# THE STRUCTURE OF THE ECONOMY

# THERE ARE FOUR MAIN ECONOMIC SECTORS:

Sector	Definition	Examples
Primary	The <b>extraction</b> of raw materials from the natural environment.	Farming Fishing Forestry Mining Stone quarries
Secondary	The <b>process and change</b> raw materials into useful goods. Also referred to as 'value added goods'	Ship building Steel making Food canning Construction
Tertiary	The <b>provision of services</b> to the wider community. Also known as the service sector or service industry.	Services: trade, commerce and retail. Personnel services: doctors, accountants, educators, lawyers Transport
Quaternary	The hi-tech sector of an economy that is linked to research and development. Concerned with the collection, analysis and transmission of information.	Scientists Medical researchers, Technical specialists who develop better systems in industry, business and the computer fields.

# PRIMARY CHARACTERISTICS OF FARMING SYSTEMS IN SOUTH AFRICA

	LARGE SCALE FARMING	SMALL SCALE FARMING	SUBSISTENCE FARMING
Definition	Production of crops for local and overseas markets to make a profit. Only practised on a commercial level.	Farming on smaller plots of land with the purpose of making a profit. Can be practised on a commercial or subsistence level.	Production to meet the needs of the farmer and his family.
Technology	Use scientific farming methods: chemicals, fertilizers, hybrid seeds, livestock, crop spraying, GM seeds, contour farming Capital intensive - use of high tech machinery.	Specialised farming: use of irrigation and small dams Intensive farming: every available piece of land is used	Traditional farming methods: use of oxen driven ploughs. Labour intensive: - as farming is done manually by women, children and family members.
Yield	High per hectare Practise monoculture: cultivation of one main crop	Medium per hectare Variety of crops are grown	Low per hectare Variety of crops are grown
Size	Extensive farming on large plots of land	Small plots, single unit	Small, scattered plots of land.
Importance	To produce large quantities of food for local and international markets To provide employment	To reduce poverty in rural areas To reduce rural-urban migration To provide employment in rural areas To promote food security in local areas	Does not contribute to, economy Contributes to food security of individual house holds

White commercial farmers lead the country Problems that result from containing cost of production, strikes Cannot compete vinternational prices, due to lack subsidies	access to markets Getting finance and credit facilities from the bank Lack access to training and updating their knowledge	Lack of funds No access to training Affected by natural hazards	
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NOTE: Small scale farming can be on a commercial or subsistence level.

# THE PRIMARY SECTOR: AGRICULTURE

#### **FACTORS INFLUENCING AGRICULTURE**

# **PHYSICAL FACTORS:**

# Soils (negative)

- Soils are of a poor quality especially where the slopes are steep as increased runoff accelerates soil erosion.
- Poor farming methods such as overgrazing and monoculture contribute to soil erosion.

#### Rainfall (negative)

- Rainfall is low and unreliable over the greater part of the country
- The eastern half of the country receives more rainfall than the western half
- High evaporation rates and low rainfall in the west limits agricultural production.
- Costly irrigation schemes such as the Orange River Project and the Vaal-Hartz scheme have been constructed to transfer water from one region to another.

#### Diseases and pests (negative)

- Insect pests such as locusts and stalk borers destroy crops and fruit.
- The use of pesticides and insecticides to overcome these problems increase production costs.

# Temperatures (positive)

- The relatively high summer temperatures are suitable for the cultivation of most crops especially maize and sugar cane. The low moisture content in maize allows it to be stored over long periods.
- The warm temperatures also favour the sweetening and ripening of fruit.

### Seasonal climatic variations (positive)

- Different parts of South Africa experience a range of climates therefore a variety of agricultural products can be grown throughout the year.
- The South West Cape experiences a mild climate with winter rainfall (Mediterranean climate). This supports grapes, deciduous fruit and wheat production.
- The high summer rainfall in Kwazulu-Natal favours the growing of subtropical fruit and sugar cane.
- Few days with frost experienced thus there is a longer growing season.

#### **SOCIAL FACTORS**

### HIV/AIDS (negative):

 The high prevalence of HIV and Aids lowers production on farms as valuable farming skills are lost due to ill health and death. Food production declines resulting in food insecurity.

### Farmer attributes (negative)

- a) Many farmers are subsistence farmers and they do not produce surplus crops that can be
  - sold thus poverty levels remain high.
- b) Subsistence farmers also lack access to agricultural research and are illiterate. This is a major obstacle to the development of commercial agriculture amongst them. Furthermore, it is challenging to change the attitudes of farmers from traditional methods.

#### MAIN AGRICULTURAL PRODUCTS PRODUCED

**Home Market**: Refers to products sold within South Africa. Also referred to as the domestic market.

**Export Market:** These are goods produced for selling in other countries.

Import goods: These are goods that South Africa buys from other countries.

Value-added products: These are raw materials that have been processed thus its

value increases

e.g. grapes are processed into wine

Exports	Imports
LAPOITS	Imports

Unprocessed (raw)	Maize Fruit Sugar Soya beans Sunflower seeds Meat	Wheat Rice
Processed (value added)	Wine and fruit juice Wool Hides and skins Ostrich products Dried fruit and nuts	Tea Coffee Spices Oil Cereals

# SUMMARY OF FACTORS AFFECTING AGRICULTURE( NEGATIVE)

FACTORS HINDERING AGRICULTURE	FACTORS FAVOURING AGRICULTURE

- Climate change
- Droughts and floods
- Diseases/pests
- Fluctuating prices
- Wild fires
- Crime
- Labour strikes
- Lack access to funding and training
- Cannot compete with international markets
- Subsistence farming

- Trade opportunities
- Research
- Climatic variation
- High temperature
- Available labour supply

# **IMPORTANCE OF AGRICULTURE (POSITIVE)**

# Earner of foreign exchange

Foreign income is earned from the export of products thus stimulating economic growth.

#### Contribution to the GDP

- Although the contribution has decreased, it still remains an important backbone of the economy.
- Farmers pay taxes to the receiver of revenue which is used to develop the country.

#### Job creation

- 10% of the labour force is employed by this sector.
- The mechanization of agriculture has resulted in large-scale on the job training of labourers.

#### Infrastructure development

- Agriculture has led to the development of infrastructure<sup>1</sup> in the country.
- Transport networks have been improved and water irrigation schemes developed.

# Industrial development

Raw materials are supplied to industries thus stimulating industrial development.
 Food processing industries (wineries and fruit canning), textile industries (cotton) and

sugar refineries (sugar cane) depend on raw materials produced by agriculture. These industries in turn create jobs.

NOTE: The positive and negative factors that affect agriculture and its contribution to the economy will apply to each of the agricultural products listed below:

#### **TYPES OF FARMING:**

### **CATTLE FARMING**

South Africa has an extremely well developed cattle industry. Cattle ranches are found mainly in the Eastern Cape, parts of the Free State and KwaZulu-Natal, Limpopo and the Northern Cape.

# Problems related to beef production specifically include:

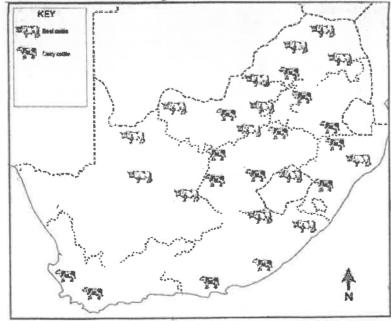
- Communal farmers see cattle as a measure of their wealth and do not sell them
- Foot and mouth disease and tick problems
- Communal grazing land, soil erosion, overgrazing
- Variable price for beef
- Limited grazing as SA is a hot and dry country

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#### **Possible solutions**

- Agricultural officers to assist small scale and new farmers Provide government subsidies and grants.
- Increase education and skills of farmers.

Access to funding from banks.



### **INFLUENCE OF ECONOMIC FACTORS**

#### Fluctuating prices (negative)

- both locally and internationally, demand is affected by world market prices.
- Farmers in MEDC's are heavily subsidised by their governments and it is difficult for farmers in developing countries to compete with the low foreign prices.

#### Dual agricultural system (negative)

- A dual agricultural system exists in the country. Unlike commercial farmers, subsistence farmers do not have capital to purchase farm machinery, fertilizers, hybrid seeds, insecticides and pesticides.
- Subsistence farms are small in size and these are over exploited.

# Research (positive)

- Large sums of money are invested by governments on research and agricultural education to increase productivity.
- The use of scientific methods of farming such as the production of genetically modified crops, better farming methods, hybrid seeds, fertilizers and the control of pests and diseases improves yields.

#### Trade (positive)

- Well-developed harbours as well as international airports
- Trade agreements with EU and US thus having access to more markets.
- The northern hemisphere has the opposite season to us and this encourages exports of fruit and flowers.

## **INFLUENCE OF POLITICAL FACTORS**

#### Protective measures (negative)

- The use of tariffs, subsidies and quotas by MEDCs makes it difficult for LEDCs to compete with the MEDCs for major agricultural markets.
- Trade agreements and large trading blocs between MEDCs also restrict the LEDCs in selling their primary products.

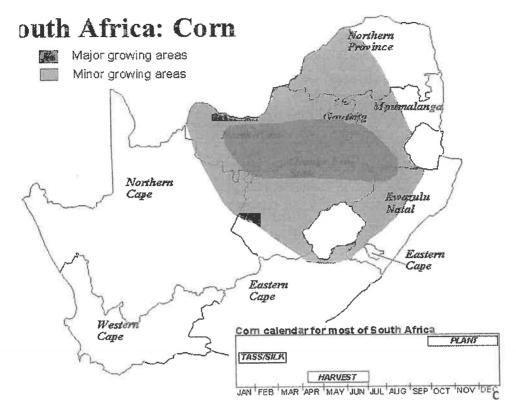
#### CONTRIBUTION OF THE AGRICULTURE TO THE SOUTH AFRICAN ECONOMY

#### Food production:

- The agricultural sector produces sufficient food to meet the demand of our still growing population.
- This availability of food ensures peace of mind and general stability.
- The need to import food from other countries at high costs is reduced.

MA IZE FAR MI NG

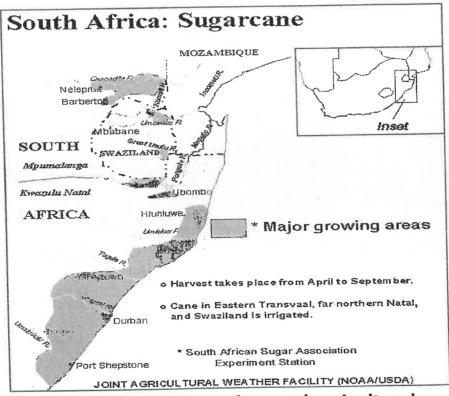
- Maize is planted in the Highveld in South Africa
- Maize is the country's most important field crop and the staple food of the population
- The maize industry is an important earner of foreign exchange for the country through exports of maize and maize products.
- Maize is produced by approximately 9 000 commercial farmers who provide direct employment for an estimated workforce of 128 000.
- In addition, work opportunities are provided in various industries relying on maize as a raw material.
- The maize milling, stock-feed, wet milling, poultry and dairy industries are directly dependent on maize for their survival and employ thousands of workers.



JOINT AGRICULTURAL WEATHER FACILITY (NOAA\USDA)

### SUGAR CANE FARMING

- The South African sugar industry is one of the world's leading producers of high quality sugar and is the world's 1 l th largest sugar producer.
- Sugar cane is mainly farmed in KwaZulu Natal, with some farms in Mpumalanga and the Eastern Cape.
- It is exported to Africa, Asia and the Middle East.
- Three companies active in the processing of sugar: Tongaat-Hullett, Illovo and TSB.
- It provides significant employment opportunities, particularly in rural areas.
- The industry is diverse, combining the agricultural activities of sugarcane cultivation with the manufacture of raw and refined sugar, syrups, specialised sugars and a range of byproducts
- The "ideal" climate for production of maximum sugar from sugarcane I
- A long, warm growing season with a high incidence of solar radiation and adequate moisture (rainfall)
- A fairly dry, sunny and cool, but frost free season for ripening and harvesting -



# Use these questions as a guide to understand agricultural production:

- 1. How do agricultural products contribute to the economy of SA?
- 2. Discuss physical factors that hinder agricultural production.
- 3. Why has the demand for beef increased in SA?
- 4. Why does beef farming have a negative impact on the environment?
- 5. What are the possible solutions to improving maize production in SA?

- 6. Why is sugar cane production erratic?
- 7. What are the human factors that restrict agricultural growth?
- 8. What is the impact of a poor agricultural output for a particular year?

# **FOOD SECURITY IN SOUTH AFRICA**

Food security: occurs when sufficient(enough) food is produced to meet the needs of people. It results from a balance between supply and demand.

Food insecurity: occurs when people fear starving because they do not have access to enough nutritious food. It is results when demand exceeds supply.

Famine: A lack of food that gives rise to starvation and malnutrition.

### Importance of food security;

- Food security is important to maintain the good health of people
- It will prevent social uprisings
- To prevent hunger and famine
- Malnutrition can be prevented. it is associated with stunted growth and the death of children.

Negative factors affecting food security	Positive factors affecting food security	
<ul> <li>Soils are thin and infertile in most regions</li> <li>Environmental hazards such as</li> </ul>	<ul> <li>Greater variety of crops can be planted due to a variety of climatic regions.</li> <li>Government incentives to small scale farmers.</li> </ul>	
droughts, floods Pests and diseases	Improved trade relations	
Damage to the environment such as soil	<ul><li>Processing of raw materials</li></ul>	

 Lack of capital to invest in irrigation schemes, machinery, hybrid seeds. fertilizers and insecticides.

erosion, deforestation

- Farmers in MEDCs are subsidised by their governments thus African farmers are unable to compete with them.
- The road and rail network is poorly developed (not tarred, potholes, single lanes).
- Do not have capital to invest in agricultural research which contributes to higher yields.
- Shift from food production to bio-fuel production.
- High level of HIV/AIDS which lowers productivity

- Land re-distribution programme Protection of the environment through sustainable agriculture.
- Planting perennial crops that require less fertilizer and reduces erosion.
- Planting a variety of crops to prevent soil exhaustion.
- Planting genetically modified seeds.
- Practising co-operative farming (a system where farmers pool their resources).
- An NGO called Techno serve assists farmers in SA in cooperative farming.

#### **GENETICALLY MODIFIED CROPS**

## Use of Genetically modified crops to improve food security

- These are crop plants that are modified in a laboratory so that they are more resistant to herbicides and have a greater nutritional value.
- It is believed that the production of GM crops in developing countries will increase food security for the growing populations.

## Advantages of genetic modification

- They are more resistant to pests and diseases.
- They have a longer storage life.
- More food per hectare can be produced.
- They have greater nutritional value.
- They are able to survive in a greater range of climatic conditions.

### Disadvantages of genetic modification

- GM seeds have been developed by a few multinational companies that have the monopoly over them.
- The long terms effects of genetic modification on man's health are unknown.
- New seeds have to be planted every year and this is costly.
- The effects on the environment, e.g. food chains, are not known.

#### Other methods to improve food security

- Reduce subsistence farming
- Education, training and skills development of farmers
- Improved scientific farming methods
- Planting surplus in good seasons
- Availability of funding for new and small scale farmers.

<u>M</u> <u>I</u> <u>N</u> <u>I</u> <u>N</u> <u>G</u>

# Minerals mined in SA

Name of mineral	Ranking in terms of world production	Percentage of worlds reserves
Platinum	1	
Man anese	1	
Chromium	1	
Diamonds	2	
Gold	5	12.7%
Coal	7	7.4%
Iron ore	6	

Source: Department of mineral resources 2012

#### THE ECONOMIC IMPORTANCE OF THE MINING SECTOR

# Earner of foreign exchange

- Foreign income is earned from the export of various minerals such as gold, iron ore, diamonds and coal.
- Almost 50% of South Africa's foreign exchange is earned via the export of minerals.

#### **Contribution to the GDP**

 Mining companies pay taxes to the receiver of revenue thus stimulating the growth rate of the country.

# Job creation/skills development

A large percentage of the labour force is employed by this sector.

- It contributes to the economy in the form of wages, taxes and salaries.
- Mines have also attracted workers with valuable skills from Southern African and other overseas countries.

# Summary of factors that favour and hinder mining

Factors that favour mining (POSITIVE)	Factors that hinder mining (NEGATIVE)	
<ul> <li>Variety of minerals</li> <li>Large mineral reserves</li> <li>Production costs are lower where minerals are close to the surface.</li> <li>Lower rock temperatures (geothermal gradient) allows for deeper mining.</li> <li>Quality minerals found in high concentrations</li> <li>Access to cheap labour</li> <li>Government assistance</li> </ul>	<ul> <li>Strikes and protests, labour relations, land claims</li> <li>Minimum wages has increased cost of production</li> <li>Transport costs because mines are located inland</li> <li>Talk of nationalisation affects potential investors</li> <li>Fluctuating prices of minerals due to foreign exchange</li> <li>Mine disasters such as fires, floods, collapse or rocks</li> <li>Exporting in an unprocessed form reduces profits</li> </ul>	

#### **INFLUENCE OF PHYSICAL FACTORS**

# Mineral reserves (positive/negative)

- There is a great variety and large reserves of minerals such as gold, diamonds, coal, uranium copper and iron ore.
- Minerals however, are non-renewable and this makes it difficult to plan for the future.

#### Mineral deposits (positive/negative)

- Most mineral deposits are found close to the earth's surface thus making mining relatively cheap and easy as open pit mining can be practised.
- In some cases mineral reserves close to the surface have been exhausted and the use of vertical shafts to reach deeper mineral reserves increases mining costs.

#### **Geothermal gradient (positive)**

 The rock layers have a low thermal gradient (temperature increases gradually with depth) therefore less cost is incurred in having to cool the air using fans.

#### Mineral quality (positive)

• Production costs are generally low because wastage is minimal due to the excellent quality of the minerals and the high metal content of the rocks extracted.

### Mine problems (negative)

• Mine problems such as flooding and fires force mines to close down thus decreasing production. The formation of sinkholes also impacts negatively on production.

# Infrastructure development

- Mining has led to the development of the infrastructure of the country.
- Road and rail links have been developed to transport mining equipment, people and minerals.
- For example, the port facilities at Richards Bay were designed for the export of coal and the one at Saldhana Bay for iron-ore to major overseas markets.

### Industrial development

- The mining industry created a demand for tools and machinery and thus factories were started to supply these.
- SASOL and MITTAL STEEL are examples of industries that have been established to process raw materials such as coal and iron ore respectively.
- Mining has contributed to a multiplier effect in the economy because the demand for goods and services by the mining industry has stimulated the growth of financial services (Johannesburg Stock Exchange), engineering services, electricity services, infrastructure (ports and railways), foreign investment etc

#### **Settlements**

- Mining has contributed to the rapid urbanization of the country.
- The discovery of mineral deposits led to the development of towns in Gauteng

#### Social responsibility

- Mining contributes to the socio-economic development of the country
- Some mining companies offer bursaries to students who intend pursuing a career in the mining industry, for example geologists.
- In situations, where workers are retrenched due to the closure of mines they are assisted with finding new jobs and are advised on how to best use their retrenchment or pension packages.

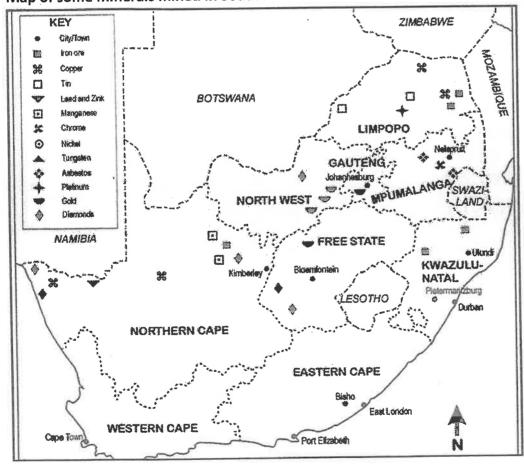
# **EXTRA INFO: Mining, according to the Chamber of Mines:**

- Creates one million jobs (500 000 direct and 500 000 indirect).
- Accounts for about 18% of GDP (8.6% direct, 10% indirect and induced).
- Is a critical earner of foreign exchange at more than 50%.
- Accounts for 20% of investment (12% direct).
- Attracts significant foreign savings (RI .9-trillion or 43% of value of JSE).
- Accounts for 13.2% of corporate tax receipts (RI 7-billion in 2010) and R6-billion in royalties.
- Accounts for R441-billion in expenditures, R407-billion spent locally.
- Accounts for R78-billion spent in wages and salaries.
- Accounts for 50% of volume of Transnet's rail and ports.
- Accounts for 94% of electricity generation via coal power plants.
- Takes 15% of electricity demand.
- About 37% of the country's liquid fuels via coal.

#### Read more:

http://www.southafrica.info/business/economy/sectors/mining.htm#.VDpGrdgcTlU#ixzz3Fv8

Map of some minerals mined in South Africa



# Case study:

# Coal mining

- Most of South Africa's coal deposits are close to the surface -it is easy and cheap to mine.
- Just over 90% Of SAS electricity is generated from coal.
- There is also a large demand for coal from:
- Arcelor Mittal (uses coking coal for melting of iron ore)
- SASOL for the production of synthetic fuel (coal is converted into petrol and diesel) Export (Germany, Spain, Japan) Domestic use.
- Coal is mainly exported through the Richards Bay coal terminal.
- The 2 mining methods used to extract coal is: open cast mining and shaft mining

# **CHALLENGES IN THE COAL MINING INDUSTRY**

- Instability due to labour strikes
- Investors are hesitant to invest in the industry
- The call for the nationalisation of mines
- Coal resources are not infinite
- Environmental issues related to pollution and global warming. Coal, (mostly bituminous, with a high ash content), is the primary fuel produced and consumed in South Africa.
- Production and consumption of coal has serious effects on the environment, leading to air and water pollution, while also contributing to increasing concentrations of greenhouse gases in the atmosphere.
  - Distance to markets (negative)
  - Many mines are situated inland therefore the cost of transporting the minerals to the coast is high.
  - This increases the price of the exported minerals making them uncompetitive against low foreign prices.

#### **SOCIAL FACTORS**

#### HIV/AIDS (negative)

- HIV and AIDS have resulted in many skilled workers being lost to this pandemic.
- Mining companies also have to deal with high absenteeism amongst workers and have to train additional workers at high costs to the mining companies.

#### Labour (negative)

- Strike action for better wages and the demand for health care, pensions, housing and food by mine workers has made some mines unprofitable thus forcing them to shutdown.
- The mining industry employs many migrant workers who have different nationalities. Faction fighting occurs due to tribal differences and production is stopped.

# **ECONOMIC FACTORS**

# Exports (negative):

Countries that import our minerals prefer to buy these in an unprocessed form as this
is cheaper. This export of unprocessed minerals decreases gross profits and reduces
their sustainability.

### Fluctuating prices (negative)

- Foreign market prices have led to the closure of marginal gold mines in Witwatersrand and the copper mines in the Northern Cape to close when prices fell too low.
- The fluctuating price of minerals also makes it difficult to plan for the future.

## **Environmental problems (negative)**

- Mining companies have to set aside capital to prevent environmental problems such as dust pollution, collapsing sink holes and unhealthy smoke emissions from smelters result in high production costs.
- NB: The case studies on coal, gold and platinum must be studied in conjunction with the general factors that favour and hinder mining. Note that 90% of the challenges are common to all types of mining.

Case study:
Gold
Mining

- Gold is the largest mineral foreign income earner in South Africa, contributing 27.4% in mineral revenues. The gold industry is also responsible for 56% of South Africa's mine labour force.
- Over 50% of all gold reserves are found in South Africa, where the Witwatersrand holds the world's largest gold reef deposit.
- The Wits sedimentary basin is massive and stretches through an arc of approximately 400km across the Free State, North West and Gauteng Provinces Gold occurs in seams embedded in rock strata, sometimes more than a mile below the surface.
- Deep shafts must be sunk, large amounts of rock must be blasted and brought to the surface, and the rock must be crushed and chemically separated from the gold.
- Some gold mines then pump processed mine tailings underground to serve as backfill.
- Mining and processing are costly, especially in deposits where the gold seam is extremely thin compared with the surrounding rock.

#### CHALLENGES IN THE GOLD MINING INDUSTRY

- Strikes for better salaries and unfair labour conditions
- An important concern within the South African mining industry is the rising infection of Tuberculosis and other diseases.
- Continual exposure to silica dust in mine shafts has resulted in a high prevalence of silicosis.
- Similarly, continued cramped, hot and poorly ventilated working conditions coupled with the spread of HIV infection has also increased tuberculosis infection.
- Asthma is also a similar concern.

- HIV/AIDS: the implications of this include increased expenditure on medical insurance and disability cover and higher indirect labour costs through reduced productivity, higher absenteeism, and the need to train and replace labour.
- The South African gold industry is mainly characterised by deep-level hardrock mining. This has technical constraints and the use of labour-intensive mining. It has also resulted in gold mining requiring large capital investment and specialised equipment
- South Africa faces a number of critical environmental challenges ranging from land degradation to the loss of finite resources, but it is the problem of acid mine drainage (AMD) that may be its most dangerous hazard in terms of its impact.
- South Africa is a country that has water shortages.
- Over the years highly acidic water has entered into the countries water system, endangering communities as well as ecosystems along the Vaal and Limpopo Rivers. This has placed undue stress upon the country's economy and water-strained environment, also impacting on the agricultural and industrial sector.

# How to reduce strikes in mines?

- Engage in profit sharing with mine workers.
- Improve communication between mine workers and managers.
- Improve safety in the workplace

Case study: Platinum Mining

# THE IMPORTANCE OF PLATINUM MINING AND PRODUCTION IN SOUTH AFRICA

The recent labour unrest in the platinum sector of the mining industry is said to have had a major impact on the South African economy. Economists predicted a noticeable reduction in the Gross Domestic Product (GDP) and said it was likely to have a negative impact in the form of lower state revenue and on employment.

Listed below are some things to know about this important strategic and scarce metal.

The word platinum is derived from Plata the Spanish for "little silver" because of its silvery-grey colour. Platinum was first identified and mined in South America by the Spanish during the 1700s.

Platinum is the rarest and heaviest of the precious metals. All the Platinum ever extracted and mined would fit into an average size living room. Annually, only about 133 tons of Platinum are mined compared to about 1782 tons of Gold.

It takes ten tons of ore and several reduction and refining processes to produce an ounce of Platinum Bullion. This is the reason why Rock drill operations on the South African Platinum Mines are important.

More than 90% of all platinum supplies in the world come from Southern Africa and Russia. The entire South African output is approximately two-thirds of the global output and is mainly committed to industrial use. The Lonmin Group produces about 12% of the global Platinum output.

Platinum is also used as a catalyst in the production of various acids, chemicals and pharmaceuticals. It is a key part of devices to reduce motor vehicle and industrial emissions. Other applications are in electrical contacts and resistors as well as for dental work.

The platinum group of metals includes ruthenium, rhodium, palladium, osmium and iridium. Platinum and palladium are found in pure form and the rest in alloy form.

# **CHALLENGES IN THE PLATINUM MINING INDUSTRY**

- The substitution of platinum by palladium; and the declining competitiveness of the sector.
- Labour strikes
- HIV/AIDS
- International investors have been put off by uncertain policies and unrest in labour market Disputes between unions and mine owners

#### **FARMING**

#### **CATTLE. MAIZE AND SUGAR CANE**

- 1. Where in South Africa Climatic conditions required
- 2. Factors favouring the farming activity
- 3. Factors hindering the farming activity
- 4. The role of small and large scale farmers
- 5. Contribution to South Africa's economy, imports and exports etc.
- 6. Social impacts.

#### MINING

#### **COAL, GOLD AND PLATINUM**

- 1. Where in South Africa.
- 2. Factors favouring the mining activity
- 3. Factors hindering the mining activity
- 4. Environmental, social impact of the mining
- 5. Contribution to South Africa's economy, imports and exports etc.

#### **CORE INDUSTRIAL REGIONS**

#### **PWV AND PE UITENHAGE**

- 1. Map showing location and main industrial activities for all.
- 2. Factors influencing the location of the prescribed industrial regions
- 3. Main industrial activities of the prescribed industrial regions
- 4. South African case studies to illustrate the above
- 5. Raw materials produced in the region.
- 6. Industrial development in the region with support of the raw materials.
- 7. The industrial products manufactured there.
- 8. The factors that favour the development of prescribed core industrial areas.
- 9. The factors that hinders the development of prescribed core industrial areas.
- **10.** Social, environmental and economic impact of the development on its surroundings and country.
- 11. The influence of these factors on international trade.

#### **IDZ AND SDI**

#### SALDANHA BAY IDZ, PLATINUM SDI AND RICHARDS BAY SDI.

- 1. Explain the terms SDI and IDZ
- 2. Explain the purpose of SDIs and IDZs
- . Explain how SDIs are related to IDZs
- 4. Explain the general economic impacts that SDIs and IDZs.
- 5. The location of prescribed SDIs and IDZs
- 6. Factors favouring and hindering prescribed SDIs and IDZs
- 7. Explain the economic potential of the areas that the SDIs are found in
- 8. Explain how prescribed SDI and IDZ was implemented
- 9. Explain the possible economic, social and environmental contributions made by prescribed SDI and IDZ.