

Industrial property developments create 17,00 jobs in KZN

By [Edward West](#)

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Demand for industrial land in KwaZulu-Natal is strong, with vacant space at the lowest level compared with the rest of the country, Tongaat Hulett executive for land development Mike Deighton said last week.

Industrial property development has a profound socioeconomic effect in the province that has one of the highest unemployment rates in the country, with one project creating as many as 17,000 jobs.

Tongaat Hulett is the primary private-sector development partner of the eThekweni Municipality in a number of multibillion-rand housing, industrial and commercial property projects that are under way or are planned north of Durban. Most of the land for these projects used to be covered with sugar cane, which Tongaat farmed.

Deighton said at an event hosted by the Durban Chamber of Commerce and Industry on Thursday (22 November) that South African Property Association statistics in June showed that vacant space in industrial property averaged 4.1% in South Africa, but KwaZulu-Natal had the lowest at 1.6%.

He said the statistics showed that 40% of industrial property that had been available a year ago was taken up.

Deighton said the higher price of industrial property development in Durban relative to some places such as Gauteng was a constraint.

The government needed to provide infrastructure, as Durban was a central industrial and logistic hub.

He said the Tongaat and eThekweni Municipality partnership to develop the Riverhorse Valley Business Park along the N2 highway near Kwamashu was complete and all sites were sold.

The socioeconomic effect of the project "exceeded our wildest expectations", with 17,000 jobs - permanent and temporary - created out of 100ha industrial property, Deighton said.

He said another success in the partnership was Bridge City which traverses the communities of Inanda and Phoenix and where a 48,000m² shopping centre had been built, a railway station was planned and a new magistrate's court and regional hospital were to be built.

Elizabeth Dubbeld, of the eThekweni development, planning, environment and management unit, said the Dube TradePort commercial and industrial project and the R25bn Cornubia residential and commercial property development were key

projects in the city's planned growth over the next few decades.

She said the projects had been prioritised by the national government as part of the Gauteng-Durban transport corridor infrastructure project, even though they were not located along the N3 highway between the two regions.

Other priority projects for eThekweni in its planned northern expansion were the Canelands industrial and residential project, and residential property developments at Redcliffe and in Tongaat, said Dubbeld.

She said the city's North Urban Development Corridor plans would require more investment in future, particularly to fund the construction of bulk infrastructure such as water and sanitation.

She said the project needed to be viewed as "an ongoing project that needed to be developed in an integrated way" if it was to succeed over the long term.

Source: *Business Day* via I-Net Bridge

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