials, it was confirmed that neither the officials nor the Mayor is opposed to golf course developments.

It must again be emphasised that environmental regulations have not been considered in drawing this conclusion. Any change in land use is subject to an EIA.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>New residential development in rural area</td>
<td>In line with Koukamma SDF recommendations; Long term</td>
<td>Low (without consideration of environmental regulations)</td>
<td>Nil</td>
<td>Low (without consideration of environmental regulations)</td>
<td></td>
</tr>
<tr>
<td>New coastal resort development</td>
<td>Complies with Koukamma SDF recommendations</td>
<td>Long term</td>
<td>Low (without consideration of environmental regulations)</td>
<td>Nil</td>
<td>Low (without consideration of environmental regulations)</td>
</tr>
</tbody>
</table>

7.4.2 New Municipal housing development along the Eersterivier Road

It was noted that recommendations on the development of new rural residential developments include the creation of residential opportunities, multiple ownership and various accommodation types in rural areas (Koukamma SDF, 2006). A new housing development will see the construction of a new rural settlement node on land owned by the Koukamma Municipality. This farm (Farm 619) lies north of the land owned by the Moravian Church and on which the Kruis community currently resides (Figure 7.1).
Figure 7.1
Eersterivier Spatial Development Plan
The proposed new settlement is not linked directly to the golf estate development. It will, however, have a profound social impact on one of the communities that will be most affected by the proposed golf estate development.

The Municipal farm will house homeless rural dwellers from the immediate vicinity. It is furthermore intended to provide formal housing with freehold title also to the residents of Eersterivier Kruis.

The Municipality compiled a list of 148 beneficiaries for subsidized (RDP) housing in the new settlement. The list of housing beneficiaries unfortunately does not indicate the current address of the applicants. Based on names alone, 40 of the beneficiaries appear to be Xhosa speaking and probably do not currently reside in Eersterivier Kruis or Bosman’s Gronde. If all of the residents of Eersterivier Kruis (60) and Bosman’s Gronde (38) have placed their names on the housing waiting list, these households may account for the remaining 100 names on the list of beneficiaries.

Additional portions of farm land (Farm 620 of approximately 15 ha and Portion 9 of Farm 628 measuring 57.544 ha) will be purchased by the Municipality from the private land owners to provide access from the Eersterivier road to the new settlement, as well as land to extend the settlement. The remainder will be used as commonage (Koukamma SDF, 2006).

It is unknown what will happen to the infrastructure on the Moravian church land, such as the primary school or, indeed, to the land itself. Once the Kruis community has relocated to the new settlement, access to the family graves on the Moravian church land should be guaranteed.

What is relevant is that the new settlement and associated services, and the relocation of the Kruis community, will change the land use patterns and visual aspects of the area along the Eersterivier road. The informal settlement at Eersterivier Kruis is likely to disappear, while a new formally laid out settlement will arise in its place north of the Moravian property.

Fears have been expressed that unemployed in-migrants may settle on the Moravian Church land, particularly once the Eersterivier Kruis community has been relocated to the new Municipal settlement.

7.5 Population change

7.5.1 Displacement of people

According to information received from a spokesperson for the developers, no farm labourers were displaced by the acquisition of the farm land. The land was previously used for grazing and the farm labourers that worked on the land in question were accommodated elsewhere on the farm of the land owner. It thus appears that no individuals and families were displaced by development.

7.5.2 Presence of seasonal (leisure) residents

The holiday homes along the coast have few permanent residents, but the numbers swell dramatically during the holiday periods.
Should the golf estate development go ahead, the area can expect a further influx of holiday makers, either as seasonal (or permanent) residents in their own residential units on the estate, or as visitors to the hotel and lodges. The population of the Eersterivier area is thus likely to increase considerably both throughout the year (leisure or golf tourists) and during the holiday season (both tourists and occupants of the residential units). Such an additional influx of people in a relatively sparsely populated rural area is likely to have impacts on the social environment that could strain relationships between permanent and seasonal residents, people who have owned holiday homes for decades and newcomers to the golf estates, and even between the farmers and the holiday makers.

7.5.3 Presence of seasonal or temporary workers

The proposed development is likely to attract job seekers to the area. There is currently no evidence of such an in-migration, but this scenario is greatly feared by both the owners of the holiday homes in the coastal resorts, and, more particularly, by the residents of the Eersterivier Kruis settlement. The Kruis residents are concerned about the impact of job seekers, not only as they are seen as competing for livelihoods, but also because they may threaten the social cohesion of the Kruis community.

A constant influx or outflow of temporary workers is thus likely to heighten tensions between the new migrants and the resident of the Kruis community, particularly those that are unemployed.

7.5.4 Changes in demographic structure

It is difficult to predict whether or how the proposed development will bring changes to the demographic profiles of the current residents and visitors. While golfing holidays are known to attract people from the higher income groups, their demographic structure may not be too dissimilar to those families that own holiday homes in the coastal resorts. The possibility exists that the golf estate may attract young professionals and their families, which may result in different recreational preferences that are current among the home owners in the coastal resorts.

Demographic differences are more likely to be a feature of the people that come to the area to find jobs on the estate. People who are prepared to migrate away from their place of residence to look for employment are typically, although not exclusively, young males that are either single or move without their families. The unemployed from all racial groups will migrate to areas that are perceived to offer employment. Blacks, however, are not only the largest race group in the country, but also the poorest. While there is no evidence that work seekers to the Eersterivier area will fit this demographic profile, it is possible that the incomers (if any) will be dissimilar to the Kruis community and also the resident farm labourers in age, gender and racial composition.

The Municipality’s list of 148 beneficiaries for subsidized (RDP) housing in the new settlement unfortunately does not indicate the current address of the applicants. Based on names alone, 40 of the beneficiaries appear to be Xhosa speaking and probably do not currently reside in Eersterivier Kruis or Bosman’s Gronde.
<table>
<thead>
<tr>
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<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population change due to a new class and demographic on the proposed golf estate</td>
<td>Different demographic profile and interests among new residents and golf tourists</td>
<td>Life of the golf estate</td>
<td>Low negative</td>
<td>Nil</td>
<td>Low negative</td>
</tr>
<tr>
<td>Population change due to job seekers moving into the Eersterivier area</td>
<td>Social tension caused by presence of labour migrants</td>
<td>Short term, unless successful or unsuccessful migrants remain in the area after completion of the construction phase</td>
<td>Moderately high</td>
<td>Option 1 - Liaise with Municipality and other land owners to minimise illegal occupation of land (squatting) by job seekers; Option 2 – Let the estate’s preferential employment policy be known (signs, information brochures etc.)</td>
<td>Moderately low</td>
</tr>
</tbody>
</table>

### 7.6 Social well being and community level impacts

A new development, with a concomitant inflow of people who may differ from those living in the area, stands the risk of causing a disruption in existing social networks. When the Mfengu people returned to the Tsitsikamma, their settlement in close proximity to Clarkson initially led to tensions with the local community.

Social well being is difficult to measure, but it generally relates to levels of health and crime, conflicts that may affect the well-being of the community, such as the impact of newcomers to the area, and the introduction of new social classes into the community. In a small community or restricted local geographical area, issues related to social well-being are generally closely related to community level impacts. These two similar but different sets of social issues will therefore be analysed together.

#### 7.6.1 Physical well being

There are justifiable concerns that the construction work on the proposed estate and the presence of construction vehicles on the Eersterivier road will cause noise and dust and deterioration of the gravel road surface that will inconvenience local residents. Of great concern is the increase in traffic and this issue was raised by three quarters of the I&APs and 80 percent of the Kruise residents. The safety of the many children that walk along the now relatively quiet road is of particular concern to the Kruise residents.
Related issues were the condition of the road surface and the noise and dust generated by the construction.

7.6.2 Presence of newcomers to the local area and potential conflicts between residents and newcomers

There has been a history of low level conflict and social tension between locals and visitors in the Eersterivier area, such as between the coastal home owners and day trippers. The coastal resorts are seen as ‘closed’ communities and the home owners consider that the areas are private, even though access road is via a Provincial road. There are few areas of sandy beaches and an influx of visitors is perceived to exceed the carrying capacity. One quarter of the I&APs have expressed their concerns that the proposed golf estate is marketed as a coastal estate and that the new residents and golf tourists will expect access to the limited beach facilities.

Furthermore, forty percent of the sample of home owners are concerned that the facilities at the resorts (parking, ablution facilities, cleaning of litter) are inadequate to cater for large crowds of visitors. This can however be addressed between the parties concerned.

It must be mentioned that a small proportion of I&APs (15 percent of the sample) consider that the golf estate will have a positive consequences on the general economy of the region, as well as offering new and improved amenities (the improved golf course and restaurant on the golf estate) for the coastal home owners.

The Kruis community does not share these concerns. They are concerned particularly about more material issues, such as jobs and the acquisition of skills. Their particular concern, however, centres around the perception that job seekers from outside the area will threaten their chances of obtaining employment on the golf estate. These perceptions are likely to result in hostility to in-migrants that could trigger social problems in an otherwise tranquil environment.

Little is known about the perceptions, opinions and concerns of the local farmers. During the Scoping process one farmer requested confirmation that his access across the land owned by the developers will be honoured. There were otherwise a few references to the impact of the deterioration of the road surface on the dairy industry, but these concerns came from the home owners on the coastal resorts. One can only deduce that the relative silence from the farming community points to a lack of serious concerns regarding the proposed development.

7.6.3 Social cohesion and way of life

It is not known what sort of people will be attracted to live or play on the new golf estate and whether their social profile will differ significantly from that of the local farmers or homeowners. It is certain that their social profile will differ from that of the Eersterivier Kruis community, but then there have always been social differences between this community, the farmers and the coastal home owners.

The concerns of the home owners in the coastal resorts centre on the changes that the development will bring to their way of life. Golf estates are associated with prosperous people and glamorous lifestyles. Fully three quarters of the home owners fear that the development will emulate those that were created by the golf and polo estates along the
Garden Route and that this will attract people who will not appreciate the tranquil atmosphere in the resort and the surrounding rural landscape.

The Eersterivier Kruis community in turn is concerned about the potential impact of the job seekers on their way of life. The opinion survey did emphasise the social cohesion that exists among members of the community and that they all know and support one another. Fears were expressed that an influx of outsiders (referring here to the job-seekers) may change the dynamics and ‘sense of place’ in the community.

The Kruis community members expect that the new golf estate development will provide them with job opportunities. The estate development and the people who will be living on or visiting the estate thus did not elicit any negative comments or concerns.

The proposed move to the new settlement on Municipal land did not raise much concern during the discussions with the community members and the impact of integration with other individual or groups in the new settlement was not mentioned at all.

### 7.6.4 Crime

One of the perceived consequences of the Fynbos golf estate development is that levels of crime will increase. The increase in crime is linked to the people that will be employed during the construction phase of the estate, and, more particularly, to the expected inflow of unemployed work seekers.

While it is not possible at this stage to estimate the increase in crime in the Eersterivier area, one can assess the current levels of crimes, and the different categories of crimes, that are common in Koukamma and in the Tsitsikamma.

In the Tsitsikamma, reported crime statistics in 2009 for the area served by the Storms River police station indicates that the highest prevalence of crimes are contact crimes, such as murder, assaults and robbery from individuals in Koukamma (48.8 percent of all reported crimes in 2009). Despite an overall decrease in levels of crime in Koukamma between 2001 and 2009, there has since 2001 been an increase in the incidence of assault with the intent of inflicting bodily harm, as well as robbery with aggravating circumstances, in the Tsitsikamma. The incidence of burglary at residential premises has increased by over one quarter over the eight years. There is a much lower incidence of burglary at business premises, but here too the numbers of such crimes has almost doubled.

It appears from anecdotal evidence that the incidence of crimes in the Eersterivier area is low. In discussions with the Eersterivier Kruis Focus Group the participants expressed their fear that job-seekers, particularly those that are unsuccessful, are likely to remain in the area and may commit crimes that will have an impact on the Kruis community. In response to the opinion survey, one third of the respondents likewise feared increased levels of crime as a consequence of the proposed development and the influx of work seekers.

The home owners in the coastal resorts are even more concerned about increased levels of crime as a consequence of the proposed development. Of the respondents, 85 percent expressed their concern that ‘undesirable elements’ will be attracted by the prospect of jobs and that many are likely to remain in the area, whether successful or not. They fear
that the unemployed newcomers are likely to target the holiday homes in the coastal resorts outside of the holiday periods, when most of the homes are vacant and there is limited security. As the incidence of burglary at residential premises has increased in the Tsitsikamma by over one quarter between 2001 and 2009, their concerns may be well founded.

There is thus far no evidence that the local area will indeed be inundated by job seekers, but the perception persists among most of the coastal home owners and, to a lesser extent, among the Kruis community.

### 7.6.5 Access to resources and facilities

Reference was made in paragraph 7.6.2 to conflict over the access of the broader community to the coast. Pressure on the beach areas have mounted as the Koukamma communities have sought access to the limited beach facilities.

There are few accessible sandy beaches along the Koukamma coast and a considerable proportion of the coast line is restricted by the Tsitsikamma National Park. The Huisklip municipal nature reserve is located towards the east of the municipal area and access to the reserve is across private land, which has sparked several stand-offs between the land owner(s) and Koukamma communities over the years. Furthermore, Oubos is a private resort and access to the public is restricted. Several of the other coastal resorts have attempted to limit access.

The issue of access to the beaches and the resorts and the pressure on the limited public facilities was raised during the scoping process and again by 40 percent of the participating I&APs in the opinion survey. Their concerns about access and the sharing of the beaches and other facilities may be construed either as a genuine concern about the impact of large numbers of visitors on the fragile coastal environment, or as an effort to reserve the coast for the exclusive use of the coastal home owners. The home owners furthermore raised quite legitimate concerns about the absence of municipal services and the obligation of the home owners to clear up after the visitors.

While an admittedly small proportion of 15 percent of the respondents were happy that the golf estate would provide additional recreational amenities, a significant minority (40 percent) of the home owners appear unhappy to share the coast and its amenities with the golf estate residents and golf tourists.

The Eersterivier Kruis community raised no concerns regarding access to the coast. Their concern rather centred on access to the golf course. During the Focus Group meeting in November 2009, the participants were concerned that this new amenity will be inaccessible to their community, as they will be unable to afford membership or green fees. Their recommendation was that adults and young people from the community should be granted access to the golf course during the low season. This will allow community members to learn to play golf and to provide recreational opportunities in an area where these are scarce. The youth will gain a new interest that will keep them out of mischief.

The developers indicated that local community members will be selected to participate in the golf clinics. At the time of the Kruis community survey, it appears that the community members were unaware of this social responsibility initiative.
7.6.6 Fairness of distribution of impacts across community

Another important issue relates to the perception of fairness of the distribution of the positive impacts of the golf course development across the local community.

During the Kruis Focus Group meeting, the participants were concerned not only about community access to the golf course, but also about participation in decision making that may affect their lives. They questioned the extent to which the developers were committed of the notion of broad-based Black economic empowerment (BBBEE). This was seen as a crucial tool to ensure meaningful community participation in the new development in order to improve the overall well-being of the Kruis community. The participants went as far as to inquire whether there is any likelihood of obtaining equity and/or getting a seat on the Board of the proposed estate.

The developers contend that they have a structure in place to communicate regularly with the Kruis residents on address issues around the participation of the Kruis community in the activities on the estate. They confirmed that there is no specific commitment to broad based Black economic empowerment.

Furthermore, there is no formal social responsibility programme in place to support the Kruis community in other ways, such as sponsorship, bursaries, computers for the school, training for those residents that are not employed on the estate or upgrading of social facilities. The developers have, however, previously assisted the local church by supplying tables and chairs and are committed to uplifting the Kruis community, if only indirectly.

7.6.7 Social and cultural marginalisation

While issues around social and cultural marginalisation were not mentioned, the Eersterivier Kruis community nevertheless perceive that they are not treated with dignity by the developers. They feel excluded from decision making that may affect their lives. They fear that the community will be ‘used’ by the developers to achieve some or other advantage.

It may be important to find ways to better communicate with this community in order to build trust between the developers and the community members and to minimise any perceptions of exclusion, marginalisation and exploitation.

Quoting from the Western Cape’s draft Rapid Review of Golf Courses and Polo Estates, the Endangered Wildlife Trust wrote in 2004 that “The development of high-income golf estates in an area characterised by low levels of income, lack of housing and basic services could further increase income inequality and add to the marginalisation of the poor”. It is likely that the Kruis community members will experience this sense of marginalisation if they perceive that the new residential owners and tourists to the golf estate represent yet another level of conspicuous wealth, while they stand to gain little from the development on their doorstep.

7.6.8 Aesthetics and visual impact

The aesthetic quality and visual impact of both the new golf estate development and the RDP housing on the new Municipal deserves consideration.
Only 15 percent of the responding I&APs mentioned the perceived negative visual impact of the proposed golf estate and this issue was not raised at all by the Kruis respondents. The Scoping Report noted that a Visual Impact Study was commissioned and that report will address this concern.

The development of the new Municipal settlement north of the Eersterivier Kruis settlement will likewise introduce a very different visual aspect to the otherwise rural Eersterivier farming area. While the development as a neat housing development may be seen by many as an improvement on the existing informal Kruis settlement, the visual impact of rows of RDP houses is likely to be significant. Others maintain that the settlement on Moravian land is less formal and low in density. This opinion holds that the existing houses should rather be upgraded in situ.

The new settlement will be located to the west of the Eersterivier road and it is possible that the settlement will not be visible from the road in its entirety, or not at all.

While the Visual Impact Study indicated that the new Fynbos Golf and Country Estate will have no negative visual impact, it is certain that the introduction of these two new housing elements (golf estate and Municipal settlement) will have an impact of the aesthetics and visual appear of the otherwise rural area.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical well-being related to the construction and increased traffic</td>
<td>Noise, dust, deteriorating road surface, general nuisance, safety of children walking along the road</td>
<td>Short to longer term</td>
<td>High (short term construction phase); Moderately high (longer term operational phase)</td>
<td>Road safety campaign for all road users; Liaison with all local communities to keep open lines of communication and immediate response to problem issues; Transport for school children who use the road, sponsored by golf estate developers; Regular watering of road during dry spells</td>
<td>Moderately high (construction phase); Moderately low (operational phase)</td>
</tr>
<tr>
<td>Presence of newcomers to the local area and potential conflicts</td>
<td>Uncontrolled access to limited beach facilities may cause conflict with home owners in</td>
<td>Long term</td>
<td>High</td>
<td>Continued liaison with coastal home owners on control of numbers of estate visitors to beaches;</td>
<td>Moderately low</td>
</tr>
<tr>
<td>Coastal resorts</td>
<td>Social Cohesion and Way of Life</td>
<td>Crime</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td>-------------------------------</td>
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</tr>
<tr>
<td></td>
<td>Social Responsibility Plan by golf estate developers to limit impact, e.g. parking, cleansing, water and toilet facilities</td>
<td>Sensitise new residents and tourists to the golf estate about the limited beach facilities (e.g. through printed notices in public areas on estate); Continued liaison with residents’ associations in coastal resorts to discuss and find solutions to problems; Limited capacity to influence impacts on the way of life of the Kruis community once it relocates to the new Municipal settlement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Newcomers with a different lifestyle will threaten the established way of life in the coastal resorts and in the Kruis community</td>
<td>Long term</td>
<td>Moderately high</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sensitise new residents and tourists to the golf estate about the limited beach facilities (e.g. through printed notices in public areas on estate); Continued liaison with residents’ associations in coastal resorts to discuss and find solutions to problems; Limited capacity to influence impacts on the way of life of the Kruis community once it relocates to the new Municipal settlement</td>
<td>Moderately low</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Liaise with Storms River SAPS for periodic patrols along the Eersterivier road, Kruis community (with their approval) and coastal resorts; Liaise with home owners in coastal resorts on suggestion to use estate’s security staff to periodically patrol coastal resorts during the off-season; Liaise with land owners to control squatting of work seekers.</td>
<td>Low</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
### Access to resources and facilities

| Access to resources and facilities | Pressure on limited beach facilities (addressed earlier); Perception of denial of access to golf course by Kruis community members | Long term | High | Developers to consider limited access and golf training for Kruis community members, particularly during low season | Low |

### Fairness of distribution of impacts across communities

| Fairness of distribution of impacts across communities | Perception among Kruis community that they are used only as elementary workers but are otherwise excluded from the broader benefits created by the new golf estate | Long term | Moderately high | Formal communication structure for regular liaison with Kruis community representatives; Social Responsibility Policy that may consider social and economic spin-offs for Kruis community other than employment | Moderately low |

### Social and cultural marginalisation

| Social and cultural marginalisation | Perception among Kruis community that they are 'used' when necessary and not treated with dignity | Long term | Moderately high | Regular structured and formal communication with Kruis community representatives to address problems before they fester | Low |

### Aesthetics and visual impact

| Aesthetics and visual impact | Both the golf estate and new Municipal settlement will change the rustic environment | Long term | Moderately low | Visual Impact Assessment indicates that the proposed golf estate will have no negative visual impacts. | Low |

## 7.7 Labour absorption, skills development and material well-being

The impacts of the proposed new development on labour absorption and material well-being are important in terms of creating employment opportunities and sources of incomes.

Labour/employment issues are at the forefront of the minds of members of poor communities. The impacts of the proposed golf estate development are particularly pertinent in a rural area where there are few employment options. It is therefore no wonder that three quarters of the respondents to the opinion survey among Kruis...
community members considered employment opportunities and higher incomes as the most significant advantage of the proposed development. Also among the coastal home owners, 70 percent considered employment creation to be one of the most significant impacts of the proposed golf estate development.

Those that stand to gain most from the construction phase of the proposed development will be construction workers from the Humansdorp/Jeffrey’s Bay area, in the neighbouring municipality of Kouga to the east. Building teams from this area have been used during the pre-construction phase (upgrading and extension of the club house and surrounds). It is estimated that during the major construction phase, 95 percent of skilled and semi-skilled artisans will be recruited from the Kouga area, as well as 80 percent of those with only rudimentary skills (unskilled labourers).

It must be noted that during phase 1 of the development, the golf course and the upgraded club house has already provided employment also to local people. Additional greenkeepers are employed on the golf course, while the developers indicated that the new club house employs three times the number of people that were employed in the old club house.

The Kruis community acknowledge that they have relatively low levels of skills. Nearly one third consider skills development to be one of the potential positive impacts of the proposed golf estate development. There is unfortunately a small proportion (15 percent) of the Kruis respondents who do not believe that the golf estate development is likely to improve their low skills levels.

While the issues that were raised during the Kruis community Focus Group meeting centred on social issues, the participants were particularly interested to learn whether the developers had a Training Plan in place that would build skills among the local community members. Judging from their response to the questionnaire, it appears that the developers do not have a formal Training Plan, but training will be done informally.

The Focus Group were viewing skills development in its broader context, beyond only construction-related skills. They considered it a part of the social responsibility commitment of the developers that members of the Kruis community should be provided with training opportunities in other technical skills, as well as business skills to enable them to take responsibility for their own material well being in the face of limited local employment opportunities.

While the developers do not have a formal Skills Development Plan in place, they have already started training new local recruits. During 2010, for example, one employee was sent on a greenkeeper’s course and another on an accounting course. In the medium term, training will be provided for a wide range of occupations for people that will be employed on the estate (see table overleaf). The developers have indicated that most of these positions will be filled by people from the Kruis community, and they will therefore be the chief beneficiaries of these skills training opportunities. Some of the positions and subsequent skills training are likely to be filled by employees from Kareedouw and as far away as Jeffrey’s Bay.

<table>
<thead>
<tr>
<th>Type of training</th>
<th>Number of beneficiaries</th>
</tr>
</thead>
</table>
Draft socio-economic impact assessment - Fynbos Golf and Country Estate
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Artisans - bricklayers                      5
Artisans – plasterers                     5
Artisans – painters                      5
Artisans – plumbers                      5
Artisans – electricians                  3
Mechanics                                2
Grounds men/gardeners                    8*
Chefs/cooks                             4
Waiters                                  1
Domestic staff/cleaners                 3
Handymen/women, green keepers           10

* Plus 8 casual staff

The 20 percent of the sample residents that were employed in the construction sector at the time of the community survey in November 2009 were predominantly poorly skilled labourers that earned low salaries of between R500 and R1 800 per month. The community fears competition from the construction teams that are brought in to work on the estate and they have become quite despondent about their chances of finding employment in any but the most menial occupations. Ten percent of the sample considered that no Kruis community member is likely to find employment on the estate. It is interesting to note that I&APs from the coastal resorts are even more pessimistic about the labour absorption capacity among the Kruis community of the golf estate development; a significant 40 percent of respondents did not expect the development to materially benefit the Kruis community members.

It seems possible that approximately 20 people from Kruis will find employment on the proposed golf estate during the construction phase. Few employment opportunities are expected to be created during the construction phase for people living elsewhere in the Tsitsikamma, as only five percent of the unskilled labour force is likely to be recruited from this area. Skilled artisans and professionals are generally located in larger towns and cities, and it comes as no surprise that almost all of these skills will be sourced from outside Koukamma.

The developers have committed themselves to recruit all of their operational and maintenance staff from Koukamma. As much as 90 percent of these opportunities will be available to people from the Kruis community.

On a slightly different note, the participants at the Focus Group meeting in the Kruis community expressed their concern that the developers are not prepared to allow caddies on the golf course, preferring rather to provide golf carts for hire by the players. They noted that school fees consumed a considerable proportion of household incomes and that caddie fees would ease this burden.

One of the most burning issues that emanated from the Focus Group discussion and the Kruis opinion survey is competition for scarce local jobs not only from the construction
teams during year one, but also from other incoming job migrants. Such people are unemployed, frequently single and will accept even the most elementary and poorly paid job. They are seen as ‘outsiders’ that pose a threat to the scarce employment options available to the local community.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local employment absorption</td>
<td>A relatively small proportion (only about 5 percent) of the employment opportunities on the Fynbos golf estate during the construction phase will be taken up by local workers</td>
<td>Short term</td>
<td>Highly negative</td>
<td>Option 1 – Do nothing, as it is too late to train unskilled people to participate in the construction phase Option 2 - Training Plan to build capacity and skills that will allow locals to find employment on the estate beyond the construction phase and to equip others with ‘portable skills’ to seek employment elsewhere</td>
<td>Option 1 – Highly negative Option 2 – Moderately positive</td>
</tr>
<tr>
<td>High expectations for local employment</td>
<td>In a rural area where employment opportunities are relatively scarce and elementary, the golf estate development raised expectations, particularly in the local Kruis community, that might have been unrealistic</td>
<td>Short to long term</td>
<td>Moderately to highly negative</td>
<td>Option 1 – Do nothing, but this is likely to sour relations with the Kruis community Option 2 – Establish formal lines of communication with Kruis community as a show of transparency and goodwill and to discuss burning issues before they fester</td>
<td>Option 1 – Moderately to highly negative Option 2 will somewhat reduce risk to moderately to low negative</td>
</tr>
<tr>
<td>Poor local skills base</td>
<td>Kruis and Tsitsikamma communities are equipped only to take up elementary jobs</td>
<td>Short to long term</td>
<td>Moderately negative</td>
<td>Option 1 – Do nothing other than employing those with the necessary abilities and skills Option 2 – A Skills Development Plan that is extended to workers and un- or under-employed locals to give them the skills to find jobs on the estate and</td>
<td>Option 1 – Moderately negative Option 2 Moderately positive</td>
</tr>
</tbody>
</table>
### 7.8 Impacts on the rendering of public infrastructure and services

The different spheres of government are responsible to render a wide range of public services to the citizens of the country, that include both social and infrastructure services.

The Bill of Rights in the South African Constitution (1996: Chapter 2) secures certain basic rights of the people of South Africa and the obligation of the state to provide social services. These include safety and security (“freedom and security of the person”), housing, health care, food water and social security and education. The government is also responsible for physical infrastructure, such as road and rail services.

Most of the public services that are mentioned above are national and/or provincial competencies, such as the police, education and social welfare services. Many of the roads, including the Eersterivier road, remain the responsibility of the Provincial Roads Department. Primary and environmental health services in the Cacadu District, on the other hand, are rendered by the District and Local Municipalities on an agency basis with funding from the Provincial Government.

Any increase in population is likely to increase the demand for housing, physical infrastructure and social services.

The development of the golf estate is likely to attract seasonal or permanent residents, tourists and work seekers. The golf estate itself plans to construct residential units and tourist accommodation on the estate. The developers have assumed the responsibility to supply ‘municipal’ services, such as electricity, water and sanitation, to the estate.

The various spheres of government are responsible for the maintenance of the Eersterivier road, to make provision for adequate police services to maintain law and order, and to render additional social services should these be required.

#### 7.8.1 Provision of social infrastructure

##### 7.8.1.1 Housing

During the opinion survey among members of the Eersterivier Kruis community the fear of competition for jobs from in-migrants elsewhere emerged as the greatest concern regarding the new golf estate development. 95 percent of respondents expected an inflow of work seekers that will not

| Competition for jobs from in-migrants | Competition for scarce job opportunities and perceived threat from outside workers and job seekers | Medium term | Highly negative | Draft an Employment Strategy that prioritises local employment creation and skills development; Workshop this with the Kruis community; Keep open formal lines of communication | Moderate negative |

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only compete for jobs on the estate, but also settle locally and displace them from the housing waiting list for RDP houses in the new settlement (homeless people are frequently granted emergency housing before those that have been on the housing waiting list for a long time).

Mention was made earlier about earlier expectations that the developers of the golf estate would construct formal housing to the south of the Eersterivier Kruis settlement. These plans have since been abandoned and the Kruis community members have placed their names on the waiting list for RDP housing in the new settlement that will be developed on the Municipal farm north of Eersterivier Kruis. This development has been planned for some years and is not directly linked to the proposed golf estate development.

The Municipality will, however, be responsible to provide housing for Kruis community members and any other local people (or, eventually, in-migrants) that will find employment on the golf estate. The developers have committed themselves to source all labour during the operational phase of the estate locally, so that it is highly likely that the state will bear the cost of providing housing and social infrastructure to those that are employed on the estate.

7.8.1.2 Other social services

Households that occupy a new settlement require access to a range of social services that are the responsibility of the state. The various spheres of government are responsible not only to financially support the Municipality to provide the Municipal services, but in turn to make provision for the required social services. These include education, health, social grants and provision for safety and security.

- Educational facilities
  One primary school is located on the Moravian land which the Kruis community currently occupies. At the time of the survey the headmaster was not certain about the future of the existing school, but expected that it would be relocated to the new settlement. Learners must attend the secondary school in Kareedouw, which is situated approximately 15 km from the settlement. Unless the new settlement grows very quickly, it is unlikely that the community will sustain a secondary school. As the new settlement will be a Municipal initiative, the Department of Education may be approached to provide transport to Kareedouw for the secondary school learners.

- Health services
  A mobile clinic visits Eersterivier on a monthly basis. The local communities must travel to Kareedouw or one of the other towns where clinics and/or hospitals provide full time services. The clinic services throughout the Eastern Cape Province and the Cacadu district are stretched to capacity. Any further inflow of new in-migrants into the Eersterivier area is likely to place additional pressure on the capacity of the health services to provide an adequate service.

The new residents on the proposed golf estate and the tourists that will visit the facility are likely to use private health care facilities, much as is the case with the holiday makers in the coastal resorts. Unless they use the local hospitals, they are unlikely to place a burden on the government health services.
The Cacadu District Municipality is responsible for Environmental Health services. The Environmental Health practitioners monitor water quality, pollution levels in rivers and water courses, health standards of foodstuffs that are sold to the public and more. The services of the Environmental Health practitioner will need to be extended to provide services also in the new developments.

- **Social welfare grants**
  It appears from the Kruis socio-economic survey that a considerable proportion of households receive social assistance in the form of old age pensions and child support grants. Other social welfare grants are available for people living with disabilities. The state will be required to make provision to extend social grants to all of those that will locate to the new settlement.

### 7.8.2 Provision of physical infrastructure

- **Infrastructure in the new Municipal settlement**
  The Municipality is responsible for all Municipal services in the new settlement, which includes streets, water, sanitation and electricity in the houses, street lighting, storm water management and cleansing services. The rendering of services to the many Koukamma settlements has already placed great strain on the financial and human resources capacity of the Koukamma Municipality and providing and maintaining services in the new settlement will add to this burden.

  Should there be an influx of newcomers that might be attracted by the potential job opportunities offered on the new golf estate, it is likely that these in-migrants will in time require housing in the new Municipal settlement, with a concomitant obligation for the Municipality to extend infrastructure services in the settlement.

- **Maintenance of the Eersterivier road**
  The increased traffic along the Eersterivier road will lead to the more rapid deterioration of the road service and require more regular maintenance. The traffic flow of heavy construction vehicles during the construction phase will have a particularly negative impact.

  The construction phase extends over five years according to current estimates. If the property market remains depressed, it is likely that the construction phase during the initial years will slow down, but thus be extended over a longer period of time, depending on the demand for second homes.

  As the residential units are completed and the estate starts attracting tourists, this too will lead to an increase in traffic on the road. While the pressure on the road is likely to be seasonal, tourists visit the Tsitsikamma throughout the year and this will lead to an overall increase in volumes of traffic also outside of the traditional holiday periods.

  The impact of the proposed development on the condition of the road and the safety of the children was highlighted by 80 percent of the Kruis respondents and 75 percent of the responding I&APs.

  The obligation is on the Provincial Roads Department to maintain the Eersterivier access road. It is a recorded reality that a large proportion of South Africa’s roads are deteriorating due to lack of maintenance. Thus far the Provincial authorities have

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maintained the Eersterivier road adequately, but it is uncertain whether such maintenance will be done more frequently should increased traffic lead to more rapid deterioration of the road surface.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity of the Koukamma Municipality and government departments to effectively render social services to the new Municipal settlement and surrounding rural area (cleansing services in coastal resorts during holiday seasons)</td>
<td>Social services provision stretched to capacity, leading to poor local service delivery</td>
<td>Medium to long term</td>
<td>Moderately high</td>
<td>Golf estate developers to set up a Trust or fund a Social Responsibility Programme (e.g. support and/or sponsorship of health or education services, food gardens in the new settlement) that will assist the state to render effective social services</td>
<td>Moderately low</td>
</tr>
<tr>
<td>Capacity of the Provincial Roads Department to effectively render infrastructural services in the area</td>
<td>Infrequent maintenance of Eersterivier road that is likely to be degraded more quickly by construction vehicles and additional visitors to the golf estate</td>
<td>Short to longer term</td>
<td>Moderately high to high</td>
<td>Golf estate developers to set aside a fund for periodic maintenance of the Eersterivier road should Province not have the capacity for regular maintenance</td>
<td>Moderately low</td>
</tr>
</tbody>
</table>

7.9 Summary of anticipated social impacts

It is clear that while attention is generally focused on the environmental and economic impacts of golf resort development, the social issues are similarly far ranging. These range from changes in the structure and distribution of the population in the area to social dislocation and aesthetics.

The social impacts that were considered in this chapter include the following:

- Changes in land use
- Population change
- Social well-being and community level impacts
- Labour absorption, skills development and material well-being
- Impacts on the rendering of public infrastructure and services

There is no easy way to prioritise these social issues and impacts. Every one is likely to have an impact on the local communities, so that each is important in its own right.
clear that these social issues deserve consideration in the EIA before taking the final decision whether to approve the Fynbos golf estate development.
Chapter 8
An assessment of the economic impacts of the proposed
Fynbos golf estate development

This chapter will assess the potential economic impacts of the proposed Fynbos golf estate development on the local, Municipal and broader environments.

It was noted earlier in the report that economic impacts generally refer to a change in the market value of an asset or resource because of a specific decision or activity that may affect a particular environment or locality. These could include impacts on property values, the levels of business activity generated directly or indirectly by an activity and the quality or quantity of jobs in a community (US Environmental Protection Agency, 2002). It recommends that a balance is sought in the decision process to minimise friction between ‘winners’ and ‘losers’.

In contrast to the qualitative nature of the social impacts, the economic impacts are likely to be more quantitative in nature.

8.1 Methodology

- In order to assess the potential economic impacts of the proposed development, issues that were raised in the Koukamma Spatial Development Framework (SDF, 2006) will be used as a point of departure. These refer particularly to current and proposed land uses and constraints to development in particular localities.
- The next step is to consider the potential impacts of the proposed development on the different economic sectors in the local and Koukamma economy.
- A further step is to assess the economic impact on the local and broader communities in terms of employment and incomes. Here the outcomes of the opinion surveys among the registered I&APs and the Kruis sample community will be considered.
- An attempt will thereafter be made to assess the economic impacts on the Koukamma Municipality itself, i.e. the potential positive and negative financial impacts on the institution.
- Finally, a brief assessment will be undertaken of the potential impacts on the municipal and national economies.

The impact during both the construction and operational phases will be considered. Depending upon the quality of the information, the assessment is likely to be both quantitative and qualitative in nature.

8.2 Alignment with Municipal planning and land use guidelines on changes in agricultural land use patterns

The most important Municipal planning guidelines are the Koukamma Integrated Development Plan (IDP) and Koukamma Spatial Development Framework (SDF, 2006). The IDP makes only cursory reference to golf estate development, particularly the Tsitsikamma Coastal Golf estate that is located to the west of the Fynbos development. The Koukamma SDF specifically addresses the development of rural node and coastal
resort development and the guidelines contained in this document will be considered for the purposes of this assessment.

Please note that this aspect of the assessment refers only to the guidelines and recommendations that are contained in the Koukamma SDF and excludes consideration of legal environmental regulations.

The Koukamma area is predominantly rural and the most common land unit in the Tsitsikamma and the western part of the Langkloof are small farms. This is the case also in the Eersterivier area in which the proposed development will occur. Apart from the privately owned dwellings at the coastal resorts, such as Heidestrand, Kammabaaai, Skuitbaai, Eersterivier and Oubosstrand, the only other significant land owners in the area are the Moravian Church (at the Eersterivier Kruis settlement) and the Municipality, which owns a farm (Farm 619) north of the Moravian church land.

The development is proposed on Portions 12, 13 and 70 of the Farm Eerste Rivier 626. It is proposed to consolidate approximately 33 ha from Portion 12 and 66 ha of Portion 13 with Portion 70 (approximately 24 ha) to create a development area of approximately 125 ha. Portion 70 is the site of the old golf course and is zoned as Private Open Space and Residential 1. The development on this portion of land thus does not constitute a change in land use.

The area to consider is located north of the old golf course. It is on a portion of this previously agricultural land that the housing component of the proposed golf estate will be located. Portions 12 and 13 were used for agricultural purposes (grazing) before its acquisition by the developers and these portions are currently zoned as Agriculture 1.

It was previously noted that any further greenfields development in the Tsitsikamma coastal region will need to take place in areas already disturbed by other land uses. “Any such development will need to take place in areas already disturbed by urban developments, cultivation or timber plantations” (Koukamma Municipality, 2009: 122).

The proposed development will not be a greenfields development in that the natural state of the land has previously been disturbed by the planting of kikuyu grass for grazing.

The report, however, continues: “As the Tsitsikamma area has some of the best agricultural land in the CDM (i.e. area of the Cacadu District Municipality), it is important that developments do not impact on existing agricultural land” (Koukamma Municipality, 2009:123).

The Scoping Report indicates that 70 ha of agricultural land will be lost due to the development. The Koukamma SDF cites Department of Agriculture guidelines on what constitutes viable agricultural land, such as a carrying capacity of 60 large stock units, 100 ha of dry land for crop production or 20 ha of irrigable land, but even then there is a question on whether these criteria indeed constitute a viable farm. As the proposed development is located in a dairy producing area, it is relevant that the SDF notes that a sustainable dairy farm should carry 600 livestock units (Koukamma SDF, 2006: 40).

While the SDF Guidelines note that “Land which has high potential for agricultural production should not be utilised for non-agricultural purposes”, it seems likely that the 70 ha that will be taken out of production by the golf estate development would not in itself
constitute a viable farm. As hiring of land for grazing is common practice in the Tsitsikamma, taking 70 ha of highly productive agricultural land out of production should still, however, be seen as a risk.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greenfields development in Tsitsikamma</td>
<td>No new developments on undisturbed land</td>
<td>Long term</td>
<td>Low positive</td>
<td>Nil – development on disturbed land</td>
<td>Low positive</td>
</tr>
<tr>
<td>Land use change from agriculture to resort/residential development</td>
<td>Contravention of Koukamma SDF guidelines</td>
<td>Short to medium term</td>
<td>Highly negative</td>
<td>Option 1 - Successful rezoning application; Option 2 - Sell or lease land to farmers for agricultural purposes</td>
<td>Option 1 – Neutral Option 2 – Highly positive</td>
</tr>
<tr>
<td>70 ha of productive land taken out of agriculture</td>
<td>Contravention of Dept. of Agriculture and Koukamma SDF guidelines</td>
<td>Long term</td>
<td>Medium negative</td>
<td>Option 1 – redesign estate to release land for agriculture Option 2 - Do nothing - 70 ha does not constitute an economic dairy farming unit</td>
<td>Option 1 – Highly positive Option 2 – Low negative to neutral</td>
</tr>
</tbody>
</table>

8.3 Impacts on economic sectors in Koukamma

The potential impacts of the proposed development on the Koukamma and broader regional economy will be considered. An attempt will be made to assess the impacts on each economic sector.

8.3.1 Agriculture

Reference has been made to the fact that the proposed development will take 70 ha of agricultural land out of production. As this amount of land is not considered to be a viable size for a dairy farm, the impact on the overall value of the agricultural sector is likely to be negligible.

In terms of an individual dairy farmer, however, the acquisition of a further 70 ha of pastures could make a considerable difference to his/her financial viability and performance. An increase in farm size is likely to create at least one or more additional employment opportunities in agriculture in an area with a high unemployment rate. Based on statistics in the Koukamma Tourism Plan, there is on average one employment opportunity created on each 14 ha devoted to dairy farming (Koukamma, 2009: 95). The loss of 70 ha of land may therefore lead to a loss of five job opportunities.

According to the EIA Scoping Report, it is a legal requirement to apply to the Department
of Agriculture to obtain authorization for any proposed subdivision. An agricultural study is being undertaken to inform the environmental assessment.

Another issue that relates to the agricultural sector is the supply of produce to the proposed development.

The resort is likely to demand agricultural produce from the local area. Currently only the Club House is operational. The developers have indicated that they currently purchase 70 percent of fresh produce in Kareedouw, which is 20 km from the development. A further eight percent is purchased at the small Oudebosch shopping node at the intersection of the Eersterivier road and the R102/N2. The remaining 22 percent of fresh produce is bought in larger urban places outside of Koukamma, particularly in Humansdorp/Jeffrey’s Bay, but also in Port Elizabeth, Plettenberg Bay and larger centres to the west.

Ninety percent of the registered I&APs that responded to the opinion survey indicated that they bought most of their fresh produce and groceries at Kareedouw.

Formal businesses, such as the club house restaurant, need a regular supply of high quality fruit and vegetables. They are likely to support local producers if these standards can be met. The same may be true for private house owners in the coastal resorts and, in time, those that will inhabit the residential units on the golf estate. The requirements of private households may, like that of the holiday makers at the coastal resorts, be seasonal.

The restaurant as a cost centre is estimated to generate R373 500 in year one, and this will escalate annually from R848 000 in year two, exceed one million rands in year three and close to R15 million in year five. Additional fresh produce may be required during conferences and events on an ad hoc basis. The demand of the restaurant alone for fresh fruit, vegetables, meat and milk will therefore be a long-term requirement.

There are thus opportunities for local growers to supply at least some of the essential fresh produce to the potential buyers. Local commercial and emerging farmers, also from the Mfengu Farms, are likely participants in such ventures. A feasibility study must first be conducted by the Municipality, Department of Social Development, the golf resort developers or other development, funding or support organisation to assess the viability of such ventures.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taking 70 ha of productive land out of agriculture</td>
<td>Production volumes of milk will decrease Loss of five potential agricultural employment opportunities</td>
<td>Short to long term</td>
<td>Moderate to low negative</td>
<td>Option 1 - Sell or lease land to dairy farmers; Option 2 - Accept risk and do nothing</td>
<td>Option 1 – Positive Option 2 - Moderate to low negative</td>
</tr>
<tr>
<td>Limited increase in</td>
<td>No risk; Opportunity for</td>
<td>Medium to long</td>
<td>Neutral to low positive</td>
<td>Explore options to support local</td>
<td>Moderate to highly</td>
</tr>
</tbody>
</table>

Draft socio-economic impact assessment - Fynbos Golf and Country Estate Eersterivier/Skuitbaai - Koukamma Municipality, Eastern Cape Province
demand for fresh agricultural produce | sale of locally produce to the resort on a contractual basis | term | initiatives to supply fresh produce to the estate and enter into contractual arrangements with suppliers | positive

8.3.2 Forestry

Timber requirements for construction purposes are generally sourced from large building material suppliers and may be brought in from outside the Koukamma area. On the other hand, the developers have indicated that as much as 40 percent of construction materials will be sourced from the Tsitsikamma area and a portion of this might be bought from the saw mills.

The estimated costs for the construction is R12.5 million

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
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<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of raw timber products from local saw mills</td>
<td>Boost for local timber suppliers and forestry industry</td>
<td>Short to medium – 2 – 5 years</td>
<td>Moderately low</td>
<td>Maximise the amount of timber products that are sourced from local saw mills and suppliers</td>
<td>Moderately to highly positive</td>
</tr>
</tbody>
</table>

8.3.3 Manufacturing and construction industries

The developers indicated that 45 percent of construction materials will be sourced from the Tsitsikamma (40 percent) and Kareedouw (5 percent). The remainder will be bought from suppliers in Humansdorp/Jeffrey’s Bay (40 percent) and the remaining 15 percent from Port Elizabeth/Uitenhage.

It is estimated that much of the building construction will be completed in the first year of the project. The value of construction materials is estimated to be R12 512 000. It is, however, possible that the construction phase will be spread over five years. In further information supplied by the developers, the dwelling units will be sold between years two and five. Whatever the time frame, the Koukamma suppliers can expect to generate a considerable amount of business if they are able to supply 45 percent of the requirements. This could amount to as much as five million rands that may be injected into the local economy, depending on the type and value of the building materials that will be sourced locally.

During the construction phase there is likely to be a demand for manufactured timber products (creosoted poles, furniture) that could possibly be bought locally. There is thus a potential for expansion of timber-related businesses in Koukamma. Such an impact is likely to be short term, during the construction phase of the proposed golf estate.

Materials and equipment will also be required during the operation phase and for maintenance. The value of these purchases are estimated to grow from R330 000 in year one of running the estate to over R600 000 per annum from year three. Once again, it
was indicated that as much as 40 percent of such materials and equipment may be sourced in the Tsitsikamma and a further 5 percent in Koukamma. A further R1.2 million may thus flow into the Koukamma economy. Over one half of such supplies will, however, be sourced from outside the Koukamma area (40 percent from Humansdorp/Jeffrey’s Bay and the remaining 15 percent from Port Elizabeth/Uitenhage.

An increased demand for their goods may encourage local building suppliers and manufacturers to increase their range of goods and possibly lower their prices to become more competitive. It is unfortunate that the relatively short term of the construction phase, and the lower demand for materials and equipment during the operational phase, will make such an investment unviable in the longer term,

The construction of the golf course may generate a demand for soil, seeds and equipment. The golf course construction is estimated to cost R7.2 million. The construction is expected to be completed within one year, so that the local impact will be short term. Similar services may also be required once the residential units are completed, creating further opportunities for local businesses.

Construction is a labour-intensive industry and the jobs that will be created and the wages that will be generated during the construction phase of the proposed golf estate development will be considerable (see paragraphs 7.6 and 7.7)

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
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<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>High demand for building materials during construction phase</td>
<td>Local suppliers may not be able to deliver in terms of price, quality and quantities</td>
<td>Short to medium term</td>
<td>High negative to high positive</td>
<td>Option 1 – Break contracts into smaller ‘bundles’ to allow smaller local construction material suppliers to submit tenders and to do business with the golf estate; positive short-term contribution to the Koukamma economy</td>
<td>Options 1 and 2 – Positive Option 3 – High negative</td>
</tr>
<tr>
<td>Demand for materials and suppliers may</td>
<td>Short term</td>
<td>Moderately negative to</td>
<td>Option 1 – Use experienced suppliers</td>
<td>Option 1 - Moderately</td>
<td></td>
</tr>
</tbody>
</table>

Draft socio-economic impact assessment - Fynbos Golf and Country Estate
Eersterivier/Skuitbaai - Koukamma Municipality, Eastern Cape Province
### 8.3.4 Impact on utilities (electricity, gas and water)

It is the intention of the developers of the golf estate to be as self-sufficient and self-sustainable as is feasible. Water will be obtained from ground water sources, not from the Municipality. A self-sufficient waterborne sanitation system will serve the new development. The developers will liaise directly with Eskom to supply electricity and augment this supply by making use of gas (cooking) and solar heating (geyser and pump station).

The Koukamma Municipality will thus not benefit financially from the sale of municipal services to the golf estate. On the other hand, the Municipality need not incur the cost of supplying such services, such as water pipes, to the estate.

While the value of providing water and sanitation, waste management, electricity and telephony is estimated to be approximately R1.5 million in year one of the operational phase, the cost of these services will decline thereafter and in time will consist only of the cost of electricity and telephone lines (between R170 000 and R500 000 per year).

The cost of labour is included in these estimates.
It is possible that gas and solar heating devices could be obtained locally. There will be otherwise little economic contribution to the Koukamma economy in this sector.

<table>
<thead>
<tr>
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<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal services</td>
<td>Municipal services will be supplied by developers no revenue to Koukamma Municipality</td>
<td>Medium to long term</td>
<td>Moderately Negative</td>
<td>Nil – Municipality need not budget for services to the golf estate</td>
<td>Neutral</td>
</tr>
<tr>
<td>Source materials</td>
<td>Limited purchases from local suppliers, so little or no contribution to Koukamma economy</td>
<td>Short term</td>
<td>Moderately Negative</td>
<td>Option 1 – Purchase as much as feasible from local suppliers to support Koukamma economy</td>
<td>Option 1 – Positive</td>
</tr>
</tbody>
</table>

### 8.3.5 Wholesale and Retail Trade, Transport, Finance and Real Estate (including Tourism)

These three sectors are grouped together as they will cater both for the needs of the golf estate and also for the visitors to the estate. The proposed golf estate will have both direct impacts (purchase of goods and services) and indirect impacts (revenue generated by visitors) on these services sectors.

The local traders are likely to increase their business once the construction begins on the golf estate. The impact of the construction phase is relatively short (five years). Thereafter there will be a demand of everyday goods and services that are required by visitors and residents.

Kareedouw is the closest town to the proposed golf estate and also provides the greatest range of services. Koukamma is thus likely to gain the most benefit from direct sales of construction materials, groceries, fresh produce and other consumables. The estate itself is expecting to source one third of its groceries and 70 percent of fresh produce from Kareedouw, with the remainder purchased outside the Koukamma area, mostly from Humansdorp/Jeffrey’s Bay (14 percent of both groceries and fresh produce).

In addition, it is expected that most (60 percent) of the personal and business services or the estate and its employees will be transacted in Kareedouw. Once again, the closest large urban centres will supply those services that are not offered in Kareedouw, so that one quarter of business and personal services will be transacted.
The Wholesale and Retail Trade sector is the second largest sector (after Finance and Real Estate) in terms of Gross Value Added. Any further injection of money into the trade sector will add to this GVA.

Is will be the case in all the sectors, if the additional business generated by the golf estate can be sustained, it is likely to create additional employment opportunities in this sector.

One in every five employment opportunities in Koukamma is generated by the Wholesale and Retail Trade, Transport and Finance/Real Estate sectors. More business will lead to further employment and additional wages. Once all the residential units on the proposed golf estate has been completed, the impact of the business generated by the additional visitors, however seasonal, will contribute to the value of these economic sectors and thus to the Koukamma economy. Also, the golf estate, the restaurant and golf academy will add to the variety of tourism product in the Tsitsikamma. In addition, the proposed hotel/guestrooms will provide additional tourism accommodation in the popular Tsitsikamma.

Tourists enjoy shopping, eating out, night life and entertainment. They will use local transport, if it is available in the area. They use of car rentals, trains, buses, aircraft and taxis to travel from place to place. They buy food and beverages, local crafts, guide books and petrol. Visitors that stay for one or more nights in the local area are likely to venture forth into the local area to spend their money at local shops, petrol stations, use the services of banks or even visit the local real estate business to look at available properties. They look for recreational opportunities and entertainment. Visitors may also need the services of laundries or dry cleaners, pharmacies, a cell phone shop or an internet café. Tourists enjoy travelling around the local area and in this way spread the benefits of their purchases and other activities around the broader region, and not only in the larger urban places. More tourists create more employment and generate additional revenue, both directly and indirectly.

Golf tourism does all of this and more. Golf estates, like other tourism accommodation establishments and attractions, generate direct revenue by providing accommodation and amenities. People participating in the activities of the proposed golf academy will, in the same way as the other tourists, spend money not only on the estate itself, but also in the local area.

Twelve new tourists are required to create one new direct job (HSRC, 2006). Direct jobs are created by enterprises that have direct contact with the tourists, such as tour guides, car rental agencies, accommodation establishments and restaurants. In addition to the direct employment opportunities, increased numbers of visitors indirectly create jobs in linked industries, such as financial services, laundries, and wholesale good suppliers. It is estimated that one direct job creates 2.4 indirect jobs. An additional 100 tourists to a destination area could therefore, given the HSRC formula of n number of arrivals divided by 12 (which is the number of direct jobs) times 2.4 (indirect jobs), create as many as 20 direct and indirect jobs. One thousand new tourists will generate 200 direct and indirect jobs. The number of visitors must, however, be sustained in order to generate these employment opportunities. Seasonality is another factor. If visitors arrive only in summer, or during the school holidays, the jobs and incomes that will be generated will be seasonal.
How will the proposed development affect prices of other properties in the area, such as farms and holiday homes in the coastal resorts?

Other case studies give some clues, but no definitive answers. In Ceres, for example, the proposed new golf estate on degraded land adjacent to residential suburbs was expected to increase local property values (Ninham Shand Consulting, 2006). The reasons for this were not hard to find. The estate would replace an area of livestock grazing and derelict land with pig sties as the major land use. The golf estate, with tended greens and open spaces and good quality residential units was expected to considerably improve neighbouring property values. Furthermore, the value of the proposed residences on the estate would be equal to or exceed the quality and process when compared to the average Ceres house.

The Fynbos golf estate development is seen by several of the coastal home owners that responded to the opinion survey as an intrusion in an otherwise peaceful, contained environment. Not one, however, commented on the impact of the proposed estate on property prices. Judging from the layout plan, the residential component of the estate will be set well back from the road. The Visual Impact Assessment found that the proposed development would not have a negative visual impact.

The impact on of the proposed estate on local coastal house prices can at this stage not be assessed. It was noted in another case study that the construction of a large number of good quality residences in a relatively small town or environment can deflate prices by providing an oversupply of houses (Ninham Shand Consulting: 2006. This is what happened in Spain and which resulted in a moratorium on new golf estate development until the housing market and prices had stabilised.

It is also possible that the impact of the estate on property prices will be low, as the estate residential units may cater for a different market.

The upgraded golf course and clubhouse/restaurant will provide additional amenities to people living in or visiting the local area. While this may attract some potential buyers, those who are attracted by the amenities, but prefer not to live on the golf estate, may consider buying property in the coastal villages. These factors may have a moderately positive impact on property prices adjacent to the proposed development.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local purchase of goods and services</td>
<td>Most retail purchases and business and personal services will be transacted locally (Kareedouw) Positive impact on trade, business and personal service sectors and on</td>
<td>Medium to long term</td>
<td>Moderately Positive</td>
<td>Nil – As long as local businesses are supported</td>
<td>Positive</td>
</tr>
</tbody>
</table>
the Koukamma economy
May encourage local businesses to stock a wider range of quality products and services

Additional amenities for holiday makers
Medium risk if local residents oppose the development; Opportunities created for additional recreational amenities (golf course and restaurant, golf academy)
Short to long term (life span of development)
Moderately to low negative
Moderately to highly positive
Option 1 - Work with local homeowners to minimise perceived risks
Option 2 - Advertise and encourage tourist and local access to the amenities
Option 1 - Neutral to moderately positive
Option 2 – Moderately to highly positive

New hotel accommodation
Alternative tourism accommodation options in popular Tsitsikamma tourism destination
Long term
Moderately Positive
Nil
Moderately Positive

Impact on property prices in neighbouring resorts
Large number of new houses may depress local property market; Potential demand for non-estate properties by people attracted by the amenities
Short to long term
Moderately Negative
Phased development of residential component to minimise flooding the market;
Neutral

8.3.6 Costs of community services

While the development of the proposed golf estate is expected to have an impact on the cost of providing community services, such an impact is difficult to quantify. Community services include housing, the schools, medical and social services that are generally provided by the government. A considerable influx of visitors or new residents can stretch scarce social resources, such as the provision of housing and hospitals or ambulance services.

The economic impact may be direct, such as when housing is required for job seekers that settle temporarily or permanently in the affected area. Municipalities obtain funding for subsidised low-cost housing and related services developments through the Provincial Government. In Koukamma, a new housing development is mooted for the Municipal farm that is located immediately north of the proposed development and the Kruis
settlement. The beneficiaries are members of the Kruis community and other rural dwellers that require housing. If a considerable influx of work seekers is experienced as a consequence of the new development, provision may have to be made to provide temporary or permanent housing for the newcomers. During the construction of the Mossel Bay oil facility, it was estimated that as many as 10 000 work seekers remained in the area after construction and the state and the Municipality were obliged to provide these new in-migrants with accommodation. In view of construction of the new Municipal settlement, the golf estate developers have abandoned plans to provide accommodation for workers on the estate.

The economic impact on the Community Services Sector may, however, be indirect. An example of such an indirect impact is if an influx of work seekers should settle in the local area, which may require the extension of health and welfare services to these in-migrants. While health and welfare services have been discussed earlier under social impacts, the probability of increased government spending to provide such services to a rapidly growing localised population gives this an economic bias.

It must again be noted that resort developments differ from other forms of rural residential development in that they do not need to comply with the National Government’s Sustainable Human Settlement approach to development. This implies that they need not provide social facilities such as health services, cemeteries and schools. Resorts and golf estates generally do not provide housing for those in its service. While the Fynbos golf estate intends to use local labour from the Eersterivier Kruis settlement and, in time, from the new settlement on the Municipal farm north of the Moravian settlement, and while there is currently no evidence of an influx of work seekers in the Eersterivier area, work seekers that may in future come from elsewhere in Koukamma or further afield may have to be accommodated. This will place a financial burden on the Municipality and any government department that is responsible for housing and related services.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attract job seekers that require accommodation</td>
<td>Pressure on Municipality to provide additional low-cost housing and related services for permanent new settlers; Currently no evidence of influx of job-seekers</td>
<td>Short to longer term</td>
<td>Low to moderate</td>
<td>No evidence of job seekers from outside the area. The developers have expressed their preference for local labour during operational phase. Permanent newcomers will have to be accommodated on the new Municipal settlement</td>
<td>Low to moderate</td>
</tr>
<tr>
<td>Influx of visitors and/or job seekers that may require health and other social services</td>
<td>Pressure on already overstretched social service sector</td>
<td>Medium to long term</td>
<td>Low negative</td>
<td>Nil – Labour inflow estimated to be low; Encourage visitors to use private services</td>
<td>Low negative to neutral</td>
</tr>
</tbody>
</table>
8.4 Impacts on wages

The competition for scarce local jobs not only from the construction teams during year one, but also from other incoming job migrants was raised earlier. Labour migrants are unemployed, frequently single or travel without their families and will accept even the most elementary and poorly paid jobs. They are seen as ‘outsiders’ that pose a threat to the scarce income options for the local community.

Wages on the proposed estate is expected to be higher than the wages currently earned by the majority of the Kruis workers and competition for these employment opportunities are likely to be fierce.

Depending on the wages that will be paid, but considering current wages earned by Kruis workers in the construction sector, it seems that approximately 20 - 30 people from Kruis community will find employment on the proposed golf estate during the construction phase.

Few employment opportunities are expected to be created during the construction phase for people living elsewhere in the Tsitsikamma, as only five percent of the unskilled labour force is likely to be recruited from this area. Skilled artisans and professionals are generally located in larger towns and cities, and it comes as no surprise that almost all of these skills will be sourced from outside Koukamma.

While the labour cost for the infrastructure component of the development has not been quantified, information was supplied for the construction phase of the residential component and the operational phase of the development (running the estate).

The total value of wages on the proposed estate is R8 545 000 in year one. Even though the infrastructure labour component can not be costed, a minimum of R13 million in wages will be paid out in the first five years of the development. The total cost of infrastructure and services over the first five years amounts to R15 370 000, of which labour cost is likely to be a significant proportion.

The major impact on salaries and wages will occur in the first year of the development, during which the wage bill is projected to exceed R8 million. A significant proportion of these wages will ‘leak’ out of Koukamma, as most of the experienced construction teams will be recruited from Kouga and elsewhere.

<table>
<thead>
<tr>
<th>Phase of development</th>
<th>Projected annual value of labour component (Rands)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Year 1</td>
</tr>
<tr>
<td>Construction superstructure</td>
<td></td>
</tr>
<tr>
<td>Skilled labour</td>
<td>1 600 000</td>
</tr>
<tr>
<td>Semi-skilled labour</td>
<td>6 000 000</td>
</tr>
<tr>
<td>Labour with elementary skills</td>
<td>400 000</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------</td>
</tr>
</tbody>
</table>

**Infrastructure**

<table>
<thead>
<tr>
<th>Labour</th>
<th>Nil</th>
<th>Not available</th>
<th>Not available</th>
<th>Not available</th>
<th>Not available</th>
</tr>
</thead>
</table>

**Operational**

Cost of labour twice as much as other inputs during operational phase

<table>
<thead>
<tr>
<th>Labour</th>
<th>545 000</th>
<th>1 006 000</th>
<th>1 034 000</th>
<th>1 158 000</th>
<th>1 297 000</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Total labour costs (Rands)</th>
<th>8 545 000</th>
<th>1 006 000+</th>
<th>1 034 000+</th>
<th>1 158 000+</th>
<th>1 297 000+</th>
</tr>
</thead>
</table>

On the other hand, the developers intend to recruit all of their operational staff from the Koukamma area, with as much as 90 percent expected to benefit Kruis community members. This means that a considerable proportion of the operations wage bill of around R1 million a year will accrue to people from Koukamma and, more particularly, from the Kruis community.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term additional wages</td>
<td>The construction phase is short and will provide only short term employment and incomes</td>
<td>Short term</td>
<td>Moderately negative</td>
<td>Option 1 – Do nothing, as this is a normal cycle when constructing a new facility  Option 2 – Use construction phase to train locals to equip them to find employment after the completion of the project  Option 3 – Data base of workers and their skills and other attributes for possible future employment</td>
<td>Option 1 – Negative Options 2 and 3 – Positive</td>
</tr>
<tr>
<td>Raised expectations for higher incomes</td>
<td>In a rural area where low, the golf estate development raised expectations, particularly in the local Kruis community, for higher wages that may not be realised</td>
<td>Short to long term</td>
<td>Moderate to highly negative</td>
<td>Option 1 – Do nothing, but this is likely to sour relations with the Kruis community  Option 2 – Establish formal lines of communication with Kruis community as a show of transparency and goodwill and to deal with financial issues before they fester</td>
<td>Option 1 – Highly negative Options 2 – Moderately positive</td>
</tr>
</tbody>
</table>
8.5 Economic impacts on local communities

The previous discussion on salaries and wages is closely linked to the overall economic impacts of the proposed development on local communities.

Overall, five percent of skilled, semi-skilled and elementary jobs will be to the Eersterivier Kruis community during the construction phase. If each of these occupational groups take home five percent of the wages for that particular category during the year of construction, R400 000 in wages will accrue to the Kruis community in that one year.

Based on the outcome of the Kruis household survey, it is estimated that incomes to the value of approximately R1 620 000 was generated from all sources in the Kruis every year. One can speculate that the additional R400 000 that might be earned by people working on the construction phase of the estate will have a significant financial impact in such a relatively poor community.

These figures are, however, at best estimates based on incomplete information and should be considered with caution. Furthermore, some currently employed people may take up employment at the golf estate if it pays more than their current wages (i.e. displacement of earnings). Potential workers need to consider that the construction phase is short and that they may be unemployed once the construction has been completed.

The economic impact of labour absorption and wages beyond the Kruis community in the Tsitsikamma is expected to be insignificant. A mere five percent of unskilled labour will be sources from the Tsitsikamma area during the construction phase. The financial impact in terms of wages to other Tsitsikamma residents (excluding those from Eersterivier Kruis) is estimated at R20 000 for the first year of construction only.

The economic impact of buying local can further enhance the impact of the development on the local economy, such as was discussed earlier under the impacts on agriculture and forestry.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased incomes for</td>
<td>Impact limited if few locals find</td>
<td>Short to medium</td>
<td>Moderately to highly</td>
<td>Option 1 - Take positive action to</td>
<td>Option 1 – Moderately</td>
</tr>
</tbody>
</table>
local community members | work and then only in low occupation levels (unskilled) | term | negative | ensure that high proportion of employment opportunities are given to locals | to highly positive

Option 2 – Training Plan to build local skills levels  

Option 2 – Moderately to highly positive

8.6 Economic impacts on the Koukamma Municipality as an institution

The Municipality will not be expected to provide municipal services to the proposed estate and this represents a savings for the Municipality. The loss of potential income from providing such services, on the other hand, represents a potential loss of income for the Municipality.

The Municipality may furthermore be expected to provide housing and related services to in-migrants who expect to find employment on the new estate. While the budget for housing and infrastructure is likely to be funded by the Government, the Municipality will have to budget for the cost of maintenance for these additional services.

While the Municipality will not supply municipal services to the proposed new development, rates will be levied on all the properties on the new estate. A list of tariffs is appended as Annexure The tariff to calculate the rates on residential properties as well as on business premises is 0.0049 cents to a Rand (2009/2010 tariffs). A residential property receives a token R15 000 rebate on the valuation of the property. If, for example, a residential unit on the golf estate is valued at R800 000, the annual municipal rates on this unit will be (R800 000 – R15 000 = 645 000 X 0.0049) = R3 848.50 annually.

When applying this calculation to the proposed phasing in of the residential units on the estate over the first five years of operations, income to the Municipality will exceed half a million rands per annum by year five.

Year 1  Nil (construction phase)  
Year 2  R94 800  
Year 3  R94 800 + 156 775 = R251 575  
Year 4  R94 800 + 156 775 + 180 463 = R432 038  
Year 5  R94 800 + 156 775 + 180 463 + 21 150 = R453 188

The cumulative rates income will amount to R1 231 601 for the four-year period during which rates are paid. Any increase in the municipal tariffs will, of course, increase this amount.

To this sum must be added the rates on the club house/restaurant, which will be rated at 0.0049 cents in the rand for the full value (rated as a business, and thus with no R15 000 rebate).

All of these scenarios and calculations may alter if, for example, there is a further slump in the property market. Developers cannot rigidly follow a timetable if there are significant changes in the external environment that may impact negatively on their plans.

<p>| Potential | Risk | Time | Magnitude | Mitigation | Magnitude |</p>
<table>
<thead>
<tr>
<th>impact of golf estate development</th>
<th>frame</th>
<th>of risk before mitigation</th>
<th>of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal services</td>
<td>Medium to long term</td>
<td>Neutral</td>
<td>Nil – Municipality needs not budget for services to the golf estate</td>
</tr>
<tr>
<td>Municipal services will be supplied by developers, so no expenditure but also no long-term revenue to Koukamma Municipality</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal rates</td>
<td>Long term, lifespan of the estate</td>
<td>High Positive</td>
<td>Nil</td>
</tr>
<tr>
<td>Opportunity for Municipality to derive additional rates income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reduced rates revenue for Koukamma Municipality</td>
<td>Short to long term</td>
<td>Moderately negative</td>
<td>Add other amenities to the estate that may raise rates income for the Municipality</td>
</tr>
<tr>
<td>The initiative fails or is downgraded because of external factors</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

8.7 Economic impact on the area of the Koukamma Municipality

The impact of the proposed golf estate development on the Koukamma economy is based on the expenditure on the following:

- local goods and services sourced from the area of the Municipality (during both the construction and operational phases)
- wages generated for Koukamma residents (particularly from the Eersterivier Kruis community during the operational phase, but also from the Tsitsikamma and Kareedouw)
- impact of the golf estate on local property values
- rates paid to the Koukamma Municipality
- direct and indirect jobs created as a consequence of an increase in tourists to Koukamma and/or those that stay a day or more longer to visit the golf estate to play a round of golf
- costs that may be incurred by the Koukamma Municipality to provide housing and services to job seekers, should they decide to settle in the area.

The estate is likely to have at least some positive impacts on the Koukamma economy. The monetary value of all of these impacts is, however, impossible to calculate at this stage. The value of all the components of the golf estate, such as the rateable value of the club house, is not known. The wages generated by additional jobs can not be estimated with any accuracy. South Africa and the world are recovering from a global economic crisis and its long-term impacts, which include the propensity to travel and to spend money on second homes, are uncertain.

Because of these uncertainties, the risks and mitigations that were given elsewhere in this chapter, such as in response to the potential impacts on procurement, wages and rates, are relevant and will not be repeated.
8.8 Impacts on Provincial Government

Provincial government departments are responsible for delivering social, infrastructural and other services. The impacts that relate to housing and other community services were discussed in paragraph 4.5.7.

The other major potential impact is the cost of additional road upgrading of the Eersterivier road. This is a Provincial road and not the responsibility of the Municipality. It is expected that the new residences and amenities will increased traffic during construction and during the operational phase. This will definitely lead to deterioration of the gravel road that will require more frequent grading and repairs at a cost to the Provincial Government.

It was not possible to estimate the budget for such additional maintenance, but the Provincial Government will need to make provision of this cost in their annual budget for the foreseeable future. If it is decided ultimately to upgrade the road to a tarred surface, this will be an additional cost to the Provincial Government’s Roads budget. Current costs to surface a gravel road are between R1.2 million and R1.5 million per kilometre, i.e. approximately R10 million for the seven kilometres between Skuitbaai and Oudebosch.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deterioration of Eersterivier road due to increased traffic to new golf estate</td>
<td>More regular maintenance by Provincial Roads Department and additional budget for this purpose</td>
<td>From beginning of construction and for the life span of the development</td>
<td>Moderately high negative</td>
<td>Option 1 – Province remains responsible for road maintenance</td>
<td>Option 1 – Moderately high negative</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Option 2 – developers contribute to road maintenance as a social responsibility initiative</td>
<td>Option 2 – Moderately to highly positive</td>
</tr>
</tbody>
</table>

8.9 Impact on the national economy

Based on current predictions and prices, the overall amount of revenue generated by the initiative over five years will amount to R168 833 882 if all financial transactions are included. External factors and cost differentials will affect the accuracy of this predicted economic impact.

This economic impact was calculated from the cost of all the expenses as well as all the revenue generated over the first five years from different components of the proposed development, both capital and operational (see overleaf).

Under current circumstances and according to the implementation plan for the estate development, the different components of the development are expected to generate R168
833 882 over the first five years that will enter the local and national economy in some form or another. Goods and services will be sources also from the Western Cape (Plettenberg Bay, George), so that the overall impact will be national, and not only relevant to the Eastern Cape Province. The following cost and income estimates were supplied by the developers.

<table>
<thead>
<tr>
<th>Capital costs (equipment, materials, labour)</th>
<th>Rand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superstructure during construction of golf course and residential units</td>
<td>27 712 000</td>
</tr>
<tr>
<td>Services infrastructure</td>
<td>15 370 000</td>
</tr>
</tbody>
</table>

**Capital generated income**

| Sales of residential units | 97 695 500 |

**Operating costs**

| Operational phase (materials, equipment and labour to run the golf course, club house and estate) | 7 735 131 |
| Rates to Koukamma Municipality | 1 231 601 |

**Operating generated income**

| Income from restaurant, golf cart rental, sale of golf equipment and other retail, conferences, events, accommodation rental | 19 089 650 |

| Total revenue | R 168 833 882 |

Business failure or a further downturn in the national economy with a slump in property prices and sales could limit the revenue generated by the proposed development. This will affect the real estate component and will have a knock-on effect on the value of purchases, incomes for labour and municipal rates.

The extended impact on the National economy will include new direct and indirect employment opportunities that will be created by a sustained increase in the number of tourists to the new golf estate. The impact will be significant only if the proposed development supports the creation of new local jobs, without simply displacing jobs elsewhere. In order to have an impact on the Provincial or National economy, the estate needs to create a new product that will generate new tourists. Here the Fynbos golf estate will be in competition with the Tsitsikamma Coastal Golf Estate and others along the Garden Route and creating new tourists will not be an easy task. Golf estates will probably need to create unique attractions to encourage people to prefer one estate rather than another. The intention to establish a golf training academy on the Fynbos golf estate is one such initiative. Spas, wellness centres and equestrian estates were among those proposed in the European context.

Should the proposed estate draw significant numbers of visitors, the consequent increase in business development, jobs and wages will contribute to the national GDP in the form of taxes from all of those businesses and individuals that will benefit by an increase in tourism in the area of the proposed golf estate.
8.10 Financial viability of the proposed Fynbos Golf and Country Estate development

All of these potential economic impacts depend in the first instance on the financial viability of the developers themselves. The team at the helm of the Fynbos development appear confident that they will survive the construction phase and that the phased completion and sale of the residential units will bring financial security. A further slump in the property market may, however, dent their confidence and financial viability.

Delays in getting provincial approval for the development result in escalating costs, but if the property market recovers, these additional costs are likely to be absorbed by higher property values and sale prices.

A further risk factor is the recent approval of the 274 ha Tsitsikamma Coastal Golf Estate that is situated to the west of Eersterivier at the Storms River mouth. The plans include space for 505 individual residential stands as well as ‘fractal ownership lodges’ (Tsitsikamma Coastal Golf Estate website). The relatively close proximity of these two golf estates is likely cause fierce competition for investors in real estate and visitors alike.

<table>
<thead>
<tr>
<th>Potential impact of golf estate development</th>
<th>Risk</th>
<th>Time frame</th>
<th>Magnitude of risk before mitigation</th>
<th>Mitigation</th>
<th>Magnitude of risk after mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Glut of coastal estate properties on the market or slump in property market</td>
<td>Analyse competition and external environment and adjust housing delivery plans, if required</td>
<td>Short to medium term</td>
<td>High negative</td>
<td>Slow phased development to reduce number of for sale</td>
<td>Medium negative to neutral</td>
</tr>
</tbody>
</table>

8.11 Summary of anticipated economic impacts

The range of potential impacts of the proposed golf estate development included the following:
• Alignment with planning and land use guidelines and changes in current agricultural land use patterns
• Impacts on economic sectors in Koukamma
• Impact on employment and wages, particularly on the local communities
• Economic impact on the Koukamma Municipality as an institution
• Economic impacts on the area of the Koukamma Municipality, on the Provincial Government and on the National economy
• Financial viability of the proposed Fynbos golf estate development

The economic impacts of the proposed development will depend on the state of the national economy and on the property market for holiday homes. While the economic impacts of a single new golf estate may be limited in the context of the national economy, its economic impacts on the livelihoods of the local communities are likely to be significant. The extent of such impacts will, of course, depend on whether the development goes ahead at all and, if so, the length of the construction phase, which will generate the greatest amount of revenue in the local area.
Chapter 9
Summary

The development of the proposed golf estate development at Eersterivier/Skuilbaai is likely to have significant social and economic impacts in the local area.

The impacts will particularly affect the livelihoods of the local Eersterivier Kruis community. Job opportunities in the surrounding rural area are scarce and the community members have high expectations that the development will provide employment opportunities and higher wages. There are fears among community members about competition for these scarce jobs, particularly since the level of appropriate skills among the residents is acknowledged to be low.

While the community itself does not consider that the severity of the social impacts will match those of the economic impacts, there are nevertheless social impacts that are likely to affect their lives. The proposed relocation to the new municipal settlement will significantly change the way of life and social cohesion of the community.

The impacts on the local farming community are more difficult to assess. It was anticipated that the surrounding farmers would be interested to express their views during the public participation phase of the initial scoping exercise and that they would subsequently participate in the consultation on the socio-economic impacts of the proposed development. By the time that it became clear that few or no local farmers had responded to the invitation to participate in the Opinion Survey, it was too late to embark upon a new round of consultation.

There is thus little information in this report that reflects the way in which the farming community perceives the impacts of the proposed golf estate development. Apart from concerns that were expressed by the participating I&APs about the impact of the deteriorating road surface on the movement of the dairy products, there were some general opinions that the development may negatively impact the rural economy, such as by removing 70 ha of highly productive pastures from agriculture. It would appear that the farming community has reserved judgement on the proposed development. While this is pure speculation at this stage, the farmers may perceive that the development will have positive impacts through the upgrading of the Eersterivier road and the provision of new recreational amenities.

The impacts on the home owners in the coastal resorts are predominately social in nature, as the main concerns relate to the perceived impacts on their way of life in what until now has been a relatively quiet coastal environment. Other social impacts relate to the perceived increase in the incidence of crime. The additional amenities offered by the proposed estate is perceived as a positive impact, but this is clearly insignificant compared to the perceived negative impacts of the golf estate development, the different social profile of the newcomers and overcrowding on the beaches.
Despite these concerns, the Koukamma Municipality and the Eastern Cape Provincial Government offer few guidelines on coastal development. The Koukamma Spatial Development Framework recommends that provision must be made for new developments along the coast and Eersterivier has been identified as a development node. The Eastern Cape Provincial Growth and Development Plan did not address the development of golf estates, while the Koukamma politicians appear to favour such developments on economic grounds.

The concerns of the affected parties regarding perceived positive and negative socio-economic impacts will, however, receive due consideration during the Environment Impact Assessment.

A summary of the more significant impacts appears in Table 9.1.
Table 9.1
Summary of significant socio-economic impacts

<table>
<thead>
<tr>
<th>Impact</th>
<th>Spatial extent</th>
<th>Duration</th>
<th>Significance</th>
<th>Status</th>
<th>Confidence of prediction</th>
<th>Probability of occurrence</th>
<th>Intensity of impact on socio-economic systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land use planning – new residential development near the coast</td>
<td>Local</td>
<td>Long term</td>
<td>High</td>
<td>Neutral (may be seen as negative or positive)</td>
<td>Moderate</td>
<td>Probable</td>
<td>Moderately high</td>
</tr>
<tr>
<td>Alignment with planning and land use guidelines and changes in current agricultural land use patterns</td>
<td>Local</td>
<td>Long term</td>
<td>High</td>
<td>Undetermined</td>
<td>Moderate</td>
<td>Probable</td>
<td>Moderately high</td>
</tr>
<tr>
<td>Presence of newcomers to the local area and potential conflicts</td>
<td>Local</td>
<td>Short to longer term</td>
<td>Moderately high</td>
<td>Negative</td>
<td>Moderately high</td>
<td>Probable</td>
<td>Moderately high</td>
</tr>
<tr>
<td>Social cohesion and way of life</td>
<td>Local</td>
<td>Short to longer term</td>
<td>Moderately high</td>
<td>Negative</td>
<td>Moderate</td>
<td>Probable</td>
<td>Moderate</td>
</tr>
<tr>
<td>Increase in crime</td>
<td>Local</td>
<td>Short to longer term</td>
<td>Moderate</td>
<td>Negative</td>
<td>Moderate</td>
<td>Probable</td>
<td>Moderate</td>
</tr>
<tr>
<td>Access to resources and facilities</td>
<td>Local/regional</td>
<td>Longer term</td>
<td>Moderate</td>
<td>Negative</td>
<td>Moderate</td>
<td>Probable</td>
<td>Moderate</td>
</tr>
<tr>
<td>Fairness of distribution of impacts across communities</td>
<td>Local</td>
<td>Longer term</td>
<td>Moderately high</td>
<td>Negative</td>
<td>Moderate</td>
<td>Probable</td>
<td>Moderate</td>
</tr>
<tr>
<td>New recreational and social amenities</td>
<td>Local</td>
<td>Longer term</td>
<td>Moderately high</td>
<td>Positive</td>
<td>Moderately high</td>
<td>Highly probable</td>
<td>Moderately high</td>
</tr>
<tr>
<td>Competition for jobs from immigrants</td>
<td>Local</td>
<td>Short to medium term</td>
<td>High</td>
<td>Negative</td>
<td>Moderate</td>
<td>Probable</td>
<td>Moderate</td>
</tr>
<tr>
<td>Community skills development</td>
<td>Local</td>
<td>Longer term</td>
<td>High</td>
<td>Positive</td>
<td>High</td>
<td>Not very probable</td>
<td>High</td>
</tr>
<tr>
<td>70 ha of productive land taken out of agriculture</td>
<td>Local</td>
<td>Long term</td>
<td>Moderately high</td>
<td>Negative</td>
<td>Moderately high</td>
<td>Highly probable</td>
<td>Moderate</td>
</tr>
<tr>
<td>Impacts on economic sectors in Koukamma</td>
<td>Municipal</td>
<td>Short to longer term</td>
<td>Moderately high</td>
<td>Positive</td>
<td>Moderately high</td>
<td>Probable</td>
<td>Moderate to moderately high</td>
</tr>
<tr>
<td>Maximise employment and wages in the local communities</td>
<td>Local</td>
<td>Short term to Longer term</td>
<td>Moderate</td>
<td>Positive</td>
<td>High</td>
<td>High probability</td>
<td>High</td>
</tr>
<tr>
<td>Economic impact on the</td>
<td>Municipal</td>
<td>Long term</td>
<td>High</td>
<td>Positive</td>
<td>High</td>
<td>Probable</td>
<td>Moderately high</td>
</tr>
<tr>
<td>Economic impact on Municipality and government departments – services</td>
<td>Local</td>
<td>Long term</td>
<td>Moderately high</td>
<td>Negative</td>
<td>Moderately high</td>
<td>Low probability</td>
<td>Moderate</td>
</tr>
<tr>
<td>Economic impacts on the area of the Koukamma Municipality (procurement, wages, tourism)</td>
<td>Regional</td>
<td>Short to longer term</td>
<td>Moderately high</td>
<td>Positive</td>
<td>Moderately high</td>
<td>Probable</td>
<td>Moderately high</td>
</tr>
<tr>
<td>Economic leakages during construction phase</td>
<td>Local</td>
<td>Short term</td>
<td>Moderate</td>
<td>Negative</td>
<td>High</td>
<td>Highly probable</td>
<td>Low</td>
</tr>
<tr>
<td>Deterioration of Eersterivier road due to increased traffic to new golf estate</td>
<td>Local</td>
<td>Initially temporary; also longer term</td>
<td>High</td>
<td>Negative</td>
<td>High</td>
<td>Highly probable</td>
<td>High</td>
</tr>
<tr>
<td>Glut of coastal estate properties on the market or slump in property market for second homes affects financial viability of the proposed Fynbos golf estate development</td>
<td>Local</td>
<td>Short to longer term</td>
<td>Moderately high</td>
<td>Negative</td>
<td>High</td>
<td>Probable</td>
<td>High</td>
</tr>
</tbody>
</table>
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South Africa, Department of Water Affairs and Forestry (2007): *Eastern Cape Forestry Sector Profile*


South Africa Online, About SA > Agriculture
http://old.southafrica.co.za/agriculture_29.html


The Petition Site (no date): Save the Cretan Landscape: Stop Golf Development on Cavo Sidero
http://www.thepetitionsite.com/1/Save-the-Cretan-landscape

Tsitsikamma Coastal Golf Estate website www.tsitsigolf.com


Annexure A

Social Impact Indicators

**Population impacts**
- Population change
- Influx or outflux of temporary workers
- Presence of seasonal (leisure) residents
- Relocation of individuals and families
- Dissimilarity in age, gender, racial or ethnic composition

**Community Infrastructure Needs**
- Change in community infrastructure
- Land acquisition and disposal
- Effects on known cultural, historical, sacred and archaeological resources

**Community / Institutional Arrangements**
- Interest group activity
- Alteration in size and structure of local government
- Presence of planning and zoning activity
- Industrial diversification
- Enhanced economic inequities
- Change in employment of minority groups
- Change in occupational opportunities
- Formation of attitudes toward the project

**Conflicts between residents and newcomers**
- Presence of an outside agency
- Introduction of new social classes
- Presence of weekend residents
- Change in the commercial/industrial focus of the community

**Political and social structures**
- Changes in distribution of power and authority
- Changes in mechanisms for exercise of power and authority

**Individual and family level impacts**
- Disruption in daily living and movement patterns
- Alteration in family structure
- Disruption in social networks
- Change in leisure opportunities
- Dissimilarity in religious practices
- Perceptions of public health and safety

(US Environmental Protection Agency (2002): 11)
Annexure B

Categories of socio-economic impacts

Health and social wellbeing
Death;
Nutrition;
Actual health and fertility;
Perceived health;
Mental health;
Aspirations for future;
Autonomy;
Stigmatization;
Feelings in relation to the project

Quality of the living environment
Physical quality – exposure to noise, dust, risk, odour etc;
Leisure and recreation opportunities;
Aesthetic quality;
Availability of housing;
Quality of housing;
Physical & social infrastructure;
Personal safety & hazard exposure;
Crime & violence

Economic impacts & material wellbeing
Workload;
Standard of living;
Economic prosperity and resilience;
Income;
Property values;
Employment;
Replacement cost of environmental functions;
Economic dependency

Cultural impacts
Change in cultural values;
Violation of culture;
Experience of being culturally marginalized;
Commercial exploitation of culture;
Loss of local language;
Loss of natural and cultural heritage

Family and community impacts
Alterations in family structure;
Obligations to family/ancestors;
Family violence;
Social networks – interaction with others in community;
Community connection – sense of belonging;
Community cohesion;
Social differentiation and inequity;
Social tension and violence
Institutional, legal, political and equity impacts

- Capacity of government agency to handle workload generated by project;
- Integrity of government agencies – absence of corruption and competence of agency;
- Legal rights;
- Human rights;
- Participation in decision making;
- Access to legal advice;
- Fairness of distribution of impacts across community

Gender relations

- Woman’s physical integrity – decide about own body;
- Personal autonomy of woman – independence in all aspects;
- Gendered division of labour – income, household, childbearing and rearing of children;
- Access to resources & facilities;
- Political emancipation of woman

<table>
<thead>
<tr>
<th>Activities / Components of development</th>
<th>Projected annual value of each component (Rands)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Year 1</td>
</tr>
<tr>
<td><strong>SUPERSTRUCTURE</strong></td>
<td></td>
</tr>
<tr>
<td>Construction - materials (bricks, cement, timber/trusses, roofing, gutters, window &amp; door frames, glazing, paint, sanitary wear, kitchen fittings, plumbing, electrical, other)</td>
<td></td>
</tr>
<tr>
<td>Construction - labour (specify)</td>
<td></td>
</tr>
<tr>
<td>• skilled,</td>
<td></td>
</tr>
<tr>
<td>• semi-skilled,</td>
<td></td>
</tr>
<tr>
<td>• unskilled</td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
</tr>
<tr>
<td><strong>INFRASTRUCTURE</strong></td>
<td></td>
</tr>
<tr>
<td>Access and internal roads</td>
<td></td>
</tr>
<tr>
<td>Water and sanitation (including drainage, sewerage and waste water disposal)</td>
<td></td>
</tr>
<tr>
<td>Electricity and telephone lines</td>
<td></td>
</tr>
<tr>
<td>Labour</td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
</tr>
<tr>
<td>Activities / Components of development</td>
<td>Projected annual value of each component (Rand)</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Year 1</td>
</tr>
<tr>
<td><strong>RUNNING THE ESTATE / MAINTENANCE</strong></td>
<td></td>
</tr>
<tr>
<td>Labour (specify, e.g. grounds maintenance workers, handymen, domestic/cleaning staff, caddies, gardeners, kitchen staff, waiters)</td>
<td></td>
</tr>
<tr>
<td>Other (materials and equipment – specify)</td>
<td></td>
</tr>
<tr>
<td><strong>COMMERCIAL COMPONENT</strong></td>
<td></td>
</tr>
<tr>
<td>Number and value of sale of dwelling units</td>
<td></td>
</tr>
<tr>
<td>Membership and/or green fees (residents and visitors)</td>
<td></td>
</tr>
<tr>
<td>Sale of golf equipment</td>
<td></td>
</tr>
<tr>
<td>Restaurant</td>
<td></td>
</tr>
<tr>
<td>Conferences and events</td>
<td></td>
</tr>
<tr>
<td>Other (specify, including specialist staff not included previously)</td>
<td></td>
</tr>
<tr>
<td><strong>ANNUAL REVENUE TO KOUKAMMA MUNICIPALITY</strong></td>
<td></td>
</tr>
<tr>
<td>Rates</td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
</tr>
</tbody>
</table>
## SOURCE OF LABOUR, MATERIALS AND SERVICES

Rate locality/town in order of volume – use percentage, where possible, or rate from highest (1) to lowest

<table>
<thead>
<tr>
<th>Activity / component</th>
<th>Locality / town / municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Local (Eersterivier/ Skuitbaa/Kruis)</td>
</tr>
<tr>
<td>CONSTRUCTION</td>
<td></td>
</tr>
<tr>
<td>Building materials</td>
<td></td>
</tr>
<tr>
<td>Labour – managerial</td>
<td></td>
</tr>
<tr>
<td>Labour - skilled artisans</td>
<td></td>
</tr>
<tr>
<td>Labour – semi-skilled</td>
<td></td>
</tr>
<tr>
<td>Labour – unskilled</td>
<td></td>
</tr>
<tr>
<td>Other (specify, e.g. specialist services, consultants, planning)</td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
</tr>
<tr>
<td>OPERATIONAL AND MAINTENANCE PHASES</td>
<td></td>
</tr>
<tr>
<td>Materials &amp; equipment</td>
<td></td>
</tr>
<tr>
<td>Labour</td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
</tr>
<tr>
<td>Activity / component</td>
<td>Locality / town / municipality</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------------------------</td>
</tr>
</tbody>
</table>
|                      | Local
              | (Eersterivier/Skuitbaa/Kruis) |
|                      | Kareedouw                    |
|                      | Tsitsikamma                   |
|                      | Humansdorp/Jeffrey's Bay      |
|                      | Plettenberg Bay/Knysna/George |
|                      | Port Elizabeth/Uitenhage      |
|                      | Elsewhere (specify)           |

**PURCHASES OF FOOD, OTHER CONSUMABLES AND PERSONAL SERVICES BY RESIDENTS AND VISITORS TO THE ESTATE**

- Groceries
- Fresh produce
- Other consumables
- Personal services
- Other (specify)
- Other (specify)
FYNBOS GOLF AND COUNTRY ESTATE
SOCIAL IMPACT

Kindly answer the following general questions with regard to the social impact of the Fynbos Golf and Country Estate development:

1. Is there a Training Plan in place to build capacity among local contractors and labour, such as from the Kruis community and others (tick in appropriate block)?

   YES
   NO

2. If ‘Yes’, kindly provide a copy or provide a brief summary of the main points of the Training Plan (table below), the intended beneficiaries and the expected outcomes and impact.

<table>
<thead>
<tr>
<th>Type of training</th>
<th>Intended beneficiaries</th>
<th>Numbers (estimate)</th>
<th>Expected outcomes / impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artisans - bricklayers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Artisans – plasterers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Artisans – painters</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Artisans – plumbers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Artisans – electricians</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mechanics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grounds men/gardeners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chefs/cooks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waiters</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic staff/cleaners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Is there a specific plan in place to employ and build the skills of or otherwise involve the Kruis residents to participate in the activities on the estate? Tick √ in appropriate block.

   YES
   NO

4. Is there a structure in place to communicate regularly with the Kruis residents on these issues (e.g. a joint committee)?

   YES
   NO
5. Whether ‘Yes’ or ‘No’, how – and how often – do the developers communicate with the residents of the Kruis community?

6. Do the plans for the proposed development of the golf estate specifically include a commitment to Broad-based Black Economic Empowerment?

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
</table>

7. If ‘Yes’, please specify or quote from the Business Plan for the estate:

........................................................................................................................................

8. Are there any other social responsibility programmes included in the Business Plan, such as support for Kruis community? Please specify, e.g. periodic access to golf course, golf training, support for school, sports fields, other, etc.

........................................................................................................................................

9. If outside contractors and labour will be used on the estate (construction and maintenance), what provisions have been made for housing/accommodation for these people?

........................................................................................................................................

10. Are there any contingency plans in place to address and minimise the impact of external labour and work seekers on the local community? Please elaborate (e.g. transport, squatting, crime, anti-social behaviour, etc.).

........................................................................................................................................

11. Kindly comment on your interaction with potential stakeholders / interested and affected parties and your perception of the support or otherwise for the proposed golf estate development.

<table>
<thead>
<tr>
<th>Stakeholder group / Interested and Effected Party</th>
<th>General response</th>
<th>Main issues raised (both positive and negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Positive</td>
<td>Negative</td>
</tr>
<tr>
<td>Koukamma Municipality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Homeowners in Eersterivier and Skuitbaai</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local farmers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kruis community</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other (specify)</td>
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<tr>
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</tr>
</tbody>
</table>

THANK YOU FOR YOUR CO-OPERATION
Fynbos Golf and Country Estate - I&AP Opinion Survey / Opinie-opname

Naam / Name .......................................................... Fiesiese adres / Physical address (town/vicinity/district).................................................................

1. In watter dorp(e) koop u kruideniersware en vars produkte / In which town(s) do you shop for groceries and fresh produce?

2. Gee asb. u opinie oor die moontlike impak van die nuwe behuisings- en ander ontwikkeling op die Fynbos golfbaan op u, u gesin en die gemeenskap / Kindly give your perceptions on the likely impact of the new housing and other developments on the Fynbos Golf Estate:

<table>
<thead>
<tr>
<th>Positief – gee redes</th>
<th>Tipe impak / Type of impact</th>
<th>Negatief – gee redes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive – give reasons</td>
<td>Jobs for local residents</td>
<td>Negative – give reasons</td>
</tr>
<tr>
<td></td>
<td>Inflow of workseekers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Housing and services for locals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Your way of life</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Crime</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other (explain, e.g. traffic, noise, pollution)</td>
<td></td>
</tr>
</tbody>
</table>
Thank you for your co-operation / Dankie vir u samewerking
### Perceived social and economic impacts of the Fynbos Golf and Country Estate among registered Interested and Affected Parties, November 2009 – January 2010

<table>
<thead>
<tr>
<th>Positive impacts (Mentioned by percentage of responding I&amp;APs)</th>
<th>Impact/issues raised by I&amp;APs</th>
<th>Negative impact (Mentioned by percentage of responding I&amp;APs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>General economic impact</td>
<td>10</td>
</tr>
<tr>
<td>70</td>
<td>Jobs for locals</td>
<td>40</td>
</tr>
<tr>
<td>-</td>
<td>Skills acquisition</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>Inflow of work seekers</td>
<td>95</td>
</tr>
<tr>
<td>50</td>
<td>Local housing/services</td>
<td>55</td>
</tr>
<tr>
<td>15</td>
<td>Way of life</td>
<td>75</td>
</tr>
<tr>
<td>-</td>
<td>Crime</td>
<td>85</td>
</tr>
<tr>
<td>-</td>
<td>Traffic</td>
<td>75</td>
</tr>
<tr>
<td>15</td>
<td>Condition of road</td>
<td>45</td>
</tr>
<tr>
<td>-</td>
<td>Noise</td>
<td>25</td>
</tr>
<tr>
<td>-</td>
<td>Pollution (water, sewage, litter)</td>
<td>60</td>
</tr>
<tr>
<td>-</td>
<td>Water supply</td>
<td>60</td>
</tr>
<tr>
<td>-</td>
<td>Physical environment</td>
<td>50</td>
</tr>
<tr>
<td>-</td>
<td>Visual impact</td>
<td>15</td>
</tr>
<tr>
<td>-</td>
<td>Coastal resorts (parking, toilets, security)</td>
<td>40</td>
</tr>
<tr>
<td>15</td>
<td>Additional recreational facilities</td>
<td>-</td>
</tr>
</tbody>
</table>
Annexure F

An analysis of perceptions among a sample of registered Interested and Affected Parties of the impacts of the proposed Fynbos golf estate development

Letters were sent by e-mail or faxed to all the Interested and Affected Parties (I&APs) that participated in the public participation process as part of the scoping phase for the EIA to invite them to participate in an opinion survey on the perceived socio-economic impacts of the proposed Fynbos golf estate development. A brief one-page questionnaire accompanied the letter.

Twenty responses were received by the end of January 2010 and another one arrived after the cut-off date.

The questionnaire allowed the participants to elaborate on or to add issues of concern. The respondents appeared happy to air their views and the responses to the individual questions were generally well motivated. People that do not hold particularly strong positive or negative opinions on a topic are less likely to respond to an optional survey. It is therefore likely that the respondents represent those that hold particularly strong views on the development. This is confirmed by the additional comments that accompanied the completed questionnaires.

The analysis will first consider the perceived positive impacts and thereafter the perceived negative impacts of the development.

Several of the respondents added several pages of comments. As it was not deemed feasible to include all the lengthy individual comments, only a summary of the perceptions and concerns are presented. Further information on the responses is available on request.

A. Anticipated positive impacts of the golf estate development

The issues raised by the participants that they anticipate will have positive impacts are listed in the table below in order of importance.

- **Jobs for locals**

  The opportunities for locals to find employment on the estate is considered the most positive impact by almost two third of the respondents. Many of the respondents appear to be aware of the existence of the Kruis community and their needs for employment.

  Skills development is in some instances linked to job creation on the estate.

- **Local housing and infrastructure services**
One half of the respondents considered that the development would have a positive impact on housing and local services in the area. The responses to the improvement in housing and services were approached from different perspectives. The question was interpreted by some respondents as referring to housing provision in general, and they considered that the development would add an additional housing option to what currently exists in the area. With respect to housing for the local communities, some expressed the opinion that the developers should make a contribution as part of
<table>
<thead>
<tr>
<th>Impacts/issues raised by I&amp;APs</th>
<th>Perceived positive impacts (Mentioned by percentage of responding I&amp;APs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs for locals</td>
<td>70</td>
</tr>
<tr>
<td>Local housing/services</td>
<td>50</td>
</tr>
<tr>
<td>Way of life</td>
<td>15</td>
</tr>
<tr>
<td>Additional recreational facilities</td>
<td>15</td>
</tr>
<tr>
<td>Condition of the road</td>
<td>15</td>
</tr>
<tr>
<td>General economic impact</td>
<td>5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Impacts/issues raised by I&amp;APs</th>
<th>Perceived positive impacts (Mentioned by percentage of responding I&amp;APs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inflow of work seekers</td>
<td>95</td>
</tr>
<tr>
<td>Crime</td>
<td>85</td>
</tr>
<tr>
<td>Way of life</td>
<td>75</td>
</tr>
<tr>
<td>Traffic</td>
<td>75</td>
</tr>
<tr>
<td>Water supply</td>
<td>60</td>
</tr>
<tr>
<td>Pollution (water, litter, sewage)</td>
<td>60</td>
</tr>
<tr>
<td>Local housing/services</td>
<td>55</td>
</tr>
<tr>
<td>Physical environment</td>
<td>50</td>
</tr>
<tr>
<td>Condition of road</td>
<td>45</td>
</tr>
<tr>
<td>Jobs for locals</td>
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<td>40</td>
</tr>
<tr>
<td>Noise</td>
<td>25</td>
</tr>
<tr>
<td>Visual impact</td>
<td>15</td>
</tr>
</tbody>
</table>
their social responsibility programme. Others expected that increased employment and incomes would allow the community to improve their own living situations.

**Other positive impacts**

A small proportion of the respondents commented on a few other perceived positive impacts of the proposed development, such as on the way of life of the surrounding communities, the condition of the Eersterivier road, the creation of additional recreational facilities and a generally positive impact on the local economy.

- **Way of life**

  The proposed development was expected to contribute to the amenities in the area and some respondents were of the opinion that they were happy to participate in what the estate would offer in terms of sport and entertainment. Another linked higher incomes for the local community members with an improvement in the quality of their lives.

- **Additional recreational facilities**

  As mentioned above, the revamped golf course and the additional recreational facilities and entertainment at the club house is considered to be a positive contribution.

- **Condition of the road**

  It was possible that the road would be upgraded or tarred to carry the increased traffic and this would be an improvement on the current situation.

- **Improvement in the economy**

  The development was expected to make a contribution to the economy of the area.

**B. Anticipated negative impacts of the golf estate development**

Regardless of these limited perceptions of the positive impacts of the proposed development, the overwhelming majority of the respondents perceived the impacts as detrimental.

The inflow of work seekers, the increased incidence of crime, the perceived negative impact of the development on the way of life of the home owners in the coastal resorts and increased traffic are the major concerns that were noted.

Several of the respondents appear to be familiar with the Kruis community and have considered the impacts on the community members.

- **Impacts of the inflow of work seekers**

  High unemployment levels in the Eastern Cape drives the unemployed to migrate to wherever job opportunities are perceived to exist. Many of the respondents raised concerns about of squatting, pressure on existing infrastructure, people wandering around
the coastal resorts, ‘undesirable elements’ moving into the otherwise tranquil environment, crime, their impact on the Kruis community and competition for jobs. Some fear that these job seekers will remain in the area even if they do not find employment. In their desperation they will turn to crime and this will particularly affect the holiday resorts, where there is limited security outside of the holiday periods.

The impacts of the in-migrants are linked also to competition for jobs on the golf estate. High unemployment levels have created equally high expectations for jobs among the Kruis community and concern was expressed that the in-migrants would challenge the Kruis community members for scarce jobs, particularly after the construction period.

- **Way of life**

This appears to be a very emotive issue to almost all of the respondents. All appear to be home owners in the coastal resorts. Many have been coming to the area for decades and they all value the attributes that attracted them in the first instance. They speak about the peaceful atmosphere, the tranquillity and quiet. The resorts are seen as small and intimate, with a special atmosphere – some say a ‘small town’ atmosphere – in an area of scenic beauty. Golf estates are associated with a glamorous life style and some fear a ‘Plet-style’ development will attract people who will not appreciate the tranquil atmosphere in the resorts and the surrounding rural landscape. They fear that the resort development will destroy the character of the area.

- **Traffic and the condition of the Eersterivier road**

Three quarters of respondents considered the negative affect of the construction vehicles and additional traffic on the condition of the Eersterivier road. Problems of dust, rapid deterioration of the road surface and the inability of the Provincial Roads Department to regularly maintain the surface were highlighted. It was noted that children commonly walked along the road and that the increased traffic would be a hazard to pedestrians. One observation was that a poor quality tarred road could be more dangerous than a well-maintained gravel road.

- **Local housing and infrastructure services**

One half of the respondents commented on the impacts of the estate development on local housing and infrastructure. Although they also referred to the golf estate itself and to the coastal resorts, they were particularly concerned on the impacts on Eersterivier Kruis.

They did not expect the development to have an impact on housing in the resorts, but the impacts on the roads and ground water were noted. The golf estate itself would create additional housing units, but the size of the estate was considered to overwhelm local resources.

There were references to the proposed housing development by the development near Kruis, which had raised expectations among the Kruis community members, but they had doubts that it would ever get off the ground. Pressure on housing and infrastructure was linked to the job seekers that would need to be accommodated and they fear the creation of squatter camps and the impact of the in-migrants on the Kruis community.
• Impacts on the coastal resorts and its facilities

Although mentioned by only 40 percent of the responding I&APs, the tone of the responses indicated that they felt very strongly about these issues. They were concerned that the coastal locality of the golf estate was used as a marketing tool, even though access and facilities at the coast was limited. It was noted that only Kammabaai was open to the public, and its very small areas of sandy beach can hardly cope with the normal volume of holiday makers. The other resorts are private and no public access is allowed.

There is limited parking available and no toilet facilities at the coastal resorts. Owners of the holiday homes are responsible for the maintenance of the resorts and already had to contend with litter left by day trippers. The large numbers of additional visitors from the golf estate would exacerbate the problems that are already experienced during the holiday periods.

• Other negative impacts

Many of the observations and concerns centre on environmental issues, which will be addressed by the EIA. These include water, pollution and threats to the natural environment.

Other issues include noise during the construction phase, the visual impact of the golf estate and the impact on the local farming sector. The latter includes the loss of agricultural land and the impact of increased traffic and the deterioration of the Eersterivier road on dairy farmers (transport of milk)
Comparative table of the perceived potential impacts of the Fynbos Golf and Country Estate among registered Interested and Affected Parties and the Eersterivier Kruis community, November 2009 – January 2010

<table>
<thead>
<tr>
<th>Impact/issue</th>
<th>Positive impacts (Mentioned by percentage of respondents)</th>
<th>Negative impact (Mentioned by percentage of respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Registered I&amp;APs</td>
<td>Kruis sample</td>
</tr>
<tr>
<td>General economic impact</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td>Jobs for locals</td>
<td>70</td>
<td>75</td>
</tr>
<tr>
<td>Skills acquisition</td>
<td>-</td>
<td>30</td>
</tr>
<tr>
<td>Inflow of work seekers</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Local housing/services</td>
<td>50</td>
<td>25</td>
</tr>
<tr>
<td>Way of life</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td>Crime</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Traffic</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Condition of road</td>
<td>15</td>
<td>-</td>
</tr>
<tr>
<td>Noise</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Pollution (water, sewage, litter)</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Water supply</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Physical environment</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Visual impact</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Coastal resorts (parking, toilets, security)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Additional recreational facilities</td>
<td>15</td>
<td>-</td>
</tr>
</tbody>
</table>
A meeting was convened on 11 November 2009 with a group of Kruis community members for a general discussion about the proposed development. The meeting was convened by the school principle, Mr Kleinbooi, and was attended by Mr Kleinbooi and nine community members:

It soon became clear that the lack of continued formal communication between the developers and the community had given rise to fearful speculation about issues ranging from employment to access to the golf course.

The most pressing issues that were raised included the following:
- Housing for the Kruis community
- Housing for workers and work seekers from outside the immediate area
- Increased crime as a result of in-migrants
- Social Responsibility Plan that might have positive social spin-offs for Kruis community
- Possibility of equity or profit-sharing arrangement with developers
- Access to golf course to play and to work (caddies to earn money for school fields)
- Lack of respect and using the community obtain benefits for the developers (upgrading the road)
- Training Plan to build skills among community members
- BBBEE requirements that will enable community to participate meaningfully to gain economic benefits from the development
- Formal lines of communication to ensure regular community participation and input

It was agreed that the issues that were aired at the meeting would be incorporated into the assessment report.

The representatives agreed to support the forthcoming community survey.
Annexure I

**Sosio-Ekonomiese en Opinie-Opname / Socio-Economic and Opinion Survey**

**Kruis Gemeenskap / Kruis Community**

1. **Naam / Name** .................................................
2. **Adres / Address** .................................................

3. **Gee asb. u opinie oor die moontlike impak van die nuwe behuisings- en ander ontwikkeling op die Fynbos golfbaan op u, u gesin en die gemeenskap / Give your perceptions on the impact of the new housing and other developments on the Fynbos Golf Estate:**

<table>
<thead>
<tr>
<th>Tipe impak / Type of impact</th>
<th>Goed, positief – gee redes</th>
<th>Sleg, negatief – gee redes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Werksgeleenthede / Jobs</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Vaardighede / Skills</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Inkomste / Incomes</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Lewenswyse van familie/gemeenskap / Way of life</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Instroming van werksoekers / work seekers</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Behuising en dienste / Housing and services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Misdaad / Crime</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ander (verduidelik, b.v. verkeer, geraas,</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>besoedeling) / Other (explain, e.g. traffic, noise, pollution)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


4. Voltooi asb. inligting oor lede van hierdie huishouding / Kindly supply the information on the household members

| No. | Status in huishouding / household status (household head, spouse/ partner, son, daughter, grandchild, grandparent, other) | Geslag/ Gender | Hoogste skool graad geslaag / Highest school standard passed (specify if never attended) | Ander kwalifikasies of vaardighede (klar behaal of besig met studies?) / Other educational or training qualifications (in progress or completed?) | Werkstatus (het werk, soek werk, soek nie werk nie / Employment status (employed, not working but looking for work, not economically active, e.g. housewife/ retired) | Tipe werk, b.v. plaasarbeider, bouer, verwer, kok, kleremaker, huisbediende, onderwyser / Occupation e.g. farm labourer, bricklayer, carpenter, painter, cook, sewing, domestic worker, teacher | Werkgewer, b.v. boer, winkel, munisipaliteit, regering, eie onderneming / Employer e.g. farmer, shop, municipality, government, self-employed (working from home) | Persoonlike inkomste/ Personal income | Inkomste per maand / Income per month | Bron van inkomste / Source of income e.g. wage/salary, social grant (specify), other (specify) |
|-----|-------------------------------------------------|----------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------|
| 1   | **Hoof** / Head                                 |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 2   |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 3   |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 4   |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 5   |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 6   |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 7   |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 8   |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 9   |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 10  |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
| 11  |                                                |                |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                                                                 |                                      |
## Results of the opinion survey in the Eersterivier Kruis community on the anticipated impacts of the Fynbos Golf and Country Estate, November/December 2009

<table>
<thead>
<tr>
<th>Positive impacts (Mentioned by percentage of respondents)</th>
<th>Impact/issues raised by Kruis Community</th>
<th>Negative impact (Mentioned by percentage of respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>75</td>
<td>Jobs for locals</td>
<td>10</td>
</tr>
<tr>
<td>30</td>
<td>Skills acquisition</td>
<td>15</td>
</tr>
<tr>
<td>-</td>
<td>Competition for jobs</td>
<td>95</td>
</tr>
<tr>
<td>25</td>
<td>Local housing/levels of services</td>
<td>60</td>
</tr>
<tr>
<td>-</td>
<td>Way of life</td>
<td>20</td>
</tr>
<tr>
<td>-</td>
<td>Crime</td>
<td>35</td>
</tr>
<tr>
<td>-</td>
<td>Traffic</td>
<td>80</td>
</tr>
<tr>
<td>-</td>
<td>Condition of road</td>
<td>25</td>
</tr>
<tr>
<td>-</td>
<td>Environmental pollution</td>
<td>5</td>
</tr>
</tbody>
</table>
Annexure K

Analysis of the opinion survey on the perceived impacts of the Fynbos golf estate development among a sample of Kruis residents

A simple one-page questionnaire formed the basis of an opinion survey among the Kruis community residents on the perceived impact of the golf estate development. A local fieldworker was employed to interview a ten percent sample of the residents.

Although she was briefed and provided with a supplementary printed explanation of what was required, the opinion survey clearly did not adequately capture the opinions of the residents. In some instances the surveyed people based their opinions on employment creation, quality of life and levels of crime on the current situation, without reference to the impact of the proposed development. Although the survey did not yield as much detail as was expected, the responses nevertheless provided insight on expectations among the Kruis residents of both the positive and negative impacts of the proposed golf estate development.

A. Expected positive impacts of the golf estate development

The proposed development is expected to provide employment opportunities and improved wages for Kruis residents, develop their skills and have an indirect positive impact on municipal services and housing at Kruis.

<table>
<thead>
<tr>
<th>Eersterivier Kruis Community</th>
<th>Expected positive impacts of golf estate development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impacts</td>
<td>Percentage*</td>
</tr>
<tr>
<td>Employment/incomes</td>
<td>75</td>
</tr>
<tr>
<td>Skills development</td>
<td>30</td>
</tr>
<tr>
<td>Housing and infrastructure services</td>
<td>25</td>
</tr>
</tbody>
</table>

* The percentages represent the proportion of the surveyed Kruis community that expected positive results in each of the variables.

- **Employment and incomes**

The most notable positive impact of the development was the expectation that employment will be created; three quarters (75 percent) of the surveyed households expected that the new development would create employment for the Kruis residents. Several of the respondents noted that there are few employment opportunities in the area, many workers depended on short term contracts and that wages were generally low. The proposed development was perceived to be the only source of new jobs for the unemployed or poorly paid Kruis residents.
During a discussion with the Kruis Focus Group, the participants explained that wages on the estate are likely to be higher than most Kruis residents are currently earning, but that they expect that these more lucrative opportunities will be taken by outsiders.

- **Skills development**

Almost one third (30 percent of respondents) expect that their skills levels will be improved once they find jobs on the estate.

- **Housing and infrastructure services**

One half of the respondents expressed their dissatisfaction with the current level of services in the Kruis community, while almost one third (30 percent) were dissatisfied with their current houses.

There was at the time of the survey still some level of expectation that the developers might provide housing for people finding employment on the estate. Furthermore, the entrance road to the settlement was being surfaced. While the majority did not expect the golf estate developers to address their housing and services needs, one quarter (25 percent) nevertheless expected that the golf estate development would encourage the government or the Municipality to improve infrastructure services to the Kruis community and, if only indirectly, to address their housing needs.

**B. Expected negative economic impacts of the golf estate development**

The negative perceptions focus particularly on the competition for jobs by people living outside the Kruis community, the impact of increased traffic on the safety of the children and the deterioration of the road and increased levels of crime. There is furthermore a perception that the new development is unlikely to improve their current living conditions.

<table>
<thead>
<tr>
<th>Potential negative impacts</th>
<th>Percentage*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competition for jobs on the estate</td>
<td>95</td>
</tr>
<tr>
<td>Increased traffic</td>
<td>80</td>
</tr>
<tr>
<td>No improvement in housing and levels of services in Kruis</td>
<td>60</td>
</tr>
<tr>
<td>Increased crime</td>
<td>35</td>
</tr>
<tr>
<td>Way of life</td>
<td>20</td>
</tr>
<tr>
<td>Skills development/using existing skills</td>
<td>15</td>
</tr>
<tr>
<td>Jobs for Kruis community</td>
<td>10</td>
</tr>
<tr>
<td>Pollution</td>
<td>5</td>
</tr>
</tbody>
</table>
• Competition for jobs on the estate

The Kruis community has a relatively high unemployment rate and limited local choices to find employment. Local wages are low and there is little opportunity for advancement. Expectations were initially high that new employment opportunities will be created and higher wages offered by the proposed golf estate development on their doorstep.

The community has since become rather disillusioned. They observed that previous construction work on the estate used teams from outside the immediate area (e.g. Jeffrey’s Bay), thus depriving the Kruis work seekers of job opportunities. All but one of the respondents expressed their concern that competition from jobseekers from outside the immediate area will threaten the success of the Kruis community members of finding employment on the estate.

The level of disillusionment is so high that ten percent of the respondents considered that it was unlikely that Kruis residents would benefit at all from the employment opportunities created on the estate.

Mense van ander plekke kom en werk
In die [Kruis] gemeenskap is mense [wat werk soek], maar hulle bring werkers van buite
Die [Kruis] gemeenskap soek self werk
Ander mense sal ons werk afneem
Sal my kans vir werk benadeel

• Skills development / using existing skills

Several respondents acknowledged that they lack the required skills. Others were concerned that the jobs on the estate will not suit their particular areas of expertise. It is clear that while there are great expectations that the development will generate employment and develop skills, there is an equally great concern that these opportunities will not benefit the Kruis community.

Ons kan nie die vaardigheid uitleef wat ons het nie
Ons vaardighede is goed maar ons word nie regtig herken nie
Het vaardighede (meubel-vervaardiging) maar daar is geen werk nie
[Ek] het geen vaardighede nie. Lei my asseblief op.

• Housing and levels of services in Kruis
Almost two thirds (60 percent) of the respondents did not expect that the development will in any way improve their currently housing situation and the poor levels of services, which they acknowledge is the responsibility of the local municipality.

Although a proposed housing development by the developers on land adjacent to the Kruis was initially mooted, the respondents did not expect the development to have an impact on their housing situation. They have now pinned their hopes on being allocated housing on the proposed new Municipal development north of the settlement. Two of the respondents noted (10 percent of respondents) that their current houses were spacious and expressed fears that the new houses might not be large enough to house the whole family. Others were clearly hoping that the new municipal housing scheme would improve their current housing situation. Twenty percent of the respondents complained about their sub-standard houses, while a further ten percent expressed the need for subsidised housing.

### Increased traffic

The increase in traffic resulting from the development concerned 80 percent of the respondents. Twenty percent were particularly concerned that increased traffic would jeopardise the safety of the children who walk along the road. One quarter of respondents expected that the condition of the road will deteriorate and that it will need more maintenance, which may cause inconvenience to the road users and those living in the Kruis community (diversions, dust). One respondent noted that increased traffic will also increase the level of noise, while another noted that there are no traffic calming measures, such as speed humps, to slow down traffic.
• Increased crime

While the current level of crime in Kruis is very low, one third (35 percent) of the respondents expected levels of crime to increase as a consequence of the proposed development and the influx of external workers and jobseekers.

Geen misdaad in Kruis
Min misdaad, net vloekery [op] naweke
Mense beskerm mekaar
Indien werknemers instroom kan dit (misdaad) groei
Die misdaadsyfer kan styg
Dit kan ons veiligheid bedreig
Vreemde faktore kan bykom [en] misdaad kan toeneem

• Impact on their way of life

The expected influx of workers and work seekers from outside the community is also expected to have a negative impact of their way of life. Eersterivier Kruis is currently a cohesive community. Strong ties of family and friendship exist among the residents. Everyone in the community knows everyone else and they support one another. There are fears that an influx of outsiders may change the dynamics and ‘sense of place’ of the community.

Ons is nou bekend aanmekaar
Ons help onder mekaar
Gemeenskap is lief vir mekaar
Verstaan mekaar; Almal kom reg met mekaar

• Environmental impacts

The Kruis community is concerned particularly with employment and incomes and environment and environmental concerns clearly were not a high priority. There was, however, some concern that the proposed development would increase levels of pollution in the area, such as litter and the impact of the sanitation system on the estate.
Annexure L

Koukamma Municipality
Tariff structure for the levying of municipal rates

**Koukama Rates Tariffs for 2009-2010 loaded for new General Valuation**

<table>
<thead>
<tr>
<th>Description</th>
<th>Tariff Code</th>
<th>Calc requirements</th>
<th>Tariff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agri/Bus</td>
<td>361</td>
<td>25% of rate</td>
<td>0.001225</td>
</tr>
<tr>
<td>Agric/Sports</td>
<td>352</td>
<td>25% of rate</td>
<td>0.001225</td>
</tr>
<tr>
<td>Agric/Tourism</td>
<td>353</td>
<td>25% of rate</td>
<td>0.001225</td>
</tr>
<tr>
<td>Agricultural</td>
<td>354</td>
<td>25% of rate and 30% Rebate</td>
<td>0.000306</td>
</tr>
<tr>
<td>Business</td>
<td>355</td>
<td></td>
<td>0.004900</td>
</tr>
<tr>
<td>Church</td>
<td>356</td>
<td>100% Non Rateable</td>
<td>0.000000</td>
</tr>
<tr>
<td>General Residential</td>
<td>357</td>
<td>15000 Non Rateable</td>
<td>0.004900</td>
</tr>
<tr>
<td>Govt</td>
<td>358</td>
<td></td>
<td>0.004900</td>
</tr>
<tr>
<td>Medical</td>
<td>359</td>
<td>30% Rebate</td>
<td>0.004900</td>
</tr>
<tr>
<td>Municipality</td>
<td>360</td>
<td>100% Non Rateable</td>
<td>0.000000</td>
</tr>
<tr>
<td>P.S.I</td>
<td>361</td>
<td>100% Non Rateable</td>
<td>0.001225</td>
</tr>
<tr>
<td>Residential</td>
<td>362</td>
<td>15000 Non Rateable</td>
<td>0.004900</td>
</tr>
<tr>
<td>Restitution</td>
<td>363</td>
<td>100% Non Rateable</td>
<td>0.000000</td>
</tr>
<tr>
<td>Sblock</td>
<td>364</td>
<td>15000 Non Rateable &amp; 35% Rebate</td>
<td>0.004900</td>
</tr>
<tr>
<td>School</td>
<td>365</td>
<td>20% Rebate</td>
<td>0.004900</td>
</tr>
<tr>
<td>Sports</td>
<td>366</td>
<td>100% Non Rateable</td>
<td>0.000000</td>
</tr>
</tbody>
</table>

**NOTE:** All properties to be Monthly