



Western Cape  
Government

FOR YOU

# 2025-26

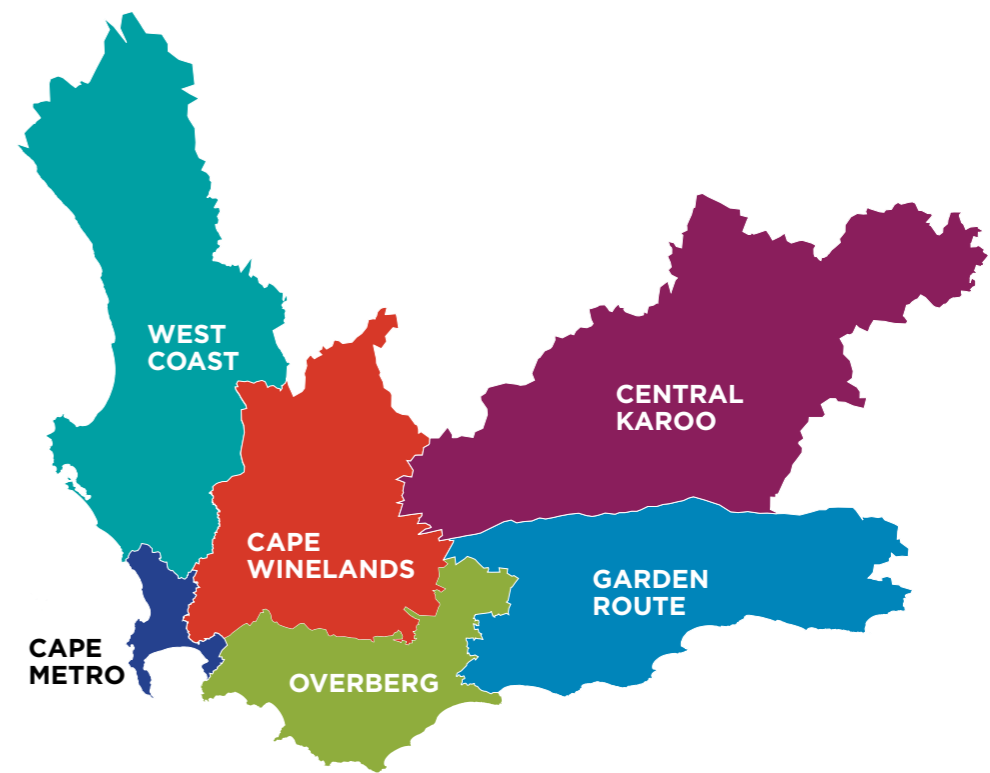
## Municipal Economic Review and Outlook

Overberg District

# 2025-26

## Municipal Economic Review and Outlook

Overberg District





## 2025-26 MERO FOREWORD

Local government bears the responsibility of creating an enabling environment for economic growth and delivering effective services to the citizens of the Western Cape. To execute these duties in a complex and evolving environment, decision-making must be grounded in evidence rather than intuition. Data-driven planning is therefore essential to the success of municipal operations.

The Municipal Economic Review and Outlook (MERO) serves as the primary instrument for this purpose by providing a structured evidence base that enables informed and precise planning. It draws on a broad range of socioeconomic indicators to analyse municipal-level trends. While the Provincial Economic Review and Outlook (PERO) establishes broader macroeconomic conditions and Province-wide dynamics, the MERO complements this by disaggregating economic intelligence down to the metro, district and local municipality levels.

This publication recognises that aggregate Provincial data often obscures the distinct structural realities of individual districts. By isolating these local trends, it provides municipal leadership with the specific

insights necessary to navigate unique economic landscapes. The analysis contained in this year's publication is presented in three sections, each designed to guide the reader from the macro context to the micro reality.

First, the report outlines the broader economic context by situating our local economies within the global and national environment. It examines the external pressures and structural weaknesses affecting the country while contrasting these with the outlook for the Western Cape. This context is vital, as local economies do not operate in a vacuum and are influenced by global geopolitical shifts and national macroeconomic performance.

Next, the focus shifts to the economic performance of the districts and municipal areas themselves. Through a detailed review of gross domestic product per region, trade dynamics and investment trends, this section maps the productive capacity of our regions. It identifies the sectors driving output and highlights where the alignment between public and private investment creates the greatest value.

Finally, the report provides a snapshot of the safety and wellbeing of our communities. Economic growth cannot be viewed in isolation from the living conditions of the population. Accordingly, this section reviews trends in demographics, access to basic services, healthcare, education and crime, illustrating the social pressures that accompany economic activity.

This report represents a collective analytical effort, synthesising datasets and socioeconomic indicators from Statistics South Africa, Quantec, the Provincial Treasury and various Western Cape Government departments. This wide-ranging collaboration ensures that the intelligence presented here is both accurate and relevant to the specific context of the Province.

The value of the MERO is ultimately defined by its application. The document therefore functions as a forward-looking planning tool that goes beyond a historical review of economic performance to establish the analytical foundation required to support policy formulation and resource allocation within municipal areas. The intention is for this research to guide the drafting of integrated development plans and municipal budgets, ensuring that scarce resources are directed towards interventions that yield the highest social and economic returns. In sum, the intelligence contained in these pages positions local governments to make the informed decisions necessary for stability and development across the Western Cape.

We present this publication in support of municipal officials and policy-makers who bear the responsibility of driving growth on the ground. It reflects a shared commitment to governance that is both responsive and rigorous. I encourage you to engage with these findings and to use them as the basis for the strategic decisions that lie ahead. By grounding our actions in this analysis, we ensure that our planning translates into tangible progress for the people of the Western Cape.

Yours faithfully

**MS DEIDRÉ BAARTMAN**  
**PROVINCIAL MINISTER OF FINANCE**

Date: 21 January 2026


## SECTORAL ACRONYMS


Full name of sector	Abbreviation
agriculture, forestry and fishing	agriculture
community, social and personal services	personal services
construction	construction
electricity, gas and water	electricity
finance, insurance, real estate and business services	finance
general government	general government
manufacturing	manufacturing
mining and quarrying	mining
transport, storage and communication	transport
wholesale and retail trade, catering and accommodation	trade


## MUNICIPAL ACRONYMS


District	Abbreviation
City of Cape Town	Cape Metro
Cape Winelands District	CWD
Central Karoo District	CKD
Garden Route District	GRD
Overberg District	OD
West Coast District	WCD



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**PR77/2026**

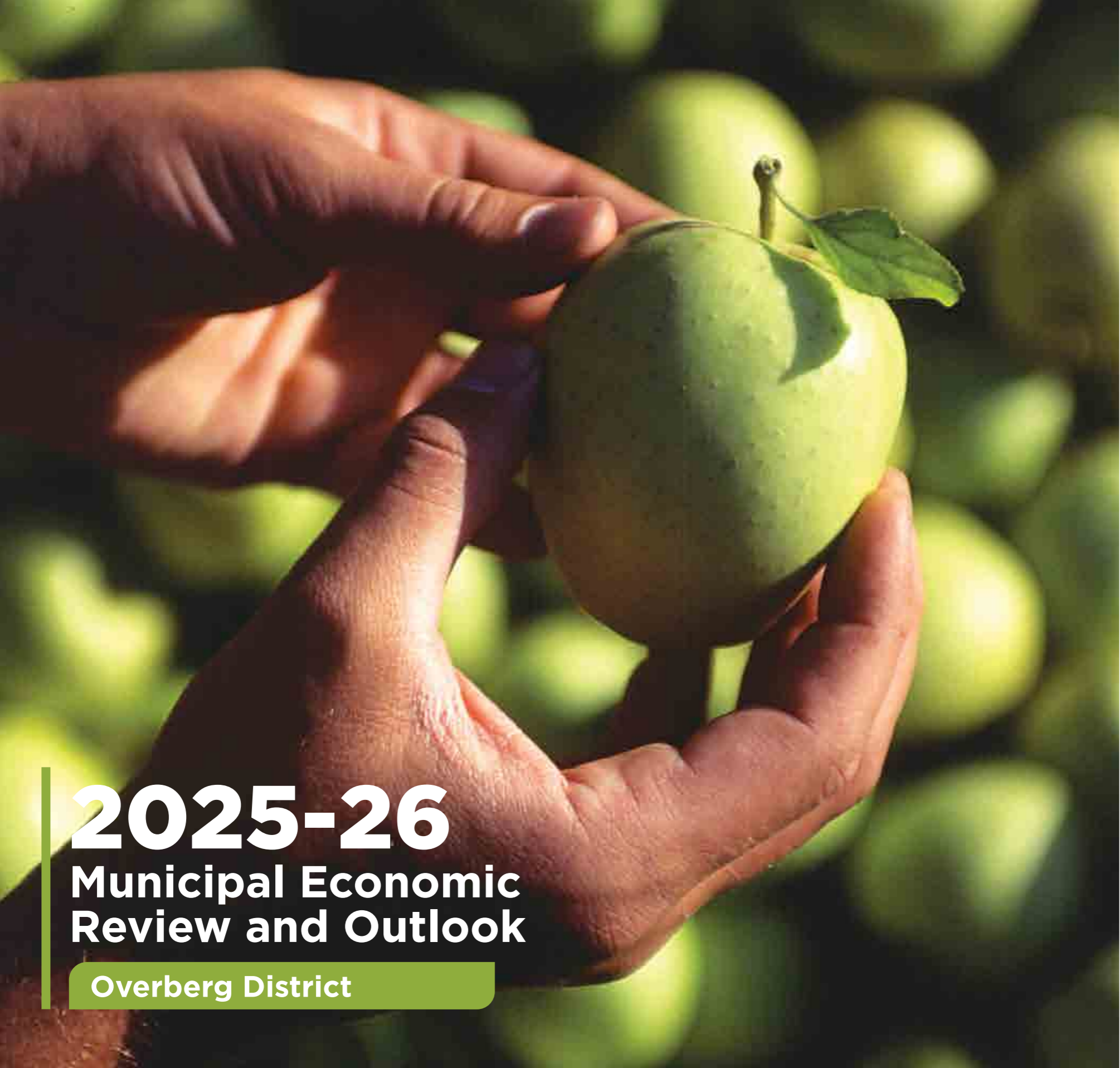
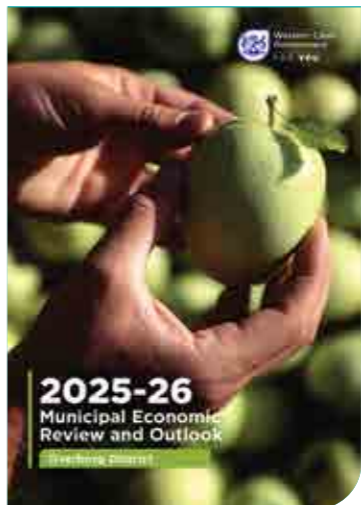
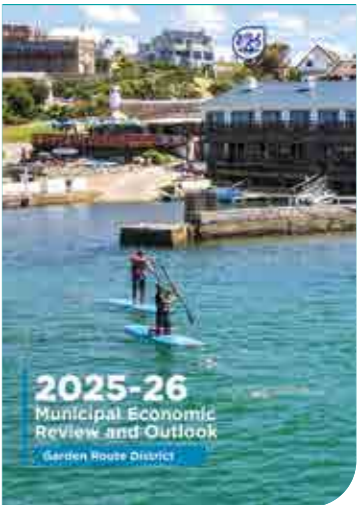
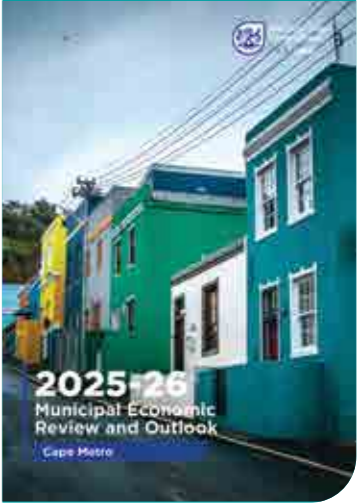
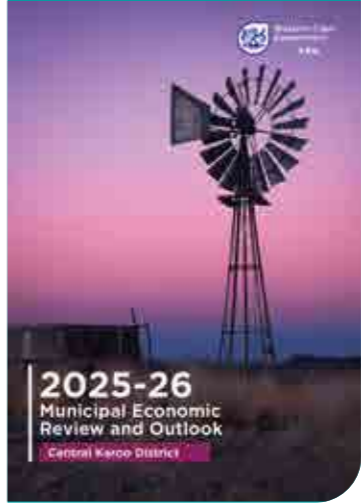
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## ACRONYMS AND ABBREVIATIONS

<b>AIDS</b>	Acquired Immunodeficiency Syndrome
<b>ART</b>	Antiretroviral Treatment
<b>ASEAN</b>	Association of Southeast Asian Nations
<b>BPO</b>	Business Process Outsourcing
<b>CAGR</b>	Compound Annual Growth Rate
<b>CBD</b>	Central Business District
<b>CCTV</b>	Closed-circuit Television
<b>CDC</b>	Community Daycare Centre
<b>COVID-19</b>	Coronavirus Disease 2019
<b>CSIR</b>	Council for Scientific and Industrial Research
<b>DBA</b>	Doring Bay Abalone
<b>DCAS</b>	Department of Cultural Affairs and Sport
<b>DDM</b>	District Development Model
<b>DEA&amp;DP</b>	Department of Environmental Affairs and Development Planning
<b>DoH</b>	National Department of Health
<b>DoHS</b>	Department of Human Settlements
<b>DoHW</b>	Department of Health and Wellness
<b>dtic</b>	Department of Trade, Industry and Competition
<b>DTPW</b>	Department of Transport and Public Works
<b>EMS</b>	Emergency Medical Services
<b>EPWP</b>	Expanded Public Works Programme
<b>EU</b>	European Union
<b>f</b>	Forecast
<b>FCS</b>	Fixed Capital Stock
<b>FMCG</b>	Fast-moving Consumer Goods
<b>FPL</b>	Food Poverty Line
<b>FPL</b>	Forensic Pathology Laboratory
<b>FSEZ</b>	Freeport Saldanha Special Economic Zone
<b>FTE</b>	Full-time Equivalent
<b>GDP</b>	Gross Domestic Product
<b>GDPR</b>	Gross Domestic Product per Region
<b>GFCF</b>	Gross Fixed Capital Formation
<b>HIV</b>	Human Immunodeficiency Virus
<b>HSDG</b>	Human Settlements Development Grant
<b>ICT</b>	Information and Communications Technology
<b>IDC</b>	Industrial Development Corporation of South Africa
<b>IDP</b>	Integrated Development Plan
<b>IDZ</b>	Industrial Development Zone
<b>IRDP</b>	Integrated Residential Development Programme
<b>LBPL</b>	Lower-bound Poverty Line
<b>LEGS</b>	Lunar Exploration Ground Sites

<b>LTR</b>	Learner-teacher Ratio
<b>MERO</b>	Municipal Economic Review and Outlook
<b>MIG</b>	Municipal Infrastructure Grant
<b>MMR</b>	Maternal Mortality Ratio
<b>MOD</b>	Mass Participation; Opportunity and Access; Development and Growth Programme
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MW</b>	Megawatt
<b>MYPE</b>	Mid-year Population Estimates
<b>NDP</b>	National Development Plan 2030
<b>PAYE</b>	Pay As You Earn
<b>PERO</b>	Provincial Economic Review and Outlook
<b>PHC</b>	Primary Healthcare
<b>PRMG</b>	Provincial Roads Maintenance Grant
<b>PV</b>	Photovoltaic
<b>Q1</b>	First Quarter
<b>Q2</b>	Second Quarter
<b>Q3</b>	Third Quarter
<b>Q4</b>	Fourth Quarter
<b>SADC</b>	South African Development Community
<b>SANDF</b>	South African National Defence Force
<b>SAPS</b>	South African Police Service
<b>SARS</b>	South African Revenue Service
<b>SARS-CoV-2</b>	Severe Acute Respiratory Syndrome Coronavirus 2
<b>SBIDZ</b>	Saldanha Bay Industrial Development Zone
<b>SEZ</b>	Special Economic Zone
<b>SMMEs</b>	Small, Micro and Medium Enterprises
<b>TB</b>	Tuberculosis
<b>TVET</b>	Technical and Vocational Education and Training
<b>UAE</b>	United Arab Emirates
<b>UBPL</b>	Upper-bound Poverty Line
<b>UCT</b>	University of Cape Town
<b>UIF</b>	Unemployment Insurance Fund
<b>UISP</b>	Upgrading of Informal Settlements Programme
<b>UK</b>	United Kingdom
<b>WCED</b>	Western Cape Education Department
<b>WCG</b>	Western Cape Government
<b>WEF</b>	World Economic Forum

2025-26 MERO BOOKLETS



2025-26  
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Review and Outlook

Overberg District

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- Concluding remarks





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# INTRODUCTION & BACKGROUND



# INTRODUCTION

The Western Cape spans a diverse landscape, encompassing Cape Town's globally recognised urban centre as well as the open plains of the Karoo, the fynbos-covered mountains of the Overberg and the coastal attractions of the Garden Route. Agriculture remains a defining feature of many areas of the Province, including the wheat-producing West Coast and Olifants River regions, the vineyards of the Winelands, and the fruit-producing areas of the Overberg.

Data-driven planning is essential for the fulfilment of local government mandates. The Municipal Economic Review and Outlook (MERO) provide a structured evidence base that enables this planning, drawing on a broad range of socioeconomic indicators to analyse municipal-level trends across the Western Cape. This analytical foundation supports policy formulation, spatial and sectoral planning, and resource allocation within municipalities. It also complements the Provincial Economic Review and Outlook (PERO), which details Province-wide economic dynamics and broader macroeconomic conditions.

The MERO economic analysis of the City of Cape Town (the Cape Metro), the five district municipalities and local municipalities. National employment and economic data was sourced from Statistics South Africa (Stats SA), while data on gross domestic product per region (GDPR) for the Western Cape was obtained from Quantec.

Socioeconomic indicators used in this report were compiled with input from the Provincial Treasury and other Western Cape Government departments, including Health and Wellness, Education, Infrastructure, Social Development, and Local Government. Tourism performance data was sourced from Wesgro, while statistics pertaining to crime, housing and basic services were obtained from Quantec. Local-level insights into community experiences and service delivery perceptions were drawn from the annual Municipal Perception Survey.

The report consists of three parts:

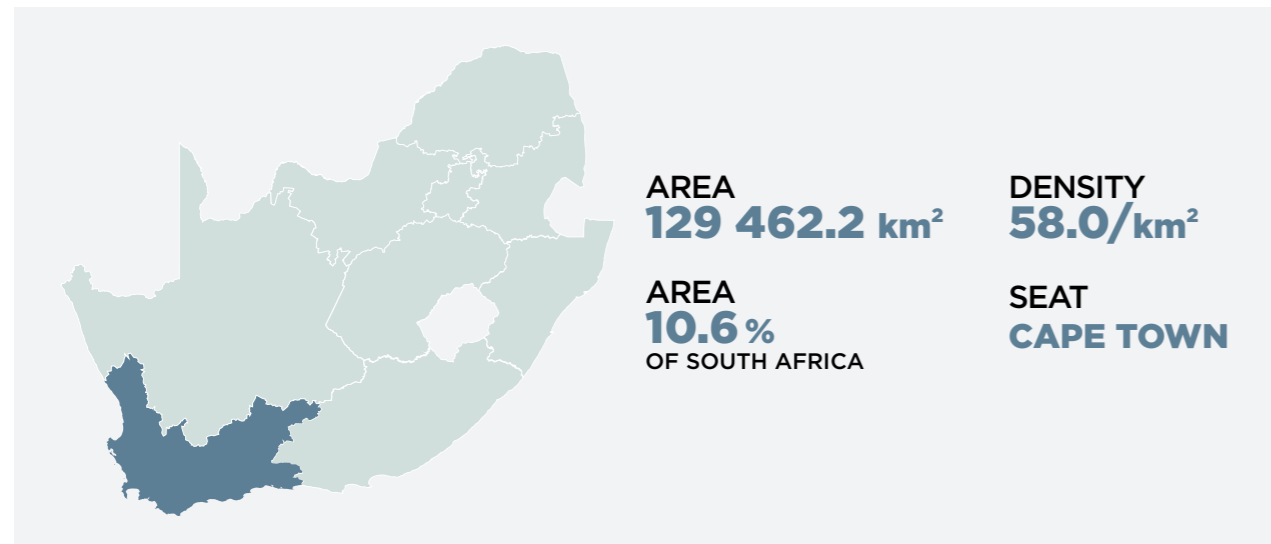
- **Section A** outlines the general economic context of the Western Cape within the global and national economy, reviewing challenges stemming from slow growth, inflation and geopolitical instability. It also considers South Africa's structural weaknesses and uneven sectoral performance alongside the comparatively resilient outlook of the Western Cape, which has been driven by service sector expansion, labour market recovery and emerging opportunities in energy and tourism. These factors have persisted despite infrastructure constraints and growing population pressures.
- **Section B** examines the economic performance of districts and municipal areas of the Province through an analysis of employment, trade, tourism and investment. It includes a review of GDPR trends, town-level employment patterns, 2024 tourism dynamics, and the alignment between public and private investment.
- **Section C** provides a snapshot of safety and wellbeing, dissecting trends in demographics, basic services, income, healthcare, education and crime to illustrate local living conditions and emerging social pressures.

**DATA DISCLAIMER:** The South African Revenue Service (SARS) Spatial Tax Panel data only accounts for the activities of individuals and firms in the formal sector, and the spatial component is based on postal codes. The data excludes information concerning the informal sector and non-tax-registered firms. Furthermore, the data excludes individuals earning less than R2 000 per annum.

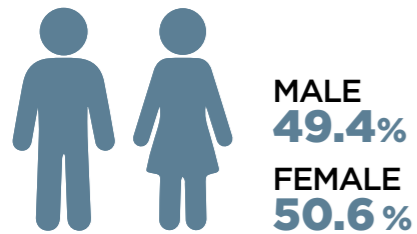
Data related to trade volumes and values is reported according to the location of the reporting firm. This may result in apparent discrepancies between where the activity takes place (i.e. the location of the trading activity) and the area recorded as contributing to exports or imports.

Population estimates at the national, Provincial and District level used in the 2025-26 MERO were sourced from Version 2 of the 2025 mid-year population estimates (MYPE 2025), released by Statistics South Africa (Stats SA) in September 2025. Municipal-level population estimates were derived from MYPE 2025 by the Western Cape Government Provincial Population Unit (WCG PPU) and released in October 2025. These estimates are referenced in this report as MYPEPPU 2025.

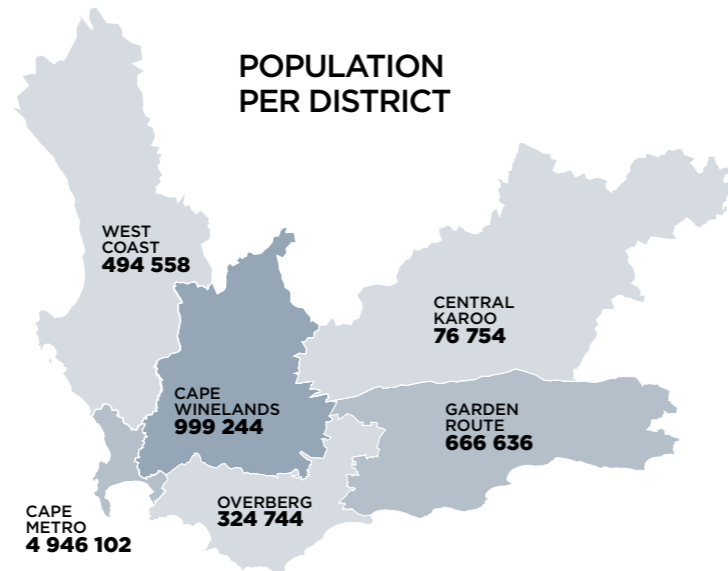
# WESTERN CAPE 2024



**POPULATION**  
7 508 038



**AGE SPLIT**



**ESTIMATED POPULATION GROWTH**



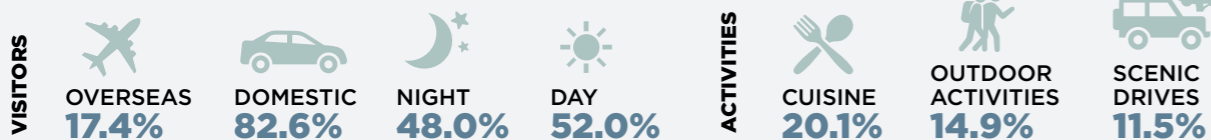
**NUMBER OF HOUSEHOLDS**  
2 055 740



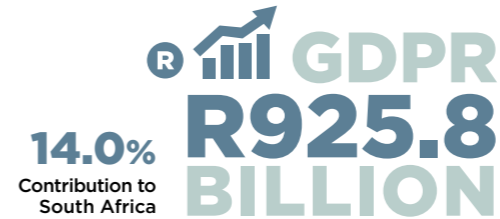
**ACCESS TO SERVICES**



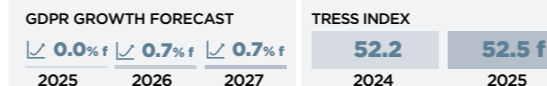
**TOURISM**



## GDPR AND EMPLOYMENT



GDPR PER CAPITA **R 80 071**



**INTERNATIONAL TRADE**



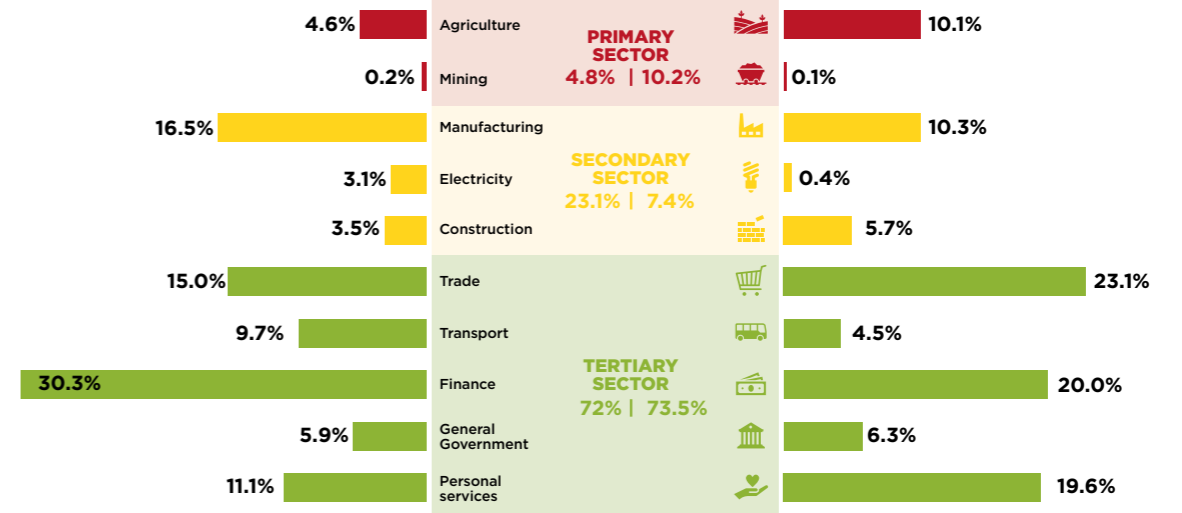
**TOP 3 EXPORTED PRODUCTS**



**TOP 3 EXPORT DESTINATIONS**



**GDPR SECTORAL CONTRIBUTION JOBS**



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury - Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025



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**SECTION**

**A**

**Macroeconomic  
performance and  
outlook**



## 1. Global economic context

**The PERO provides an in-depth analysis of macroeconomic and socioeconomic trends pertaining to the Western Cape and can be accessed through the QR code.**

The global economy continues to navigate a period of subdued growth marked by persistent inflationary pressures, fragile consumer and business confidence, and heightened geopolitical uncertainty. While advanced economies have broadly avoided recession, the pace of global growth remains uneven as high interest rates, tighter financial conditions and weakened household consumption continue to constrain expansion. At the same time, emerging markets are experiencing slower growth momentum than in previous global cycles, reflecting softer external demand, currency volatility and elevated sovereign debt burdens. While global output levels have largely regained pre-pandemic levels (sometimes exceeding them), the rate of growth has yet to rebound fully. Furthermore, there are limited indications of a strong acceleration in the near term.

Inflation has moderated across many regions but remains above long-term targets in several major economies. Central banks in the United States, United Kingdom and Europe have adopted a cautious approach to monetary easing, mindful of underlying risks in energy markets, supply chain fragility and sustained price pressures in services. Elevated interest rates have weighed on investment, slowed credit extension and kept financial markets sensitive to policy signals. Although inflation is gradually easing, it continues to influence consumer behaviour and business sentiment, resulting in a conservative global operating environment.

Geopolitical tensions have become a defining feature of the global landscape, contributing to economic fragmentation and uncertainty. Conflicts in Eastern Europe and the Middle East, trade disputes involving major powers, and growing competition in critical technology supply chains have disrupted trade flows and increased volatility in commodity markets. Shipping disruptions, rising insurance costs and the rerouting of vessels within major maritime corridors have added further strain to global logistics networks, affecting both costs and delivery times. These dynamics have particularly serious implications for export-oriented economies dependent on stable trade routes.

Commodity markets remain volatile, with energy, agricultural and metal prices all experiencing fluctuations driven by conflict, climate events and supply constraints. Oil prices have been impacted by production decisions of the Organisation of the Petroleum Exporting Countries and tensions in key shipping channels, while agricultural markets remain sensitive to extreme weather patterns and input cost pressures. For resource-exporting countries, commodity volatility continues to affect foreign earnings, national revenues and inflation dynamics. This creates both downside risks and opportunities, depending on sector exposure.

Despite these challenges, advances in renewable energy, digital transformation and artificial intelligence are creating new avenues for growth, while tourism continues to recover strongly with increased international mobility. However, the medium-term global outlook remains cautious. Structural shifts such as persistently higher borrowing costs, climate-related disruptions and rising geopolitical fragmentation indicate that global growth is likely to remain moderate and uneven. In this context, economies that prioritise adaptability, diversification and strong policy coordination will be better positioned to strengthen resilience and sustain growth in the years ahead.

## 2. Developments in the South African economy

South Africa's economy continues to face long-standing structural constraints and muted confidence among businesses and consumers. It is also undergoing a shift towards a service-dominated structure that has yet to generate the productivity or investment gains required for faster, more inclusive growth. While finance is now the largest contributor to GDP, overall economic performance remains constrained by weak investment momentum and heightened policy and operational uncertainty. Persistent supply-side bottlenecks, particularly in logistics, continue to limit competitiveness and compromise economic growth.

Macroeconomic performance is further constrained by weak household demand, low levels of investment, and infrastructure failures across electricity, ports, rail and water systems. Although load-shedding remained a significant challenge through much of 2023 and into mid-2024, conditions have since improved, with South Africa experiencing extended periods without load-shedding in recent times. This shift has contributed to cautious optimism regarding the reliability of the national electricity grid. However, ongoing limitations in freight and port performance continue to undermine export potential and raise business costs.

These domestic pressures are compounded by global volatility, tighter financial conditions and geopolitical tensions. At the same time, fiscal space is narrowing as rising debt service costs, slowing revenue and expanding social commitments crowd out capital expenditure and restrict the state's ability to finance long-term development.

A tight monetary stance has also limited growth prospects. High interest rates – maintained to stabilise inflation driven by fuel and food price volatility, currency depreciation and rising administered prices – have increased debt-servicing costs and reduced disposable income. This has dampened household consumption, restricted credit uptake and discouraged private investment, particularly in interest-sensitive sectors such as construction and small business development. Labour market outcomes have been affected by these pressures, with the national unemployment rate remaining one of the highest globally.

Weak labour absorption, the decline of labour-intensive sectors, and a shrinking manufacturing base have constrained job creation, especially for young people, while informal employment has not expanded sufficiently to offset weakness in the formal sector.

Despite these constraints, several sectors offer meaningful opportunities for recovery. The renewable energy industry continues to expand as firms and households invest in embedded generation and large-scale renewable projects. Growth in fintech, cloud services, telecommunications and business process outsourcing is strengthening the digital economy, while high-value agricultural exports remain competitive. Tourism is showing sustained improvement as international travel volumes increase and air connectivity grows.

Although structural challenges and limited policy space continue to restrict overall economic performance, resilience in emerging and export-oriented sectors indicates potential for gradual stabilisation. This is provided that structural reforms, improved governance and renewed investment efforts achieve sustained momentum.

### 3. Developments in the Western Cape economy

The Western Cape remains one of South Africa's most resilient regional economies, supported by structural strengths, a diverse service base and consistent outperformance relative to national trends. Despite fiscal, infrastructural and logistical constraints, the Province contributes a stable share of national output. Its labour market has experienced a marked recovery since the pandemic-related downturn, and the region continues to attract investment in finance, tourism and embedded energy.

In 2024, the Province accounted for 14.3 per cent of national GDP, affirming its standing as the second-largest economic hub of South Africa. The structural profile of the Western Cape economy is service-oriented, with the finance sector contributing 34.1 per cent of Provincial GDP in 2024. Nationally, the sector accounted for 26.3 per cent of GDP in this year. Manufacturing also accounted for a larger share of Provincial output (14.2 per cent) than national GDP, while mining and community and personal services contributed smaller proportions provincially than nationally. This sectoral composition reflects a modern, knowledge-driven economy supported by strong investor activity, innovation capacity and sustained growth in tourism and financial services.

Real gross domestic product per region (GDPR) grew by 0.4 per cent in 2024, driven by finance, personal services and utilities; together, these sectors added 1.3 percentage points to output growth. Finance alone contributed 1.1 percentage points, confirming its role as the Province's key economic driver. Utilities expanded by 4.4 per cent in response to the increased uptake of small-scale embedded generation.

However, several sectors contracted. Agriculture declined by 8.0 per cent in 2024 due to climate-related pressures and broader national economic constraints. Construction shrank by 5.6 per cent, and trade and transport also recorded decreases, resulting in subdued overall performance.

While cumulative real GDP grew by 7.1 per cent between 2015 and 2024, real GDPR per capita declined by 8.6 per cent as population growth outpaced economic expansion. Strong immigration has increased demand for housing, infrastructure, and social services. Due to sectoral constraints, however, this demand has not been fully met and has therefore not translated into proportional GDP gains in the construction sector.

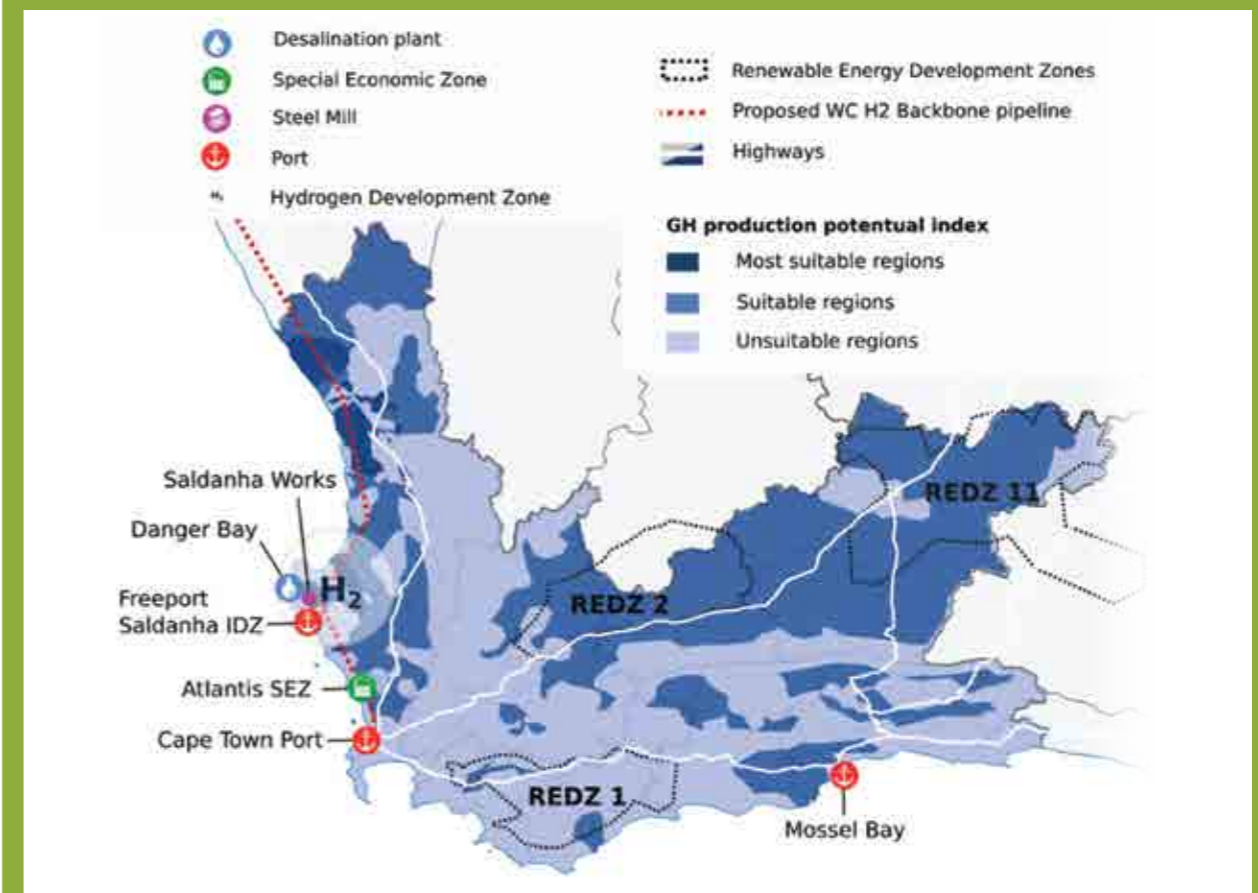
The labour market remains a key strength. Since the first quarter of 2020 (Q1), employment has risen by 9.7 per cent, with the Province recording the lowest unemployment rate nationally. Unemployment declined from 22.3 per cent in Q4 2023 to 21.1 per cent in Q2 2025, while youth unemployment fell from 35.4 per cent to about 30.0 per cent. These improvements indicate recovery in tourism, expansion in services and improved business confidence.

Investment patterns are mixed. Fixed investment remains subdued due to national constraints, energy unreliability, port inefficiencies, rising costs and low public sector capital spend. Nonetheless, momentum is visible in key areas. In the agriculture sector, there has been investment in agro-processing, irrigation and high-value crops. Construction is supported by sustained housing demand, and energy resilience has become a major frontier. The Province has installed 819 MW of small-scale distributed generation, easing pressure on the national grid, improving business stability and advancing a more reliable, diversified energy mix.

### WESTERN CAPE GREEN HYDROGEN PROJECT AND ROADMAP

The Western Cape has identified green hydrogen as a major driver of long-term investment. The Provincial cabinet's approval of the Western Cape Green Hydrogen Strategy and Roadmap in May 2024 marks a shift from energy security planning towards full value chain industrial development and export readiness. The strategy envisions the Province as a pioneering green hydrogen economy able to produce, process, store, transport and export hydrogen-derived fuels at scale. This will be accomplished while decarbonising hard-to-abate sectors and fostering new industries and technologies.

South Africa's Just Energy Transition Investment Plan estimates that R319.0 billion is needed for green hydrogen development over the 2023 to 2027 period, with R36.0 billion already committed through public and international partners. This highlights the scale of anticipated investment in enabling infrastructure, electrolysis capacity, port and transmission upgrades, and green industrial manufacturing.



Green hydrogen plays multiple roles in the Western Cape economy. It serves as a clean feedstock and a reducing agent in the production of green steel, fertiliser, transport fuels and petrochemicals, also functioning as an energy-balancing mechanism that supports large-scale renewable integration. Green hydrogen allows for stability at times of intermittent wind and solar supply, provides peaking capacity to reduce load-shedding, and offers long-duration storage beyond current battery capability. These functions assist in realising the goals of the Western Cape Energy Resilience Programme and strengthening long-term energy security.

Geographically, the Western Cape Green Hydrogen Strategy and Roadmap centres on the Saldanha Bay municipal area, which has been designated as the Province's flagship hydrogen hub. The Port of Saldanha, the Freeport Saldanha Special Economic Zone (FSEZ) and the Saldanha Works steel plant offer infrastructure for desalination, electrolysis, and the production and export of ammonia, methanol and synthetic aviation fuel. The area benefits from having access to some of South Africa's strongest wind and solar resources and from its proximity to West Coast renewable energy development zones. These factors enable the production of competitively priced hydrogen for export to Europe and Asia.

The following are considered central to implementing the strategy:

- (1) creating an enabling environment through investment facilitation, hydrogen certification, skills development and streamlined permitting;
- (2) strengthening infrastructure and industrial capability, including hydrogen pipeline feasibility, port upgrades, desalination systems and local manufacturing; and
- (3) leveraging regional partnerships - particularly through the memorandum of understanding between the Western Cape, Northern Cape and Eastern Cape - to build critical mass, co-ordinate shared infrastructure and position South Africa as a competitive hydrogen corridor.

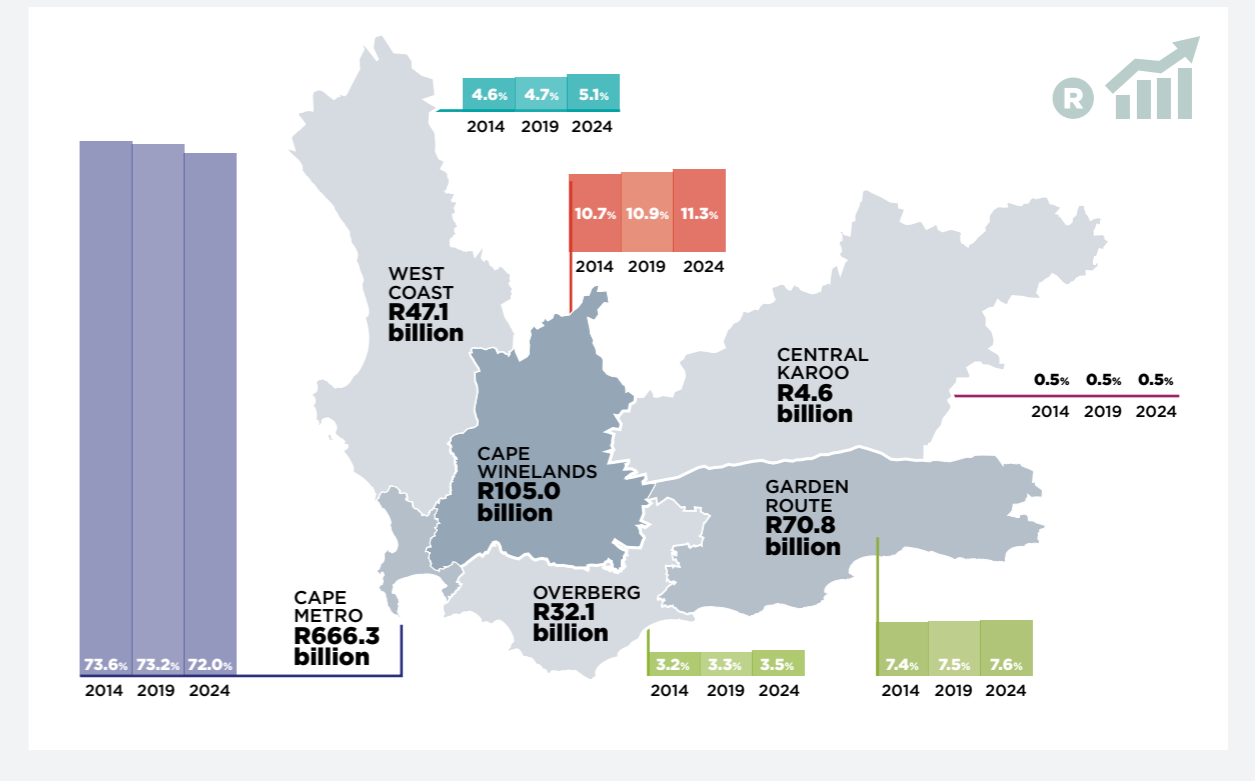
Overall, the move to develop green hydrogen resources signals a structural shift in the Province's industrial profile. The projects will connect ports, free trade zones, renewable developers, universities, metallurgical plants, agriculture and international trade finance, generate high-skill jobs, and support technology supply chains. The projects will also facilitate diversification of exports and align the Province with global decarbonisation requirements.

The strategy provides a long-horizon economic focus that can stimulate fixed investment, improve the trade balance through hydrogen exports and support low-carbon industrialisation.

## 4. Regional GDP and employment performance

Figure 2.1.1:

### REGIONAL CONTRIBUTIONS TO PROVINCIAL GDP OVERBERG DISTRICT 2014-2024



Source: Quantec, 2025

The Cape Metro continues to lead the Western Cape economy, generating 72.0 per cent of Provincial GDP in 2024. The economic base of Cape Town spans a diverse set of sectors - notably finance; trade; and transport, storage and communication as well as general government and personal services - all of which contribute to sustained and broad-based output over time. The Cape Winelands District (CWD) accounted for 11.3 per cent of Western Cape GDP in 2024, providing the second-largest share of Provincial output in this year. Economic activity in the region centres on wine production and fruit processing, with agricultural supply chains and established commercial centres in Stellenbosch, Paarl and Worcester.

The Garden Route District (GRD) contributed 7.6 per cent of GDP in 2024, and has a varied economy that includes retail, ports and tourism services. The latter are largely concentrated in the towns along the N2 coastal corridor and the inland R62 route, which support tourism, agriculture and small-town service activity.

The Central Karoo District (CKD) remains the smallest contributor to the GDP of the Western Cape, accounting for 0.5 per cent of Provincial output in 2024. Local economic activity within this District takes place mainly in the Beaufort West municipal area, where trade, filling stations, public services and food outlets provide the largest share of formal business sites. Limited industrial capacity, long distances between settlements, and the extended travel times required to access larger markets restrict the growth of other sectors. These factors limit business development, present challenges for supply chain linkages, and undermine attempts to attain commercial scale, resulting in low economic output.

The CWD contributed 15.3 per cent of Provincial employment in 2024. Agricultural production, fruit packing, cold storage and food processing drive the demand for labour, especially during the peak harvest season. Stellenbosch, Paarl and Worcester function as regional service hubs, with municipal offices, supermarkets, health facilities and community institutions providing steady employment in retail, logistics, warehousing, distribution and education. The number of seasonal jobs also increases in summer, when wine tourism and market activity boost short-term hiring in restaurants, tasting rooms, road freight, landscaping and accommodation.

The GRD provided 8.9 per cent of all Provincial employment. Jobs in this District are directly tied to visitor arrivals, the staffing needs of holiday rentals, construction linked to residential building, and the operations of food outlets in coastal towns. George, Mossel Bay and Knysna continue to attract new residents and investment, a trend driven by increased building activity and greater housing demand. George recorded a 53.0 per cent population increase between 2011 and 2022, and a more than 40.0 per cent rise in building plan applications in the 2023/24 financial year.<sup>2</sup> Mossel Bay has experienced notable in-migration alongside an escalation in property values and ongoing housing development.<sup>3</sup> The effects of population expansion are also visible in Knysna, where formal housing development has increased alongside growth in informal settlements. Seasonal activity and in-migration support employment in real estate, maintenance, medical services and personal services, including in hair care, fitness centres, security firms and cleaning companies. Demand for workers intensifies during school holidays, over the summer months and when public events take place, as the presence of day visitors in local business areas during these periods leads to increased economic activity.

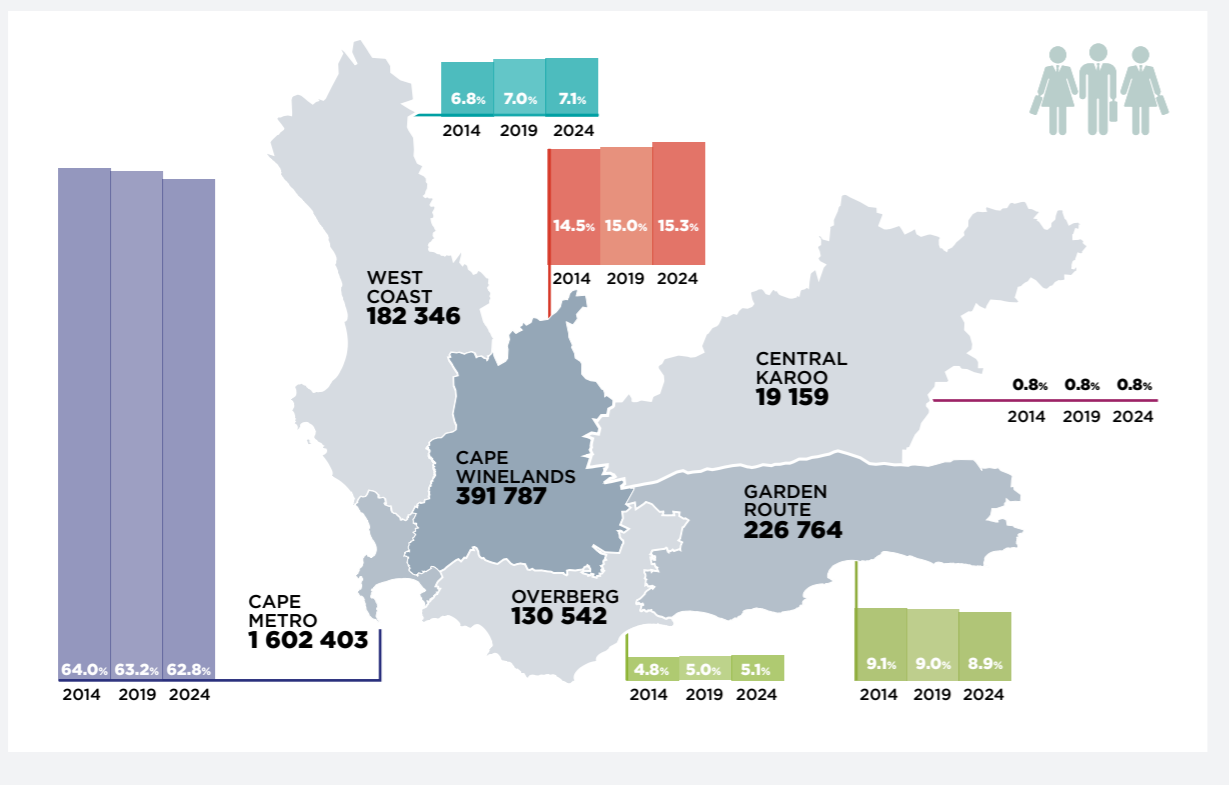
The West Coast District (WCD) and Overberg District (OD) recorded steady employment shares of 7.1 per cent and 5.1 per cent, respectively, in 2024. Both districts retain strong agricultural and fishing bases, which employ large numbers of workers in fruit, tea, barley and citrus production as well as fish processing, dairy handling and transport. Regional service functions have expanded in towns such as Saldanha, Vredenburg, Hermanus and Bredasdorp, generating jobs in banking, government administration, transport, storage, factory production, restaurant supply and clinic support. Labour markets in these areas show seasonal fluctuations linked to shifts in global food demand and changes in fishing quotas. The areas are affected by the extent to which markets in Europe, North America and Asia can be accessed through export certification schemes and port handling schedules.<sup>4</sup>

The CKD had the smallest share of Provincial employment in 2024 (0.8 per cent). As this District has a smaller population than those of other districts and a limited industrial base, hiring volumes tend to be low, with employment centred in public services, trucking support along the N1, local shops, food vendors, maintenance workshops and tourism associated with the Karoo National Park. The considerable distances between settlements and the absence of large firms constrain long-term job creation, obliging many households to rely on small, informal or survivalist activities.

<sup>2</sup> (George Municipality, 2025).  
<sup>3</sup> (Mossel Bay Municipality, 2025).  
<sup>4</sup> (Wesgro, 2024).

Figure 2.1.2:

## REGIONAL CONTRIBUTIONS TO PROVINCIAL EMPLOYMENT 2014-2024



Source: Quantec, 2025

Home to more than 1.6 million workers, the Cape Metro remains the leading region for employment in the Western Cape, accounting for 62.8 per cent of all recorded jobs in the Province in 2024. This shows the extent to which commercial activity in the Western Cape is concentrated in Cape Town, where retail, government administration, finance, transport, construction and household services operate at scale. The city attracts workers from the various districts of the Province and further afield due to the activities of Cape Town International Airport, the Port of Cape Town, major hospitals, tertiary institutions and national head offices. In the 2014 to 2024 period, population growth in the Cape Metro increased demand for labour in delivery services, security, cleaning, personal care, catering and entertainment. These activities continue despite load-shedding and high operating costs because they serve a large consumer base and are supported by the daily movement of people.<sup>1</sup>

<sup>1</sup> (Council for Scientific and Industrial Research, 2023).

When comparing the employment shares of the various regions of the Western Cape with the GDPR generated by each, it is evident that the output of the five districts stems largely from labour-intensive activities such as fruit harvesting, packing, building repairs, trade and caregiving. The Cape Metro, by contrast, generates much of its GDPR through financial and digital services, public administration, healthcare, retail and logistics, which support a broad base of formal employment and operate at scale throughout the year. This combination of diversified service industries, large consumer markets and concentrated economic infrastructure explains why employment remains highest in the Cape Metro, even though recent output growth has moderated.

### GDPR PER CAPITA

GDPR per capita is a measure of the average economic output generated per resident over a specified period and is key in assessing differences in economic wellbeing across the Province. Higher values in certain areas indicate concentrations of production and income sources in these regions, while lower values are typical of areas with smaller markets, fewer firms and lower population density.

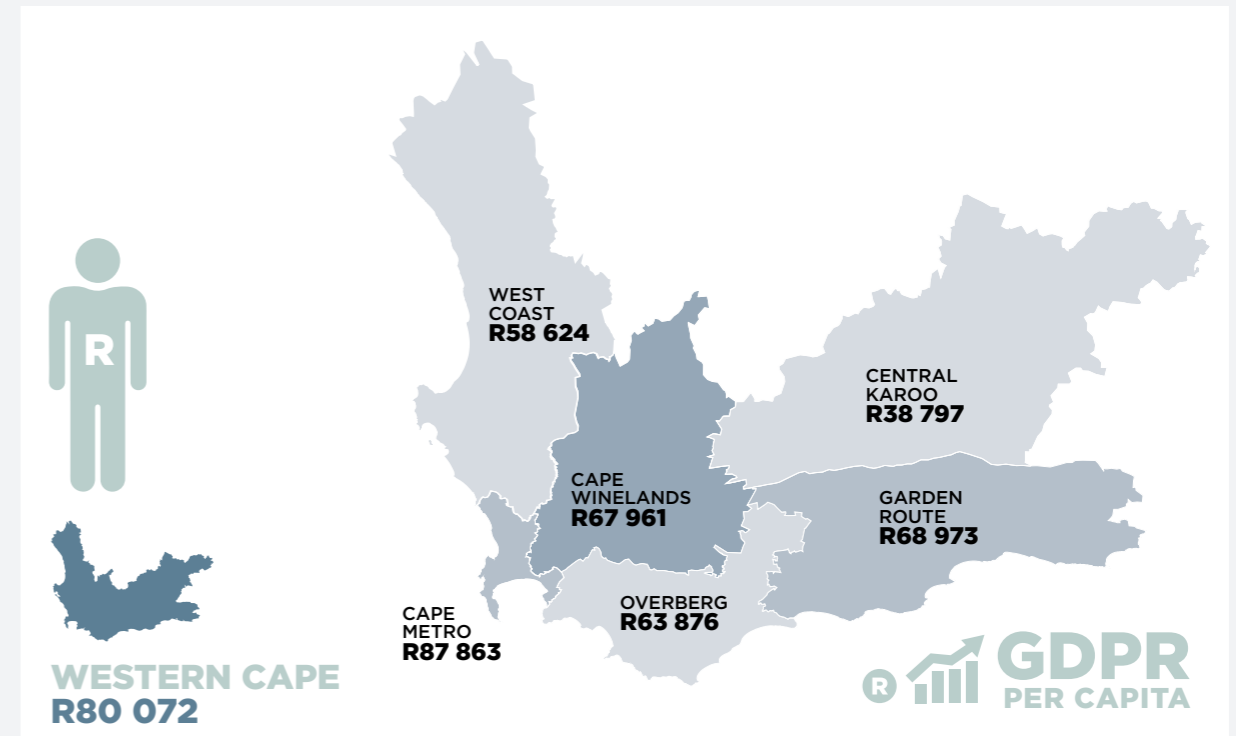
In 2024, the Cape Metro recorded the highest GDPR per capita of the Western Cape regions (R87 863), followed by the GRD at R68 973, the CWD at R67 961, the OD at R63 876, and the WCD at R58 624. The CKD had the lowest per capita GDPR in 2024: R38 797. These figures highlight clear differences between the city and rural districts, while coastal economies had a higher average output per resident than inland areas.

Population growth driven by in-migration has increased pressure on basic services and public facilities, while slower long-term economic growth has reduced output per resident. Higher GDPR per capita values in the Cape Metro, GRD and CWD reflect access to larger markets, stronger transport links, financial services and higher numbers of tourists as well as more efficient public administration. Lower values in the CKD stem from long travel distances, limited commercial activity and the involvement of fewer firms in production, storage and processing.

Public investment in infrastructure, small business development and transport services remains important in creating conditions that support increased economic activity. District differences in GDPR per capita help identify where economic support measures may have the greatest impact.

MAP 2.1.1:

### GDPR PER CAPITA 2024



Source: Quantec, 2025

Figure 2.1.3:

### REGIONAL SECTORAL GDPR CONTRIBUTIONS TO PROVINCIAL GDPR (CURRENT PRICES), 2024

		Cape Metro	Cape Wine-lands	Central Karoo	Garden Route	Overberg	West Coast	Western Cape
PRIMARY SECTOR	Agriculture, forestry & fishing	1.3%	1.1%	0.1%	0.4%	0.4%	1.2%	4.6%
	Mining & quarrying	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.2%
SECONDARY SECTOR	Manufacturing	11.9%	1.8%	0.0%	1.2%	0.5%	1.1%	16.5%
	Electricity, gas & water	2.3%	0.3%	0.0%	0.3%	0.1%	0.1%	3.1%
	Construction	2.4%	0.5%	0.0%	0.3%	0.2%	0.1%	3.5%
TERTIARY SECTOR	Wholesale & retail trade, catering & accommodation	10.6%	1.9%	0.1%	1.2%	0.6%	0.7%	15.0%
	Transport, storage & communication	7.4%	1.0%	0.1%	0.7%	0.3%	0.3%	9.7%
	Finance, insurance, real estate & business services	23.4%	2.9%	0.1%	2.4%	0.9%	0.7%	30.3%
	General government	4.4%	0.6%	0.1%	0.4%	0.2%	0.3%	5.9%
	Personal services	8.1%	1.3%	0.1%	0.8%	0.4%	0.5%	11.1%

Source: Quantec, 2025

Finance, manufacturing and trade were the largest contributors to Western Cape GDP in 2024, together accounting for a substantial share of total output. Finance alone contributed 30.3 per cent of provincial GDP, followed by manufacturing at 16.5 per cent and trade at 15.0 per cent. The Cape Metro was the primary driver of output in these sectors, contributing 23.4 percentage points to provincial GDP through finance, 11.9 percentage points through manufacturing and 10.6 percentage points through trade. These contributions result from the city's large consumer markets and concentration of business and financial services as well as the presence of national banking and corporate headquarters, port activity and integrated supply chains.

In the districts, sectoral contributions were smaller but more diversified. In the CWD, agriculture played a comparatively stronger role due to fruit, wine and export crop production, while finance and manufacturing made modest contributions to GDP. The GRD maintained steady output through trade, transport and personal services, with seasonal tourism and in-migration supporting local spending.

In the WCD, agriculture and food processing underpin commercial activity, alongside fishing, aquaculture and related processing and storage industries. Sectoral contributions in the CKD remained limited across all industries due to small firm networks, thin household markets and long distances between towns, which constrain investment and processing activity.

The distribution of sectoral output helps explain employment patterns across the Province. Trade was the largest employer in 2024, accounting for 14.9 per cent of jobs in the Cape Metro and smaller shares in the five districts. Agriculture played a significant role in the CWD (3.3 per cent of employment in 2024), the WCD (2.7 per cent) and the OD (1.1 per cent), providing seasonal and permanent work in the context of harvest and supply chains. Employment in finance, general government and personal services was predominantly located in the Cape Metro, reflecting the concentration of administrative functions, business services and large consumer markets in the city.

Manufacturing and construction contributed only small employment shares in rural districts, as work in these areas is found more in harvesting, packing, sorting, maintenance and other labour-intensive tasks than in factory production. The CKD continued to register very small employment shares due to the limited number of business sites in the region, small markets, and the presence of only a few medium-sized firms. The contributions to employment of the transport, storage and communication sector and the electricity, gas and water sector each remained below 1.0 per cent in most rural districts in 2024, indicating that infrastructure-linked employment is concentrated in and around urban centres. Overall, the gap between output and employment shows that high-value services drive activity in the Cape Metro, while rural districts depend more on primary production, food processing, storage and basic service functions.

Figure 2.1.4:

### REGIONAL SECTORAL CONTRIBUTIONS TO PROVINCIAL EMPLOYMENT 2024

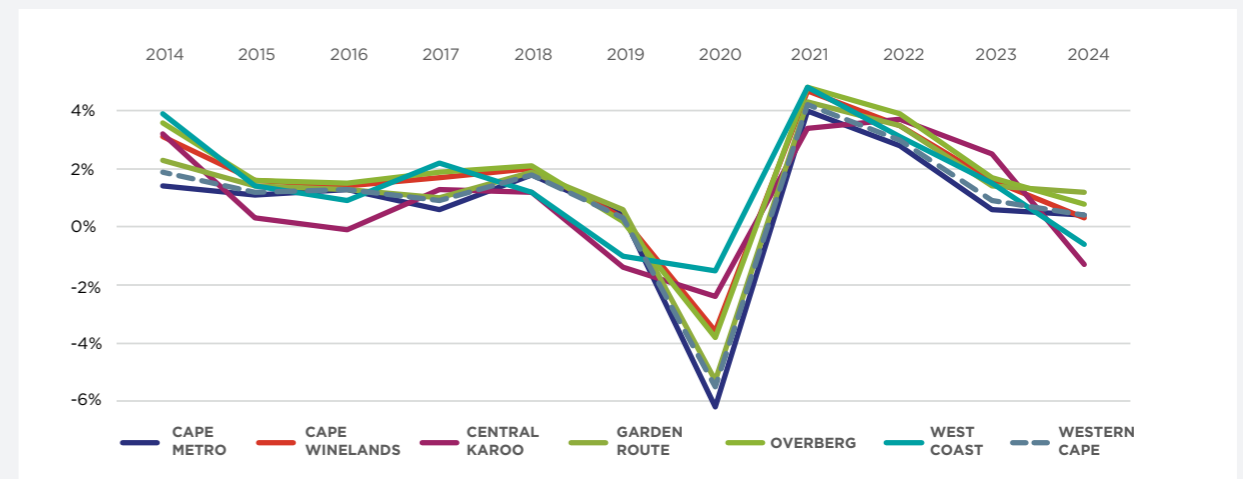
		Cape Metro	Cape Wine-lands	Central Karoo	Garden Route	Overberg	West Coast	Western Cape
PRIMARY SECTOR	Agriculture	1.8%	3.3%	0.2%	1.1%	1.1%	2.7%	10.1%
	Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
SECONDARY SECTOR	Manufacturing	7.1%	1.3%	0.0%	0.8%	0.4%	0.7%	10.3%
	Electricity, gas & water	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%
	Construction	3.7%	0.8%	0.0%	0.5%	0.3%	0.3%	5.7%
TERTIARY SECTOR	Trade	14.9%	3.4%	0.2%	2.2%	1.2%	1.2%	23.1%
	Transport, storage & comms	3.1%	0.6%	0.0%	0.4%	0.2%	0.2%	4.5%
	Finance	14.3%	2.4%	0.1%	1.7%	0.9%	0.7%	20.0%
	General government	4.3%	0.8%	0.1%	0.5%	0.2%	0.4%	6.3%
	Personal services	13.1%	2.7%	0.2%	1.7%	0.8%	1.0%	19.6%

Source: Quantec, 2025

<sup>5</sup> Includes formal and informal employment.

Figure 2.1.5:

### REGIONAL GDPR GROWTH RATES (CONSTANT PRICES), 2014-2024



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cape Metro	1.4%	1.1%	1.3%	0.6%	1.8%	0.4%	-6.2%	4.0%	2.8%	0.6%	0.4%
Cape Winelands	3.1%	1.6%	1.4%	1.7%	2.0%	0.3%	-3.6%	4.7%	3.5%	1.6%	0.3%
Central Karoo	3.2%	0.3%	-0.1%	1.3%	1.2%	-1.4%	-2.4%	3.4%	3.7%	2.5%	-1.3%
Garden Route	2.3%	1.4%	1.3%	1.0%	1.9%	0.6%	-5.3%	4.3%	3.5%	1.4%	1.2%
Overberg	3.6%	1.6%	1.5%	1.9%	2.1%	0.2%	-3.8%	4.8%	3.9%	1.7%	0.8%
West Coast	3.9%	1.4%	0.9%	2.2%	1.2%	-1.0%	-1.5%	4.8%	3.1%	1.5%	-0.6%
Western Cape	1.9%	1.2%	1.3%	0.9%	1.8%	0.3%	-5.5%	4.2%	3.0%	0.9%	0.4%

Source: Quantec, 2025

The years from 2014 to 2024 can be divided into three periods when analysing trends in GDP growth in the Western Cape.

The first period lasted from 2014 to 2018, during which positive outcomes were recorded across all regions of the Province. In 2014, the WCD registered the highest growth in the Western Cape (3.9 per cent), followed by the OD at 3.6 per cent, the CKD at 3.2 per cent, the CWD at 3.1 per cent and the GRD at 2.3 per cent. The Cape Metro recorded 1.4 per cent growth in 2014. This period coincided with national monetary easing, plentiful fruit harvests, and improvements in trade flows through the Port of Cape Town and the Port of Saldanha. In 2015 and 2016, most districts achieved growth of between 1.1 per cent and 1.7 per cent, supported by food exports and agriculture activity. Growth, however, occurred at lower rates than in 2014 following the onset of drought conditions in 2015. The CKD expanded by only 0.3 per cent in 2015 and contracted by 0.1 per cent in 2016, reflecting the combined effects of drought impacts and limited processing capacity.

The second period, from 2019 to 2020, was characterised by significant disruption. Growth slowed in 2019 as drought conditions reduced water availability and constrained yields for water-intensive crops such as citrus, grapes and stone fruit. The sharpest contraction occurred in 2020, when Provincial GDP declined by 5.5 per cent and output in the Cape Metro fell by 6.2 per cent. National lockdowns and global travel restrictions imposed in response to COVID-19 severely affected tourism, restaurants and air travel, resulting in pronounced declines in visitor-dependent economies. The GRD economy, which relies heavily on accommodation and visitor routes, contracted by 5.3 per cent in 2020. By contrast, while economic activity in the CKD and WCD also weakened due to reduced freight movement, decreased local commerce and logistics disruptions, output in both areas was bolstered by the relative resilience of agricultural production and exports in several subsectors. This resilience was supported by elevated global commodity prices and the classification of agriculture as an essential service during the lockdown period.

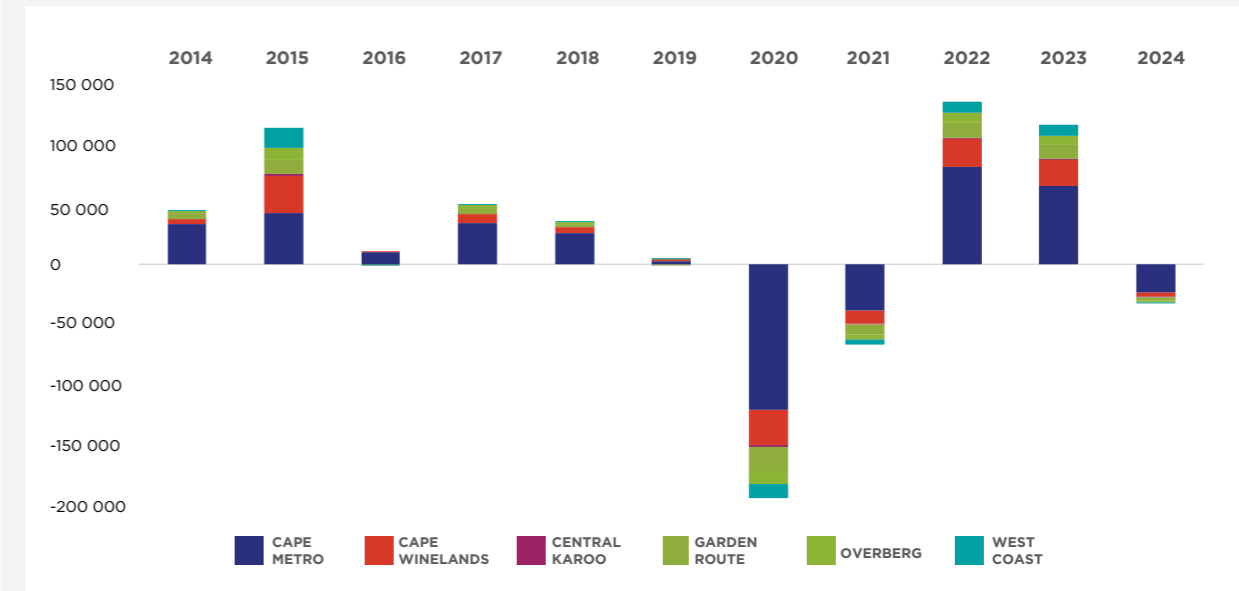
The third phase, from 2021 to 2024, was one of recovery, although expansion later slowed. A rebound in visitor activity, fruit exports and local transactions drove Provincial growth of 4.2 per cent in 2021. All districts expanded in 2021 and 2022, with the OD and WCD attaining growth of 4.8 per cent in 2021 on the back of higher citrus export volumes and renewed tourism. Increased air arrivals supported these gains.

In 2023 and 2024, growth moderated as firms faced an intensification of load-shedding alongside freight bottlenecks and inflationary pressure. The Cape Metro grew by only 0.4 per cent in 2024, while rural districts such as the WCD, OD and CWD lost momentum due to rising agricultural input costs and port delays. The CKD economy contracted by 1.3 per cent in 2024, illustrating how quickly small regional economies are affected by fluctuations in fuel costs and reduced travel along major road corridors.

Overall, regional growth in the Western Cape is closely tied to energy reliability, water availability, agricultural export performance and transport capacity. District economies expand when these conditions are favourable, but load-shedding, drought, port inefficiencies and broader national constraints related to infrastructure performance, policy uncertainty and investment conditions can slow progress.

Figure 2.1.6:

### REGIONAL CHANGE IN TOTAL EMPLOYMENT 2014-2024



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Cape Metro</b>	32,713	42,350	9,302	34,059	25,209	1,941	-121,539	-38,922	80,669	64,530	-24,125
<b>Cape Winelands</b>	4,648	30,931	103	7,117	4,875	1,502	-29,324	-10,739	22,840	22,064	-3,091
<b>Central Karoo</b>	88	1,409	-143	121	91	-49	-1,600	-576	923	997	-293
<b>Garden Route</b>	4,531	11,406	-464	4,616	2,486	-668	-20,071	-8,241	12,980	11,053	-3,163
<b>Overberg</b>	1,940	10,081	-69	2,730	1,865	341	-10,253	-4,110	8,108	7,403	-1,044
<b>West Coast</b>	828	16,763	-366	928	968	665	-12,191	-4,902	8,807	9,761	-1,300
<b>Western Cape</b>	44,748	112,940	8,362	49,571	35,494	3,733	-194,978	-67,489	134,327	115,809	-33,016

Source: Quantec, 2025

Employment changes from 2014 to 2024 were influenced by shifts in economic activity, the onset of drought conditions and the impact of COVID-19 restrictions. Between 2014 and 2017, most districts recorded positive outcomes. The Western Cape added 44 748 jobs in 2014 and 112 940 jobs in 2015, while the Cape Metro generated 32 713 and 42 350 additional positions, respectively, in these years. Gains were supported by good fruit harvests, a rise in accommodation bookings in the GRD and steady retail activity in urban centres. Job growth continued in 2016 and 2017, although at a slower pace. The Cape Metro increased employment by 9 302 jobs in 2016 and 34 059 jobs in 2017, while the Province added 8 362 jobs and 49 571 jobs in these years.

Employment slowed sharply in 2018 and 2019. In 2019, the Cape Metro increased its jobs total by only 1 941, while several districts recorded gains of fewer than a thousand positions. Water shortages reduced agricultural employment in the CWD, OD and WCD, with the 2019 drought leading to irrigation constraints and lower crop yields that curtailed packing and sorting work. The most severe employment decline occurred in 2020. Formal employment in the Western Cape contracted by 194 978 positions in this year, with the Cape Metro accounting for 121 539 of the total jobs lost. The CWD, CKD, GRD, OD and WCD also experienced significant losses

as national lockdowns, travel restrictions and business closures reduced visitor flows, freight volumes and retail turnover. Losses continued in 2021, with the Province shedding a further 67 489 positions. This was consistent with evidence at the national level that labour markets recovered slowly in the first year that economies were reopened post-pandemic.<sup>6</sup>

A recovery phase occurred in 2022 and 2023. The Western Cape created 134 327 jobs in 2022 and 115 809 in 2023. The Cape Metro expanded its total by 80 669 positions in 2022, while the CWD, GRD, OD and WCD also recorded gains as agricultural supply systems stabilised. Higher numbers of visitor arrivals, rising demand for accommodation, stronger retail spending and increased transport activity supported further improvements in 2023. However, employment eased again in early 2024. The Western Cape shed 33 016 jobs in the course of this year, with the number of posts in the Cape Metro declining by 24 125 and the remaining districts recording smaller losses. This trend was driven by higher operating costs, electricity interruptions, constrained household budgets and delays in export logistics.

Employment prospects in the youth labour market aligned with the broader trends described above, also reflecting distinct structural characteristics specific to this demographic. In 2024, an estimated 570 929 full-time equivalent (FTE) positions for the youth were recorded. Most young workers took on service-based and labour-intensive roles, as these typically offer flexible routes into employment for those new to the job market. Key youth-employing sectors in 2024 included general public administration, certain forms of retail (in non-specialised stores, involving food and beverages), restaurants and mobile food services, various personal service activities, and grape growing. An examination of the 10 industries employing the largest numbers of young people shows a similar pattern, with service-oriented and labour-intensive activities dominating youth employment.

These industries include call centres, fruit and stone fruit production, mixed farming, diversified retail and private security, all of which offer substantial early career opportunities. They tend to be labour-absorbing, operate with shift-based or seasonal scheduling and rely on intermediate or entry-level skills, making them accessible to young people with limited qualifications or work experience.

In 2024, the formally employed workforce consisted of 29.3 per cent skilled occupations, 44.0 per cent semi-skilled occupations and 26.7 per cent low-skilled occupations. In the course of the year, the share of skilled roles declined marginally while the proportion of low-skilled positions rose slightly relative to 2023. Although these figures refer to all workers rather than the youth specifically, the overall occupational structure of the formal labour market in the Western Cape is consistent with the sectors in which young people are most often absorbed. This indicates that new entrants continue to take on roles requiring modest training or short-cycle accreditation.

A breakdown of occupational skills by sector shows that agriculture, where 64.3 per cent of positions are low-skilled, provides an important entry point for rural youth, particularly the grape, pome fruit and stone fruit value chains. In urban areas, retail and hospitality remain major pathways into work and are characterised by a mix of semi-skilled and low-skilled occupations. Private security demonstrates a similar pattern, with its semi-skilled orientation supported by regulated but attainable certification. Call centres represent one of the few large youth-absorbing industries that offer clearer progression into administrative and business service roles requiring comparatively high skill levels.

<sup>6</sup> (Council for Scientific and Industrial Research, 2023).

Figure 2.1.7:

## REGIONAL GDPR FORECAST 2026



Source: Quantec, 2025

The GDPR forecast for 2026 indicates gradual improvement across most regions, although the outlook remains sensitive to national electricity supply, freight performance and consumer spending. Planned public infrastructure investment by national and Provincial government, particularly in transport, energy and bulk services, is expected to provide some support to regional growth and construction activity over the medium term. The Cape Metro is projected to have recorded a mild contraction (of 0.1 per cent) in 2025. This is indicative of continued weakness in construction, manufacturing and property-related activities as high interest rates, elevated operating costs and limited private investment weigh on output. While tourism and consumer-facing services are expected to continue recovering in 2026, supported by rising passenger volumes through Cape Town International Airport, growth in these sectors is not sufficient to offset declines in more capital-intensive industries. A modest recovery is forecast for 2026 in the Cape Metro, with growth projected at 0.3 per cent as infrastructure investment, easing financial conditions and improved service sector performance begin to support broader economic activity.

The CWD is forecast to grow by 1.2 per cent in 2026, supported by fruit production, export demand and the operations of processing facilities in Stellenbosch and Paarl. International prices for citrus, table grapes and other horticultural products in European and Asian markets will determine producer returns. Although demand for South African fruit remains stable, high input costs and port delays continue to affect export margins. The District also benefits from the work of research institutions and major agribusiness firms around Stellenbosch that support agricultural innovation, workforce development and supply networks.

Forecasts for the GRD and OD indicate steady growth driven by established housing markets, local service industries and consistent visitor traffic. Increases in accommodation bookings in George, Mossel Bay and Hermanus support household consumption and small business activity as does continued migration into coastal towns. These consumer trends stimulate retail, transport services, food outlets and personal services, supporting the regional outlook.

The WCD shows potential for growth in 2026, with food processing, logistics and renewable energy projects likely to play a central role in this expansion. Numerous environmental authorisation applications for wind and solar developments were submitted in 2022, many in WCD and CKD localities. This points to possible investment in power generation infrastructure that could create opportunities for contractors, engineering firms and equipment storage operations. Cold storage, fishing, grain and tea production facilities along the coastal belt, including in Saldanha Bay and Vredenburg, remain key sources of local employment and may generate further gains if global food markets remain strong.

The CKD has a GDPR forecast of 0.8 per cent for 2026 but continues to face constraints. The small size of markets in the District, limited diversification and weak business clustering hinder stronger growth. Although towns along the N1 offer freight advantages, poor road conditions, limited warehousing and low levels of investment in supporting facilities restrict expansion. Progress will depend on road upgrades, a reliable supply of power for rural operations, and the availability of additional fixed business services linked to livestock auctions, trucking and mechanical repairs.

GDPR growth in 2024 was low across most regions, with many sectors contributing only small increments to overall performance. The Cape Metro recorded 0.2 per cent growth in the course of this year – an expansion supported mainly by manufacturing and finance, each of which added 0.1 of a percentage point to regional GDPR growth. The CWD posted an expansion of 0.1 per cent, driven largely by finance.

The GRD recorded the strongest growth in regional GDPR (1.2 per cent), with positive contributions from manufacturing (0.2 per cent), trade (0.2 per cent), finance (0.4 per cent) and several personal and public service activities. The OD grew by 0.7 per cent, with agriculture, trade and finance each contributing between 0.1 per cent and 0.2 per cent to District-level GDPR growth.

The CKD and WCD economies contracted in 2024. The CKD declined by 1.4 per cent, driven by across-the-board negative contributions by agriculture, electricity, trade, transport, finance and general government. This poor performance was indicative of limited company activity and reduced service demand. The WCD economy shrank by 0.5 per cent in 2024 as agriculture, manufacturing, trade, finance and personal services all posted small negative contributions.

Figure 2.1.8:

### SECTORAL CONTRIBUTIONS TO REGIONAL GDPR GROWTH (CONSTANT PRICES), 2024

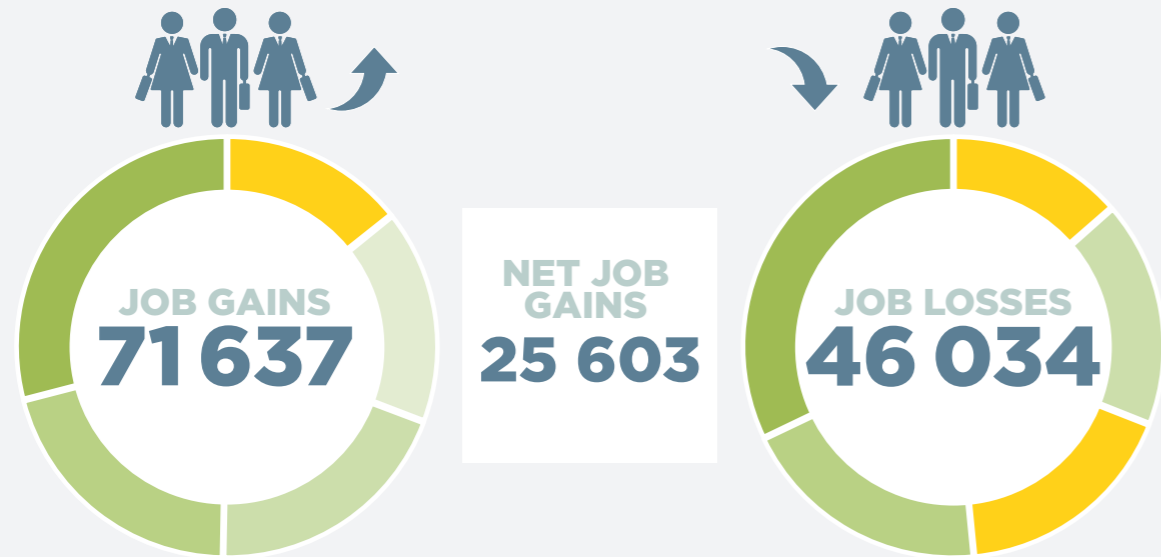
		Cape Metro	Cape Wine-lands	Central Karoo	Garden Route	Overberg	West Coast	Western Cape
PRIMARY SECTOR	Agriculture	0.0%	0.0%	-0.2%	0.1%	0.1%	-0.1%	-0.3%
	Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SECONDARY SECTOR	Manufacturing	0.1%	0.0%	0.0%	0.2%	0.1%	-0.1%	0.0%
	Electricity, gas & water	0.0%	0.0%	-0.1%	0.0%	0.0%	0.0%	0.1%
	Construction	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.2%
TERTIARY SECTOR	Trade	0.0%	0.0%	-0.2%	0.2%	0.1%	-0.1%	-0.2%
	Transport, storage, comms	0.0%	0.0%	-0.2%	0.1%	0.1%	0.0%	-0.1%
	Finance	0.1%	0.1%	-0.2%	0.4%	0.2%	-0.1%	1.1%
	General government	0.0%	0.0%	-0.2%	0.1%	0.0%	0.0%	0.0%
	Personal services	0.0%	0.0%	-0.3%	0.1%	0.1%	-0.1%	0.1%
<b>Total</b>		<b>0.2%</b>	<b>0.1%</b>	<b>-1.4%</b>	<b>1.2%</b>	<b>0.7%</b>	<b>-0.5%</b>	<b>0.4%</b>

Source: Quantec, 2025



Figure 2.1.9:

### TOP 5 SECTORS FOR FORMAL JOB GAINS AND LOSSES, WESTERN CAPE, 2023-2024



T	Restaurants and mobile food service activities	5 157	T	Retail sale in non-specialised stores	-4 719
T	Other personal service activities	3 669	T	Motion picture, video and television production	-2 858
T	General public administration	3 470	S	Other telecommunication activities	-2 570
T	Short-term accommodation activities	2 929	T	Other monetary intermediation	-2 562
S	Processing and preserving of fruit and vegetables	2 533	S	Manufacture of grain mill products	-1 989
O	Other	53 879	O	Other	-31 336

**P** PRIMARY SECTOR    **S** SECONDARY SECTOR    **T** TERTIARY SECTOR    **O** OTHER

Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury - Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

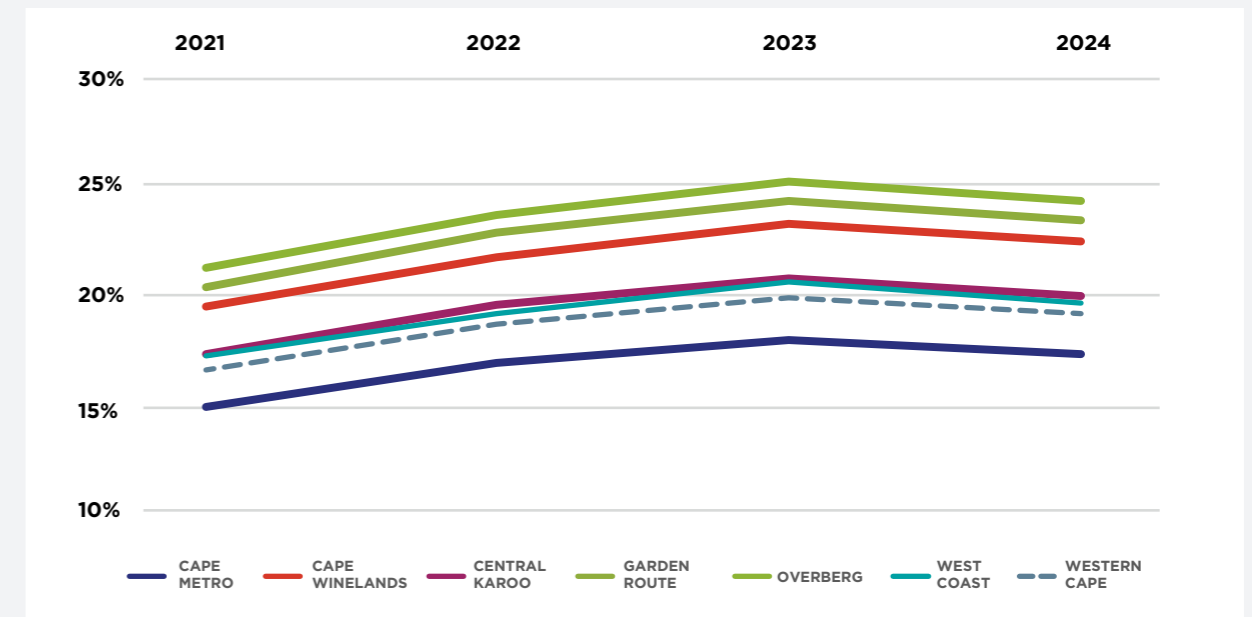
Changes in formal employment from 2023 to 2024 show growth concentrated in hospitality, government functions and food processing. Restaurants and mobile food services added the most jobs, generating 5 157 positions, followed by various personal service activities and general public administration. Hospitality facilities, personal care services and public offices serve local households and visitors, which explains their expansion when consumer spending rises and towns receive seasonal tourists. Short-term accommodation activities added 2 929 jobs while the processing and preserving of fruit and vegetables generated 2 533 positions, driven mainly by demand in the CWD, OD and WCD. These increases indicate that food processing plants, cold storage facilities and dining services continue to create employment because they support the broader agriculture and tourism value chains outlined earlier.

Job losses during this period occurred in sectors with unstable demand or rising costs linked to load-shedding, higher interest expenses and reduced film production budgets. The largest decline was in retail sales in non-specialised stores, where 4 719 jobs were lost, followed by reductions in motion picture and television production. These film-related losses reflect shrinking project budgets and reduced use of local studios, which can in part be attributed to the erosion of the national film incentive. Declines in the manufacture of various food products and grain mill goods indicate pressure from competitive commodity markets and higher input costs, including those associated with raw materials, electricity tariffs and supply chain bottlenecks. Losses in certain forms of monetary intermediation show that banking and financial offices reduced staff due to shifts in transaction services, increased digital use and strict cost control.

When gains and losses are combined, total net employment increased by 25 603 jobs from 2023 to 2024. This reflects a gradual recovery in sectors linked to dining, local tourism, fruit handling and contact services, while discretionary consumer goods, film production and office-based financial activities remain under strain. Overall, job creation was driven mainly by consumer- and visitor-facing activities, whereas margin-sensitive and capital-intensive sectors faced constrained conditions.

Figure 2.1.10:

### INFORMAL EMPLOYMENT AS A PERCENTAGE OF TOTAL EMPLOYMENT 2021-2024



Source: Quantec, 2025

Informal employment in the Western Cape increased from 2021 to 2024, rising from 16.7 per cent to 19.2 per cent of all jobs. The largest increases occurred in districts with strong agricultural activity, seasonal work and tourism. In 2024, the OD, GRD and CWD each recorded informal employment above 22.0 per cent. This trend was driven by the activities of fruit farms, tourism facilities and roadside trade, which absorb workers during peak seasons or when formal options are limited. Households in these areas often rely on temporary income during harvests and school vacation periods. The Cape Metro recorded a lower rate of informal employment than both the

provincial average and the rates registered in more rural districts, although its proportion still rose from 15.0 per cent in 2021 to 17.4 per cent in 2024. This is in keeping with the nature of dense urban nodes, where street trading, home-based services, delivery work and spaza retail dominate informal activity.

The CKD recorded 20.0 per cent informal employment in 2024, a consequence of its small formal economy and the prevalence of survivalist trading and transport-related work along the N1 corridor. With formal employment in this District largely concentrated in public facilities, fuel stations and trucking services, many workers in the CKD turn to informal income sources to make a living. The WCD displays similar features, with fishing towns and farm settlements creating seasonal openings during catching and planting periods.

Figure 2.1.11:

## INFORMAL EMPLOYMENT CONTRIBUTION TO TOTAL SECTORAL EMPLOYMENT 2024

		Cape Metro	Cape Wine-lands	Central Karoo	Garden Route	Overberg	West Coast	Western Cape
PRIMARY SECTOR	Agriculture	17.4%	26.3%	19.8%	22.8%	25.1%	26.9%	24.3%
	Mining	7.8%	11.1%	36.9%	5.5%	7.4%	4.7%	7.2%
SECONDARY SECTOR	Manufacturing	13.0%	17.3%	28.3%	19.1%	18.0%	12.0%	14.1%
	Electricity, gas & water	7.9%	13.2%	18.5%	13.7%	12.5%	10.3%	9.5%
	Construction	29.1%	26.1%	27.5%	31.3%	31.5%	21.1%	28.6%
TERTIARY SECTOR	Trade	28.1%	32.0%	38.2%	35.2%	33.5%	24.4%	29.5%
	Transport, storage, comms	25.2%	35.1%	35.8%	33.9%	36.1%	29.4%	27.9%
	Finance	12.2%	16.3%	16.8%	17.2%	19.0%	11.3%	13.4%
	General government	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Personal services	14.3%	16.2%	9.0%	18.6%	18.8%	11.1%	14.9%

Source: Quantec, 2025

Informal activity in 2024 was concentrated in the construction; trade; and transport, storage and communication sectors across all regions. Construction had the highest share of informal employment in the Western Cape (28.6 per cent), a proportion that rose above 30.0 per cent in the GRD and OD due to the operations of small contractors, the prevalence of daily wage work, and the activities of independent tradespeople linked to property development, road upgrades and home renovation. Informal trade accounted for 29.5 per cent of all informal employment in the Western Cape in 2024 and an even higher share in the GRD, CWD and OD. This trend was driven by informal food outlets, household goods traders, market stalls and micro-retail serving local and tourism markets.

The transport, storage and communication sector accounted for 27.9 per cent of informal employment Provincially in 2024, with shares above 33.0 per cent in the GRD, OD and CKD. This stems from the prominence of taxi services, small freight operators, delivery drivers and inter-town transport supporting rural commerce. Agriculture contributed 24.3 per cent of informal work in the Western Cape, with the share rising above 25.0 per cent in the CWD, OD and WCD as a result of seasonal harvesting, sorting, packing and farm maintenance.

Manufacturing registered a noticeable amount of informal work in 2024. This was particularly the case in the CKD, where 28.3 per cent of total manufacturing employment was informal, and in the GRD, where the share reached 19.1 per cent. Local processing facilities often recruit short-term labour during certain production runs to keep operating costs sustainable. Finance recorded a lower share of informal employment, although the proportion was relatively high in the OD and GRD in 2024. This reflects the activities of insurance agents, independent brokers, and mobile banking support and loan facilitation workers, who function outside fully registered operations.

## 5. Concluding remarks

As shown by the above analysis, the Western Cape has remained resilient in recent years, this despite a challenging global environment and South Africa's domestic constraints, including electricity supply disruptions, freight and port inefficiencies, elevated operating costs and weak national investment activity. Although economic growth moderated in 2023 and 2024, the Province continued to benefit from a diversified, service-oriented economic base, a recovery in tourism following the pandemic, and emerging opportunities linked to renewable energy investment.

Economic outcomes vary markedly across regions due to differences in sectoral composition, market size, and exposure to climate risks and external demand conditions. The Cape Metro remains the primary driver of Provincial output and employment, supported by finance, trade, logistics and public services, while district economies depend more heavily on labour-intensive activities such as agriculture, tourism and local services. This makes them more sensitive to drought, seasonal demand and logistics performance.

For the period of 2025 to 2026, growth is forecast to remain gradual and uneven, with outcomes dependent on improvements in electricity pricing and availability, transport and port functionality, the scale and implementation of public sector investment (particularly in infrastructure), and the pace of private fixed investment. The MERO therefore emphasises the need for municipal-level economic planning that aligns infrastructure investment, sector support and labour market interventions with local economic structures. Ideally, such interventions will support employment absorption, strengthen stability and promote balanced and sustainable economic development across the Western Cape.

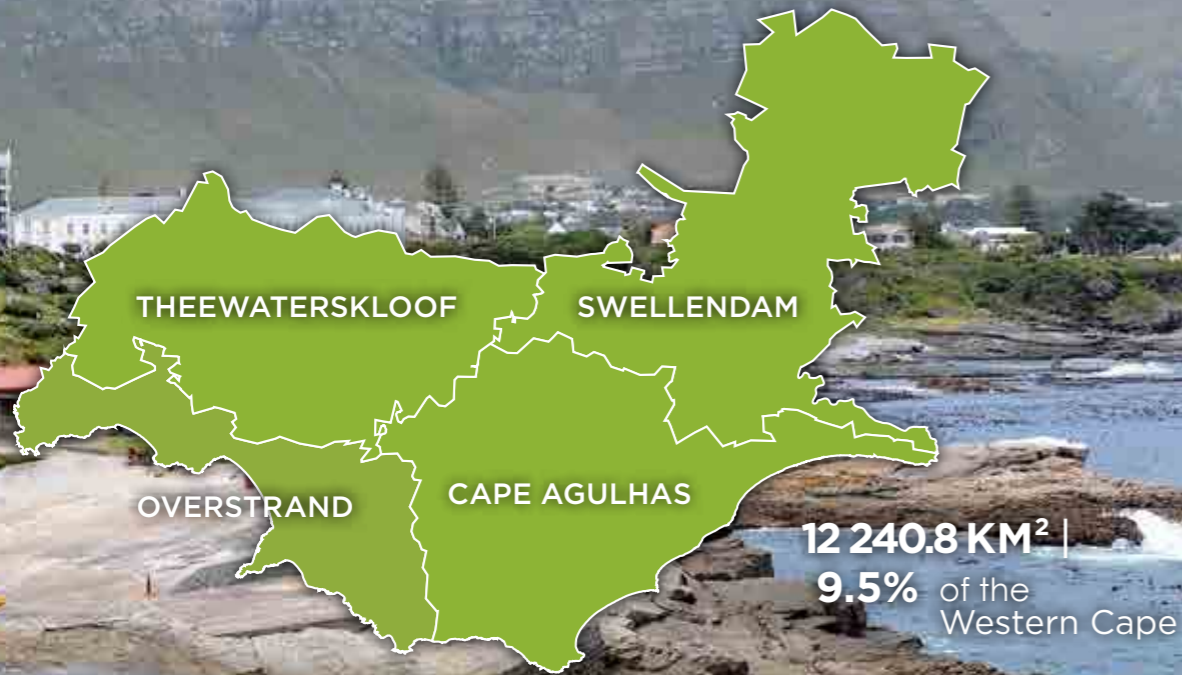


Western Cape  
Government  
FOR YOU

SECTION

B

ECONOMIC  
GROWTH  
AND JOBS



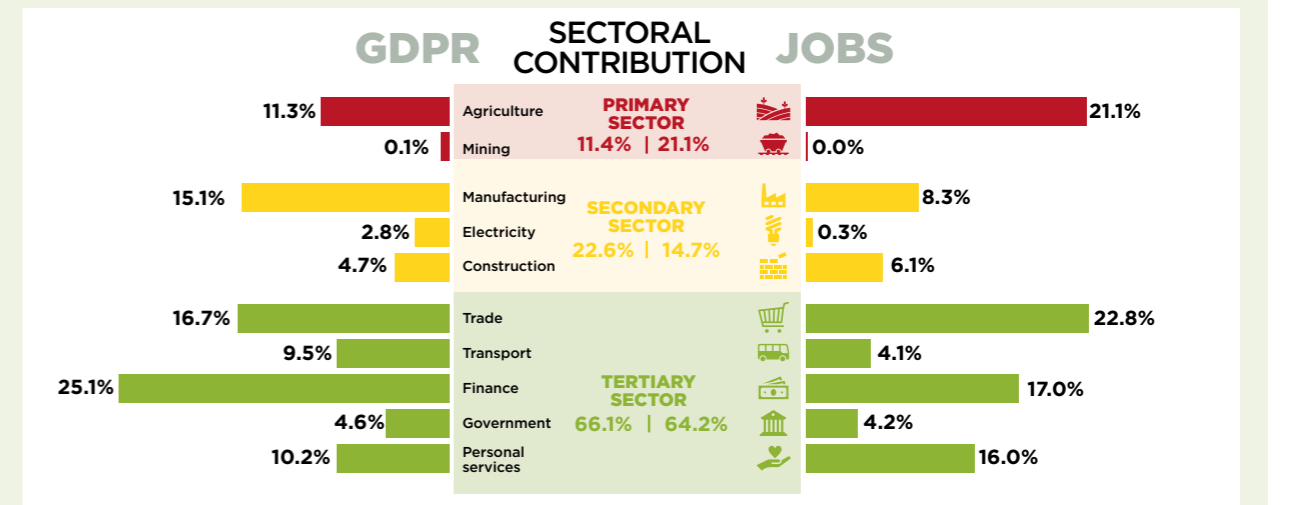
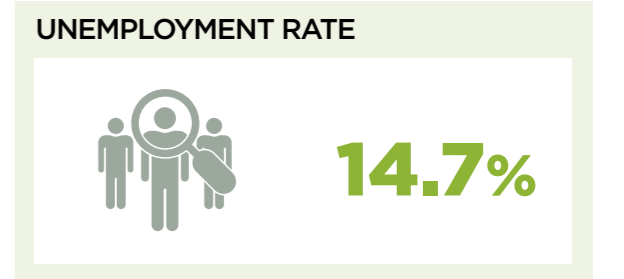
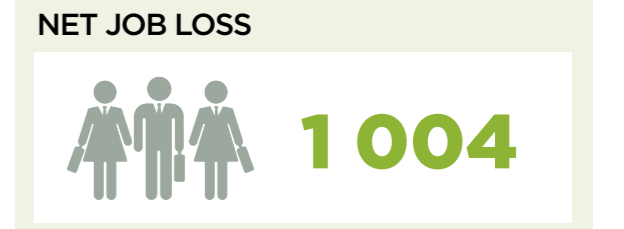
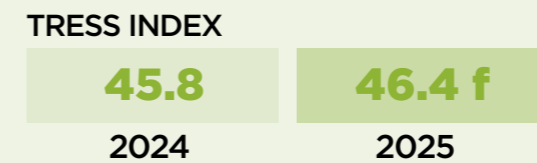
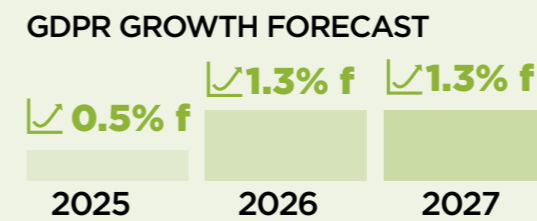
# OVERBERG

## 1. Introduction

The Overberg District (OD), located southeast of Cape Town, lies beyond the Hottentots Holland Mountains and stretches along the southern coastline of the Western Cape Province. Known as the “breadbasket of the Cape” due to its fertile farmlands, the region is also renowned for its dramatic landscapes, which range from rolling wheat fields and rugged mountain ranges to pristine beaches and nature reserves. Its coastal positioning along the Atlantic and Indian Oceans places it within easy reach of Cape Town via the N2 highway, making this District a popular destination for both local and international visitors.

Key towns in the OD include Hermanus, world-famous for land-based whale watching; Caledon, known for its hot springs and agricultural surroundings; Bredasdorp, the administrative centre; and Swellendam, one of South Africa’s oldest towns, with a rich cultural and historical heritage. The District’s main attractions and activities include whale watching in Walker Bay, exploring the Cape Agulhas National Park at the southernmost tip of Africa, hiking in the Kogelberg Biosphere Reserve, and enjoying the scenic drives and wine routes scattered throughout the region. With its combination of coastal beauty, outdoor adventure and cultural richness, the OD has established itself as a diverse and appealing destination within the Western Cape.

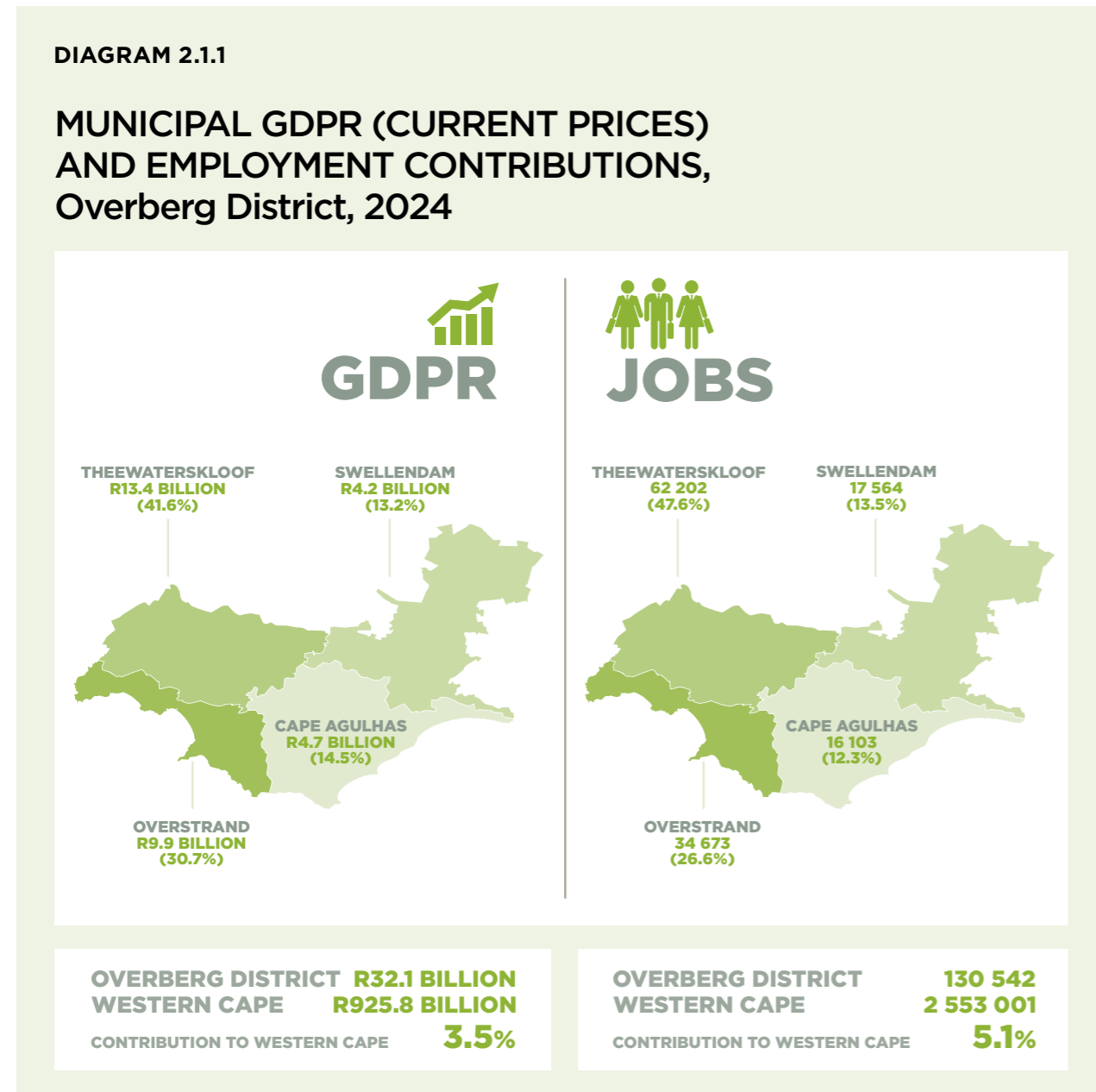
## OVERBERG DISTRICT 2024 GDPR AND EMPLOYMENT



Source: Quantec, 2025

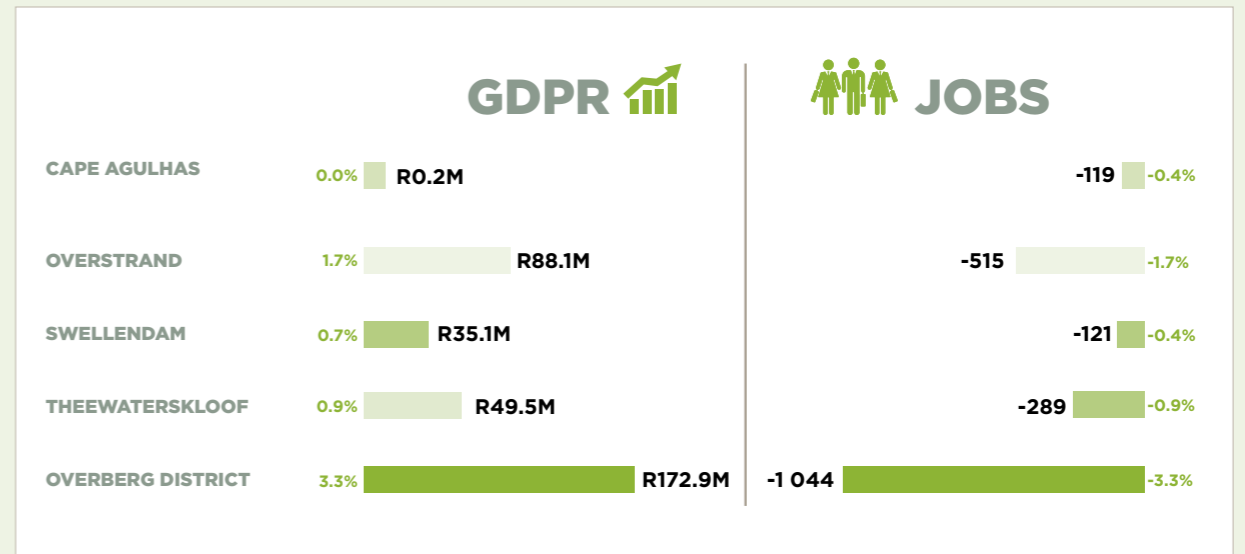
## 2. Regional GDP and employment performance

### 2.1 Trends and GDP forecast



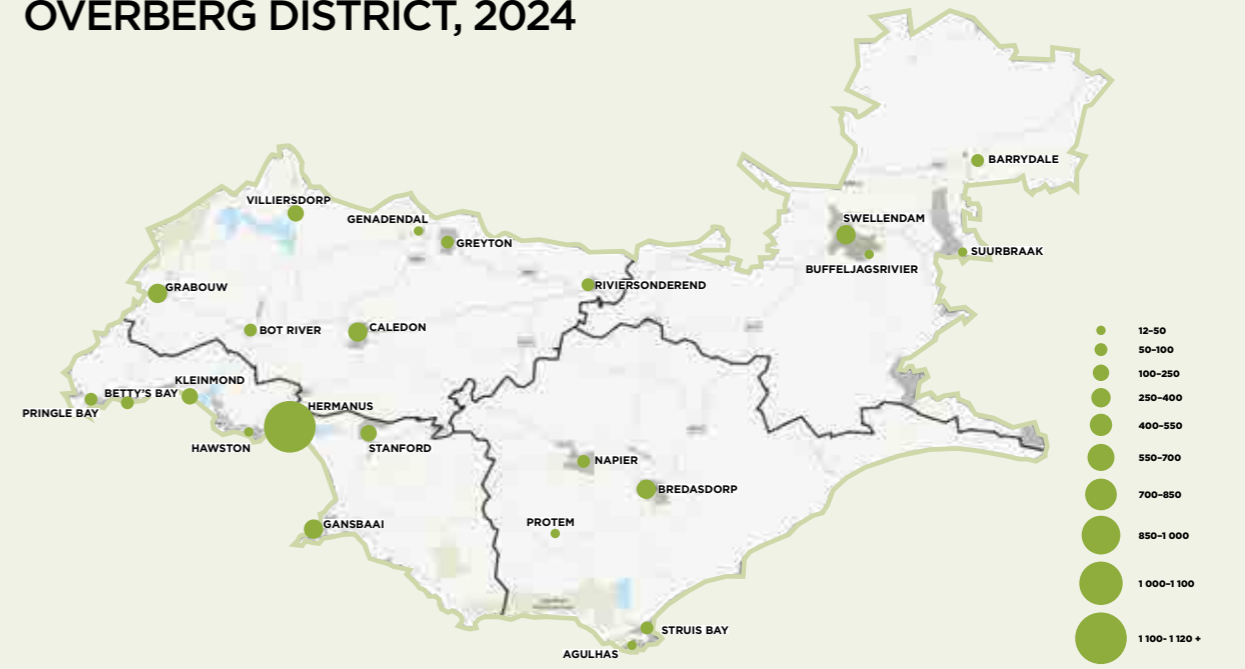
Sources: Quantec, 2025

Figure 2.1.1:  
**MUNICIPAL CONTRIBUTIONS TO GDP (CONSTANT PRICES) AND EMPLOYMENT GROWTH, Overberg District, 2024**



Source: Quantec, 2025

**MAP 2.1.1:**  
**NUMBER OF BUSINESSES PER TOWN, OVERBERG DISTRICT, 2024**



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury - Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

In 2024, the OD generated R32.1 billion in gross domestic product per region (GDPR), contributing 3.5 per cent of Western Cape output. It supported 130 542 jobs (5.1 per cent of Provincial employment) but recorded a net loss of 1 044 jobs, while unemployment rose to 14.7 per cent. The Tress Index of the region, recorded at 45.8 in 2024 and rising to 46.4 in 2025, indicates that the District depends heavily on a small number of economic activities. This level of concentration increases exposure to changes in agriculture, manufacturing capacity, household demand and the functioning of key transport networks, each of which plays a central role in the OD's economic performance.

The sectoral composition shows a strong services base, with tertiary activities supplying 66.1 per cent of GDPR and 64.2 per cent of jobs in 2024. Finance, trade and personal services dominate urban centres such as Hermanus, Caledon and Bredasdorp, where consumer spending, visitor demand and administrative services shape local activity. Primary industries also remain central. Agriculture alone contributed 11.3 per cent of GDPR and 21.1 per cent of employment in 2024, highlighting the importance of dairy, fruit, grain, livestock and horticultural production to rural economic stability and agro-processing.

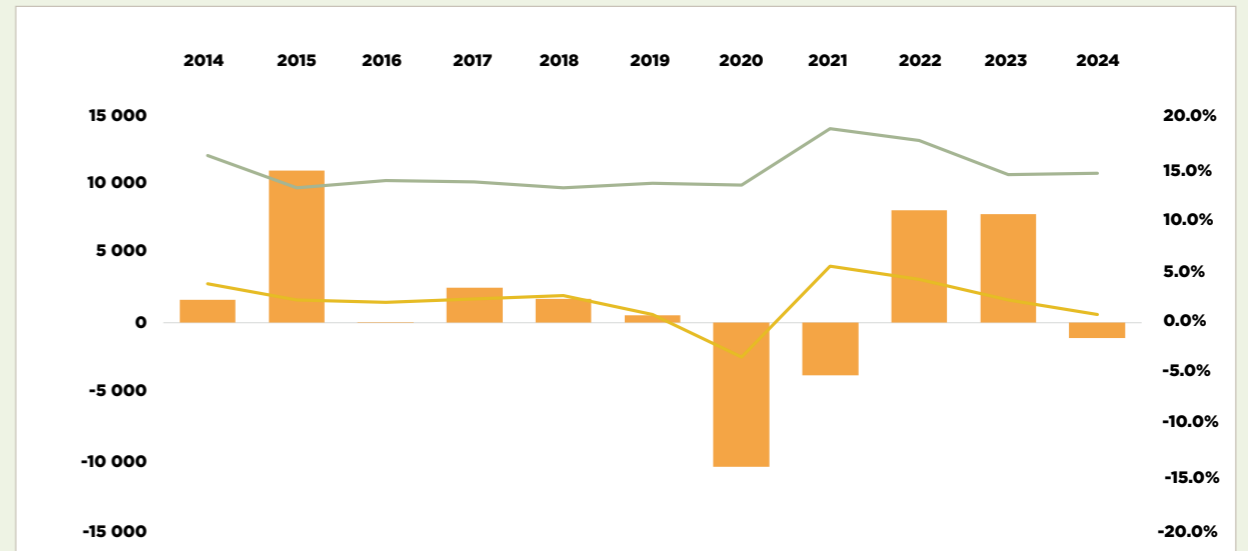
Secondary activities made up 22.6 per cent of GDPR and 14.7 per cent of employment in 2024. Manufacturing, which contributed 15.1 per cent to District output, is focused on food and beverage production, grain milling and other light industrial activities, with food, beverage and tobacco production the most significant components of local manufacturing value added.<sup>7</sup> Construction (4.7 per cent of GDPR and 6.1 per cent of jobs) continued to benefit from ongoing residential and commercial development in coastal towns.

The GDPR of the OD is projected to have grown by 0.5 per cent in 2025 and is anticipated to expand by 1.3 per cent in both 2026 and 2027, supported by improvements in energy reliability, investments in renewable infrastructure and a gradual firming in consumer spending. However, high operating costs, logistics delays and pressure on household budgets continue to slow the pace of recovery. These constraints are of particular concern for agriculture, manufacturing and trade, sectors that remain sensitive to transport efficiency, electricity supply and input-price volatility. As a result, the outlook points to steady but restrained growth rather than a broad acceleration across the local economy.

<sup>7</sup> (Stats SA, 2025).

Figure 2.1.2:

### GDPR (CONSTANT PRICES), EMPLOYMENT GROWTH AND UNEMPLOYMENT RATE OVERBERG DISTRICT, 2014-2024

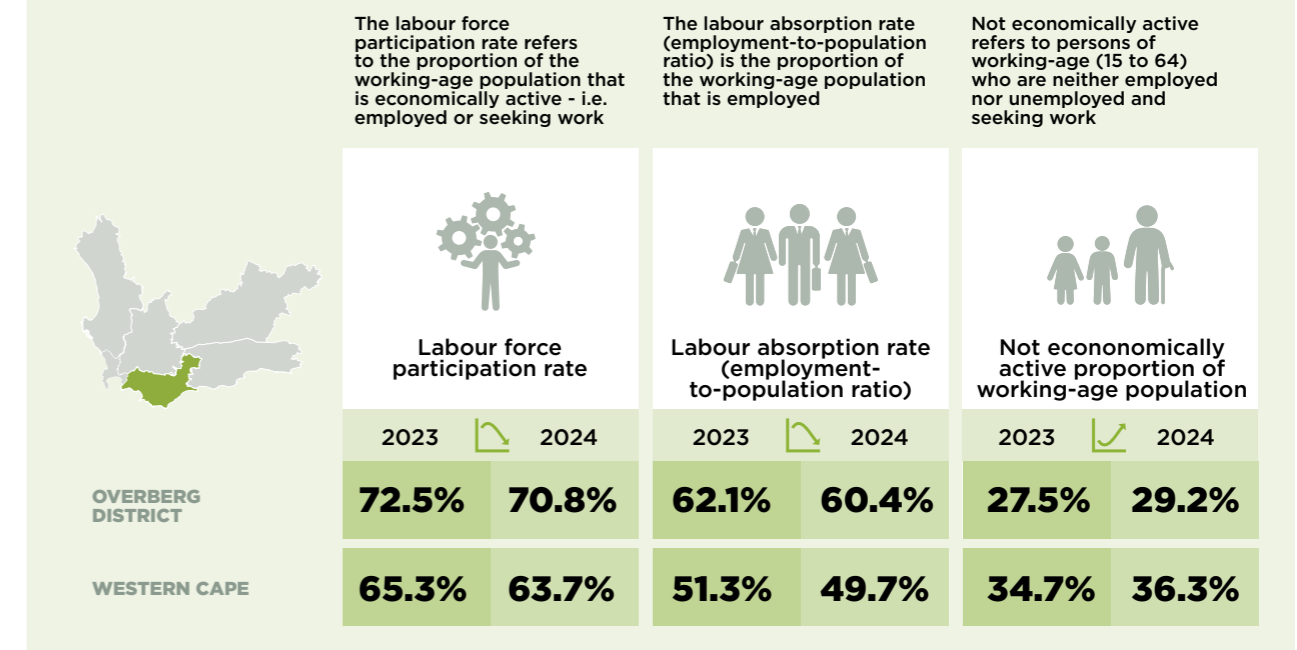


	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GDPR growth	1940	10 081	-69	2730	1865	341	-10 253	-4 110	8108	7403	-1044
Change in unemployment	3.6%	1.6%	1.5%	1.9%	2.1%	0.2%	-3.8%	4.8%	3.9%	1.7%	0.8%
Unemployment rate	14.6%	12.5%	13.1%	13.1%	12.8%	13.2%	13.3%	17.6%	16.7%	14.5%	14.7%

Source: Quantec, 2025

DIAGRAM 2.1.2:

### LABOUR PROFILE, OVERBERG DISTRICT, 2023-2024



Source: Quantec, 2025

The OD economy in 2004 reflected the diversity of the four municipal areas that make up the District. Theewaterskloof remained the largest contributor to OD output, generating 41.6 per cent of District GDP and 47.6 per cent of jobs. This performance is supported by intensive farming, packhouses, food-processing facilities and logistics along the N2 corridor. The Overstrand municipal area provided 30.7 per cent of GDP and 26.6 per cent of employment, showing the strength of its coastal services economy. This is driven by tourism, retail, finance and hospitality activities. The Swellendam municipal area contributed 13.2 per cent of District GDP and 13.5 per cent of jobs, this thanks to a mix of agriculture, agro-processing and regional transport activity. Cape Agulhas, in turn, accounted for 14.5 per cent of GDP and 12.3 per cent of employment through agriculture and conservation-linked tourism. These contributions aligned with the District's broader sectoral structure, where agriculture (11.3 per cent of GDP, 21.1 per cent of jobs), trade (16.7 per cent, 22.8 per cent), finance (25.1 per cent, 17.0 per cent) and personal services (10.2 per cent, 16.0 per cent) form the core of local activity.

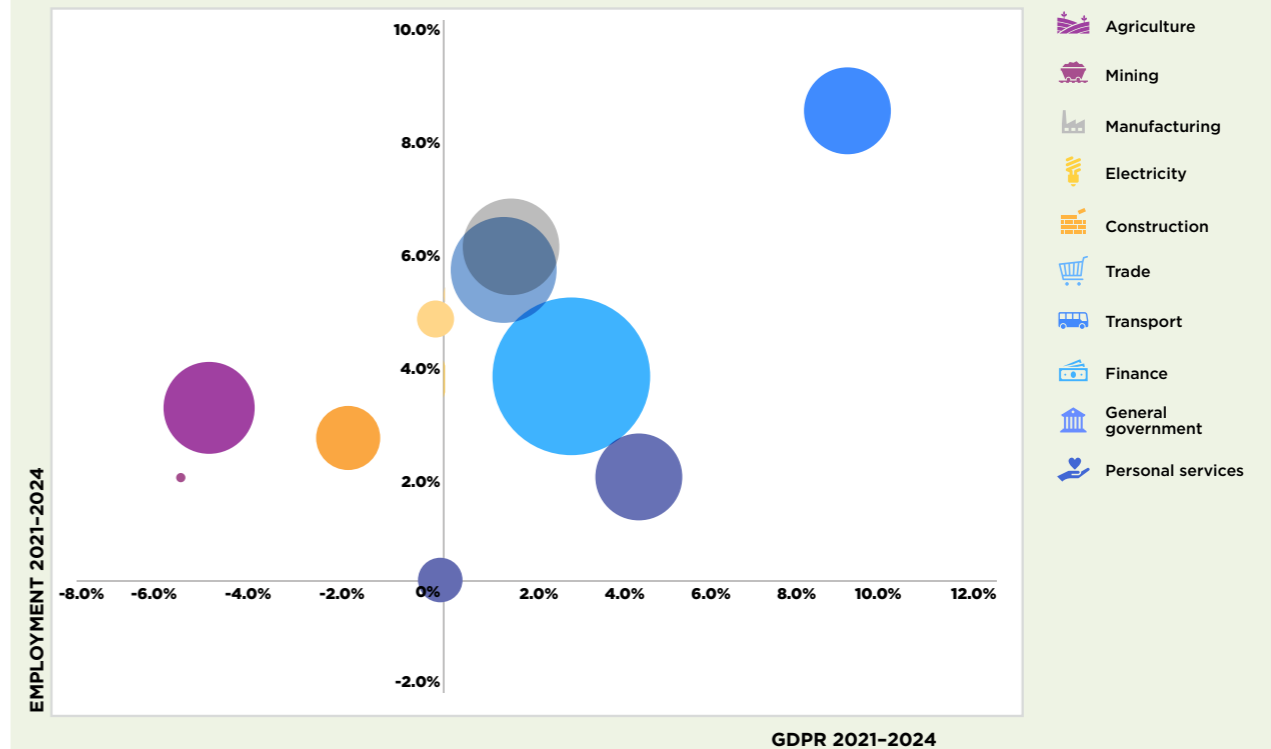
Economic performance in the OD moved through distinct phases between 2014 to 2024. Following steady GDP growth between 2014 and 2018, there was a noticeable slowing of activity in 2019 (to 0.2 per cent). The economy also contracted sharply in 2020 during the COVID-19 lockdown period, which severely restricted mobility, trade and agricultural exports. A strong recovery followed in 2021 and 2022 as restrictions eased and domestic demand improved. Growth lost pace again in 2023 moderating to 1.7 per cent and slowed further to 0.8 per cent in 2024. This deceleration was consistent with rising operating and input costs, sustained pressure on household budgets, and ongoing inefficiencies and delays within key transport and logistics networks, all of which constrained output growth in agriculture, manufacturing and trade-related activities.

Employment followed a similar path, with large gains recorded in 2015 and during the period between 2021 and 2023. These recoveries were followed by a loss of 1 044 jobs in 2024, showing that several employers reduced hiring and brought in fewer seasonal workers. The unemployment rate increased marginally from 2023 to 2024, rising from 14.5 per cent to 14.7 per cent. This indicated that available opportunities could not accommodate new entrants to the labour market.

Labour market indicators showed that job search conditions became more difficult in 2024. The labour force participation rate declined from 72.5 per cent to 70.8 per cent, while the absorption rate fell from 62.1 per cent to 60.4 per cent. The share of residents not economically active increased to 29.2 per cent. These movements were closely linked to the seasonal and demand-sensitive cycles of the OD's sectoral structure, notably agriculture, tourism, retail and hospitality. In 2024, these sectors created fewer positions as businesses adjusted to higher operating costs and reduced consumer spending. The net effect was a labour market with fewer openings, lower absorption and higher inactivity, even though the District has historically maintained stronger participation levels than the Western Cape.

Figure 2.1.3:

### GDPR (CONSTANT PRICES) AND EMPLOYMENT PERFORMANCE PER SECTOR OVERBERG DISTRICT, 2021-2024



Source: Quantec, 2025

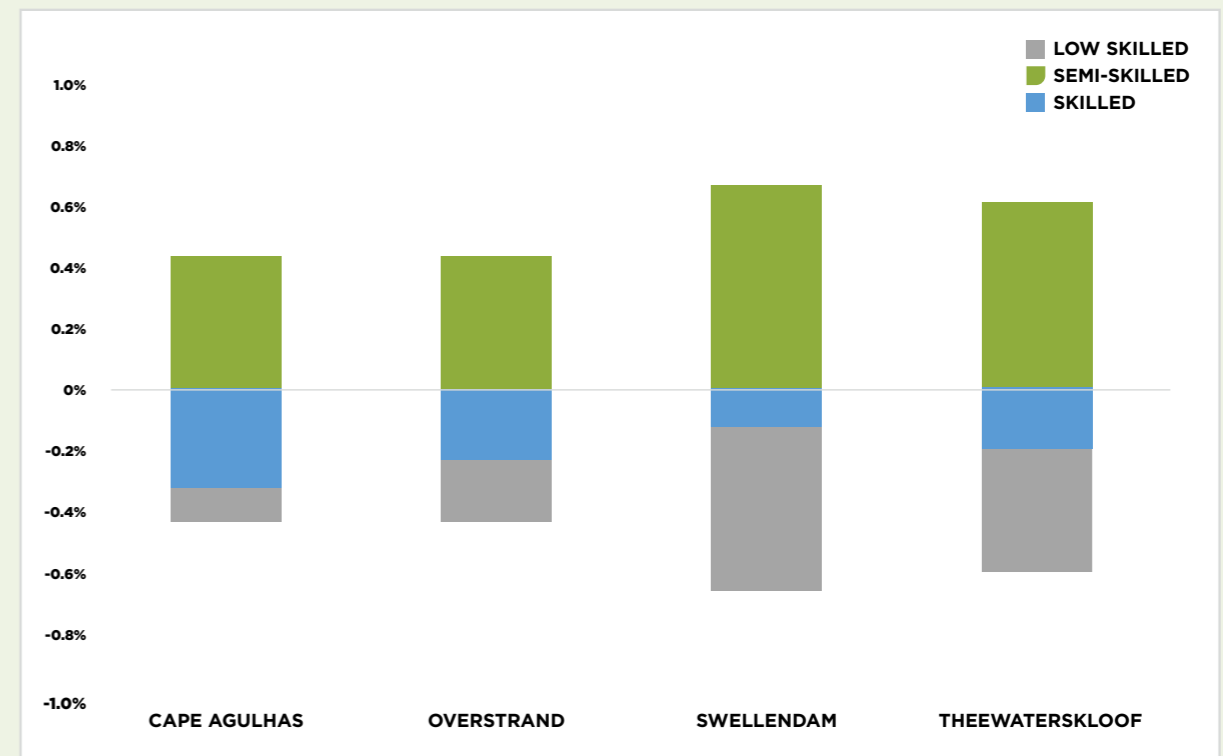
Agriculture remained the largest source of employment in the OD in 2024, with most major job-creating activities linked to fruit production. Operations for the growing of pome and stone fruits constituted the District's single biggest employer (9 973 full-time equivalent – or FTE – jobs), followed by those for citrus (3 698 jobs), mixed farming (3 593 jobs), post-harvest crop activities (2 617 jobs) and the cultivation of other tree and bush fruits (2 511 jobs). These industries require extensive seasonal and manual labour, especially during harvesting and sorting periods, which explains the high concentration of work opportunities in municipal areas such as Theewaterskloof and Overstrand. Additionally, general public administration (5 900 jobs) provided steady, year-round employment, while retail, restaurants, mobile food services and short-term accommodation added further support in towns with strong tourism activity.

Youth employment in the OD in 2024 followed the same structure as the broader labour market, with most opportunities concentrated in agriculture and basic services. Pome and stone fruit production absorbed the largest number of young workers (3 385 jobs), followed by citrus production (1 605 jobs). This was because these activities provide accessible, manual roles that do not require formal qualifications and increase in number sharply during peak harvest periods. Public administration employed a further 1 417 young people, and retail in non-specialised food and beverage outlets added 968 positions.

The concentration of youth employment in farming and entry-level services was due to limited post-school opportunities, a high reliance on seasonal agriculture and persistent barriers to skills progression for young residents. Youth face restricted opportunities for progression into higher-productivity sectors due to transport constraints, gaps in technical training and the small size of the local formal economy. As a result, most young entrants to the labour market continue to access short-term or seasonal roles, with limited absorption into occupations that offer long-term stability or mobility without targeted skills development.

Figure 2.1.6:

### CHANGES IN SKILLS DISTRIBUTION OVERBERG DISTRICT, 2024



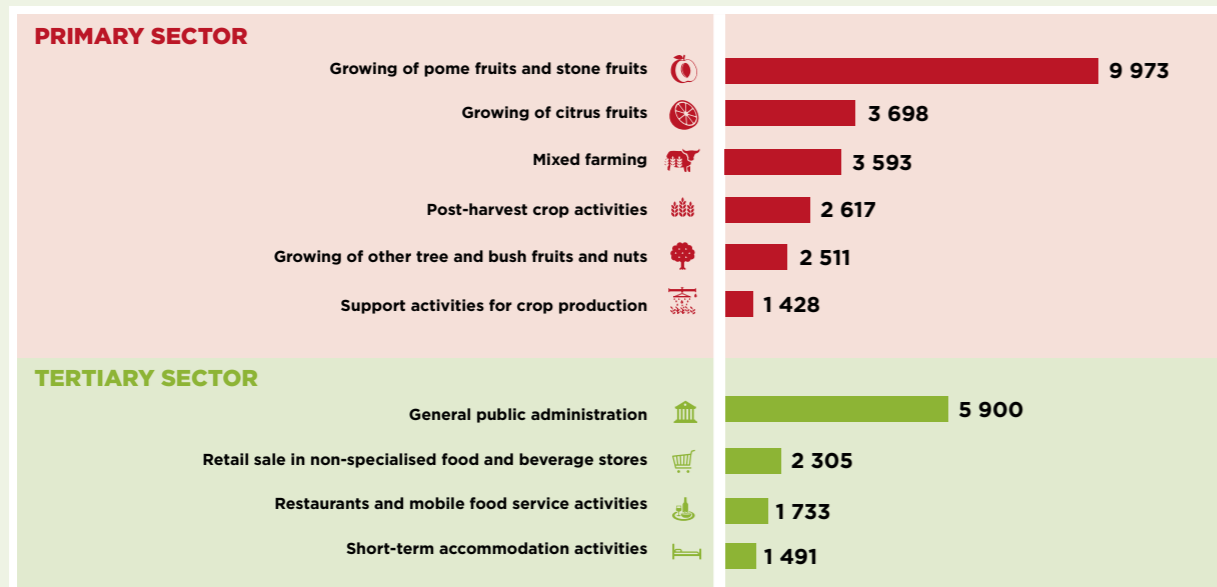
Source: Quantec, 2025

The skills profile of the OD in 2024 corresponded with the employment structure of the District. Low-skilled work accounted for 39.4 per cent of jobs, a share that had risen by 0.4 percentage points since 2023 due to the scale of labour-intensive farming and packhouse operations. Semi-skilled work remained unchanged at 42.2 per cent, supported by logistics, packhouse roles and government services. Skilled work declined from 18.8 per cent in 2023 to 18.3 per cent in 2024, showing that high-skill opportunities expanded more slowly than positions in other categories. This was partly because the District does not host a large concentration of advanced manufacturing, financial or technology-driven industries, which typically generate demand for persons with high-level skills.

Municipal differences reflected sectoral dominance. Theewaterskloof and Swellendam recorded the largest increases in semi-skilled employment in 2024 (0.7 percentage points each), consistent with their extensive fruit-farming bases. The decline in employment in certain low-skilled categories within Swellendam (0.6 percentage points) was associated with changes in crop cycles and water availability during the year. Overstrand and Cape Agulhas recorded small increases in semi-skilled employment (0.4 percentage points each), supported by tourism, retail and fisheries. Skilled work decreased across all municipal areas, with Cape Agulhas showing the largest reduction (0.3 percentage points). This was in line with its smaller administrative function and the limited presence of industries that typically offer high-skill roles.

Figure 2.1.4:

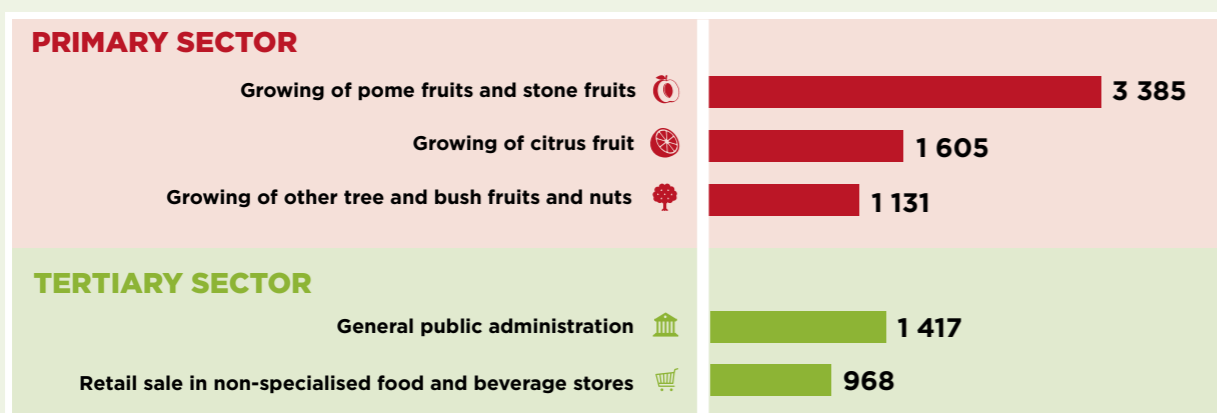
### TOP 10 SECTORS BY NUMBER OF FTE JOBS OVERBERG DISTRICT, 2024



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

Figure 2.1.5:

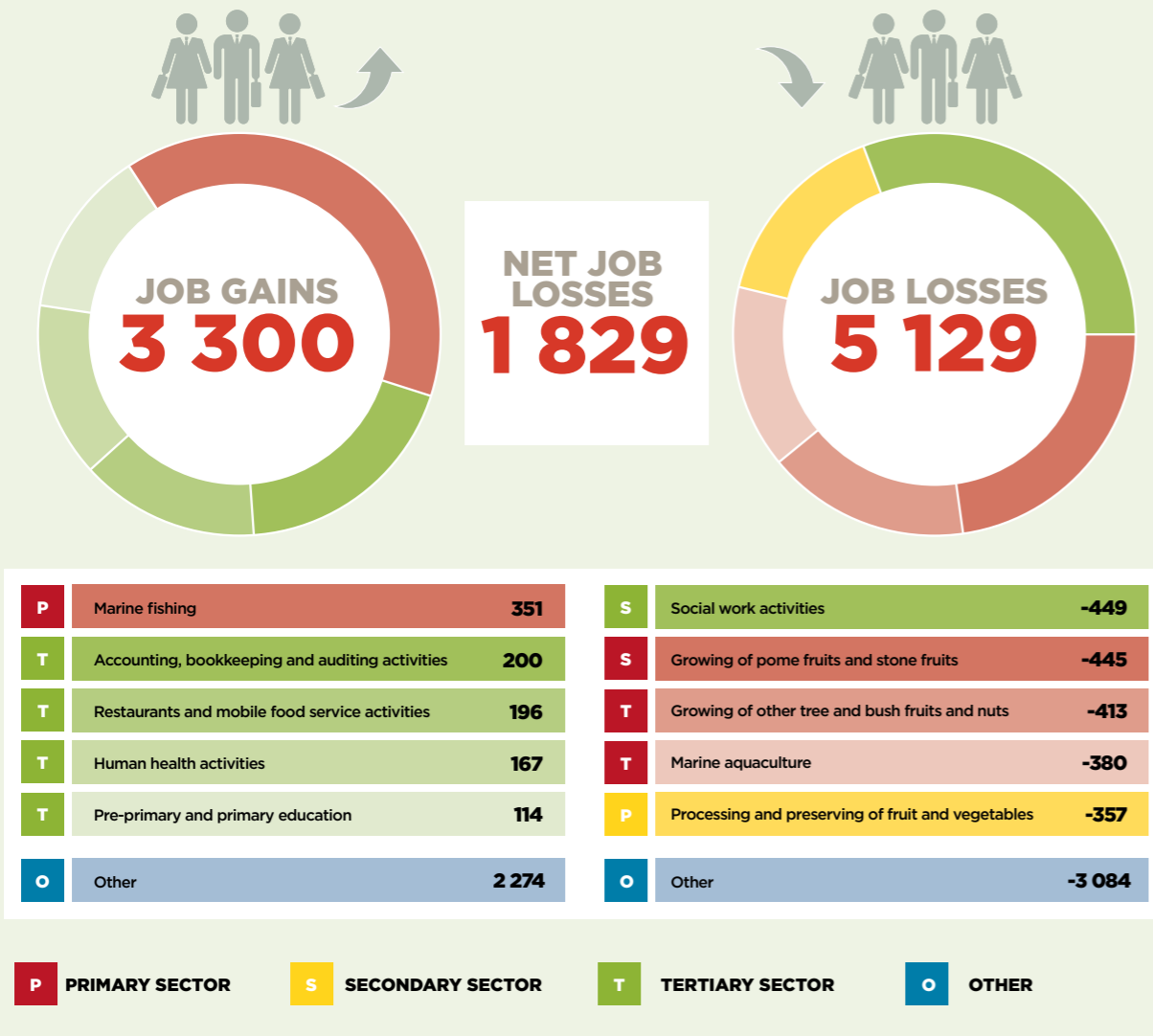
### TOP 5 SECTORS FOR YOUTH EMPLOYMENT OVERBERG DISTRICT, 2024



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

Figure 2.1.7:

### TOP 5 SECTORS FOR FORMAL JOB GAINS AND LOSSES, OVERBERG DISTRICT, 2023-2024



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

Changes to formal employment in the OD between 2023 and 2024 stemmed from growth in a few service industries as well as reductions in several core agricultural activities. The largest increase occurred in marine fishing (351 jobs), supported by larger harvest volumes, rising export demand and the continued dependence of coastal communities on ocean-based work. Further gains were recorded in accounting and bookkeeping services (200 jobs), restaurants and mobile food services (196 jobs), human health activities (167 jobs) and pre-primary and primary education (114 jobs). These increases pointed to additional demand for administrative services, greater hospitality activity linked to tourism flows in towns such as Hermanus and Swellendam, and population-driven requirements for schooling and basic healthcare. Combined, these sectors generated short-term support for job creation in activities less exposed to climate-sensitive production cycles than agriculture and agro-processing.

Job losses in 2024, however, outweighed these gains. The largest decline occurred in social work activities (449 jobs), driven by the scaling down of donor-funded programmes and financial pressures faced by non-profit organisations (NPO) operating in the District. Substantial reductions in pome and stone fruit farming (445 jobs) and in other tree and bush fruit production (413) were linked to a difficult harvest cycle characterised by irregular weather conditions, higher irrigation costs and lower packhouse intake for export markets. Marine aquaculture (380 jobs) also contracted due to biosecurity incidents and rising production costs that limited output. Within the secondary sector, the processing and preserving of fruit and vegetables (357 jobs) declined due to reduced availability of raw materials and weaker international demand for processed fruit. Collectively, these losses showed the OD’s sensitivity to climate volatility, input cost inflation and shifts in global consumption patterns. This was particularly the case in the fruit industry, which supports much of the District’s value chains.

The GDP outlook for 2025 and 2026 points to improving conditions after a challenging 2024. While the primary sector contracted by an estimated 11.1 per cent in 2024, it is expected to have grown by 8.6 per cent in 2025 and to expand by 12.8 per cent in 2026. This recovery is supported by better rainfall, recovery in fruit-growing cycles and more stable export logistics. Manufacturing is expected to have expanded by 4.6 per cent in 2025, driven by stronger activity in food and beverage processing following the stabilisation of fruit supplies as well as by increases in smaller specialised manufacturing activities. The latter are found in municipal areas such as Overstrand and Theewaterskloof. Construction, which declined by 5.2 per cent in 2024, is anticipated to have grown by 2.4 per cent in 2025 as residential and tourism-related developments regained momentum in coastal towns.

Growth in the tertiary sector is expected to remain steady, with trade projected to have risen by 9.8 per cent in 2025 as household spending improved and visitor numbers stabilised. Finance, general government and personal services each show moderate growth expectations, pointing to continued demand for administrative, financial and social service functions across expanding nodes such as Hermanus, Bredasdorp and Caledon. Transport and communication services also maintain positive forecasts, supported by the District’s location along key transit corridors linking the Southern Cape to Cape Town.





## 2.2 Comparative advantage

**TABLE 2.2.1**  
**LOCATION QUOTIENT IN TERMS OF**  
**GPDR AND EMPLOYMENT**  
**OVERBERG DISTRICT, 2024**

SECTOR	GPDR	EMPLOYMENT
<b>PRIMARY SECTOR</b>	1.31	2.00
AGRICULTURE	3.64	2.88
MINING	0.01	0.01
<b>SECONDARY SECTOR</b>	1.13	0.93
MANUFACTURING	1.06	0.86
ELECTRICITY	0.74	0.66
CONSTRUCTION	1.92	1.09
<b>TERTIARY SECTOR</b>	0.94	0.87
TRADE	1.21	1.03
TRANSPORT	1.24	0.92
FINANCE	1.05	0.93
GENERAL GOVERNMENT	0.52	0.67
PERSONAL SERVICES	0.63	0.71

Source: Quantec, 2025

Location quotients (LQ) provide a way of assessing whether a certain sector in a region has a comparative advantage in relation to that sector on a national scale. An LQ measures the regional strength of the sector against its position nationally.

- An LQ greater than one indicates that the sector in question has a comparative advantage in the region relative to its position nationally.
- An LQ of less than one suggests that the sector’s position in the region is weaker than its position nationally.
- An LQ of one indicates that the sector has no comparative advantage or disadvantage in the region relative to its position nationally.

**TABLE 2.1.1**  
**GPDR FORECAST PER SECTOR**  
**OVERBERG DISTRICT, 2021-2026 f**

SECTOR	2021-2023	2024	2025	2026
<b>PRIMARY SECTOR</b>	-1.4%	-11.1%	8.6%	12.8%
AGRICULTURE	-1.4%	-11.1%	8.6%	12.9%
MINING	-7.3%	-0.5%	-0.5%	-0.5%
<b>SECONDARY SECTOR</b>	1.0%	-0.3%	2.2%	2.2%
MANUFACTURING	2.1%	1.0%	4.6%	2.4%
ELECTRICITY	-2.6%	4.6%	-0.2%	-0.2%
CONSTRUCTION	-0.4%	-5.2%	2.4%	2.3%
<b>TERTIARY SECTOR</b>	4.1%	3.1%	2.3%	2.3%
TRADE	2.7%	-0.6%	9.8%	2.1%
TRANSPORT	13.0%	1.4%	2.4%	2.4%
FINANCE	3.1%	4.0%	2.9%	2.8%
GENERAL GOVERNMENT	-0.1%	-0.6%	8.9%	1.3%
PERSONAL SERVICES	2.5%	9.8%	-2.8%	2.0%
<b>TOTAL CAPE WINELANDS DISTRICT</b>	<b>2.8%</b>	<b>0.8%</b>	<b>0.6%</b>	<b>2.2%</b>

Source: Quantec, 2025

The comparative advantage profile of the OD in 2024 was largely driven by the District’s agricultural base, which remained its strongest area of specialisation. Agriculture recorded very high location quotients (LQ) for both GDP (3.64) and employment (2.88), consistent with earlier findings showing that pome fruit, citrus, mixed farming and post-harvest activities form the backbone of work opportunities in Theewaterskloof, Swellendam and Cape Agulhas. This concentration helps explain why changes in fruit-growing output had a sizeable impact on overall employment in 2024 and why semi-skilled and low-skilled roles continue to make up the majority of the District’s skills base.

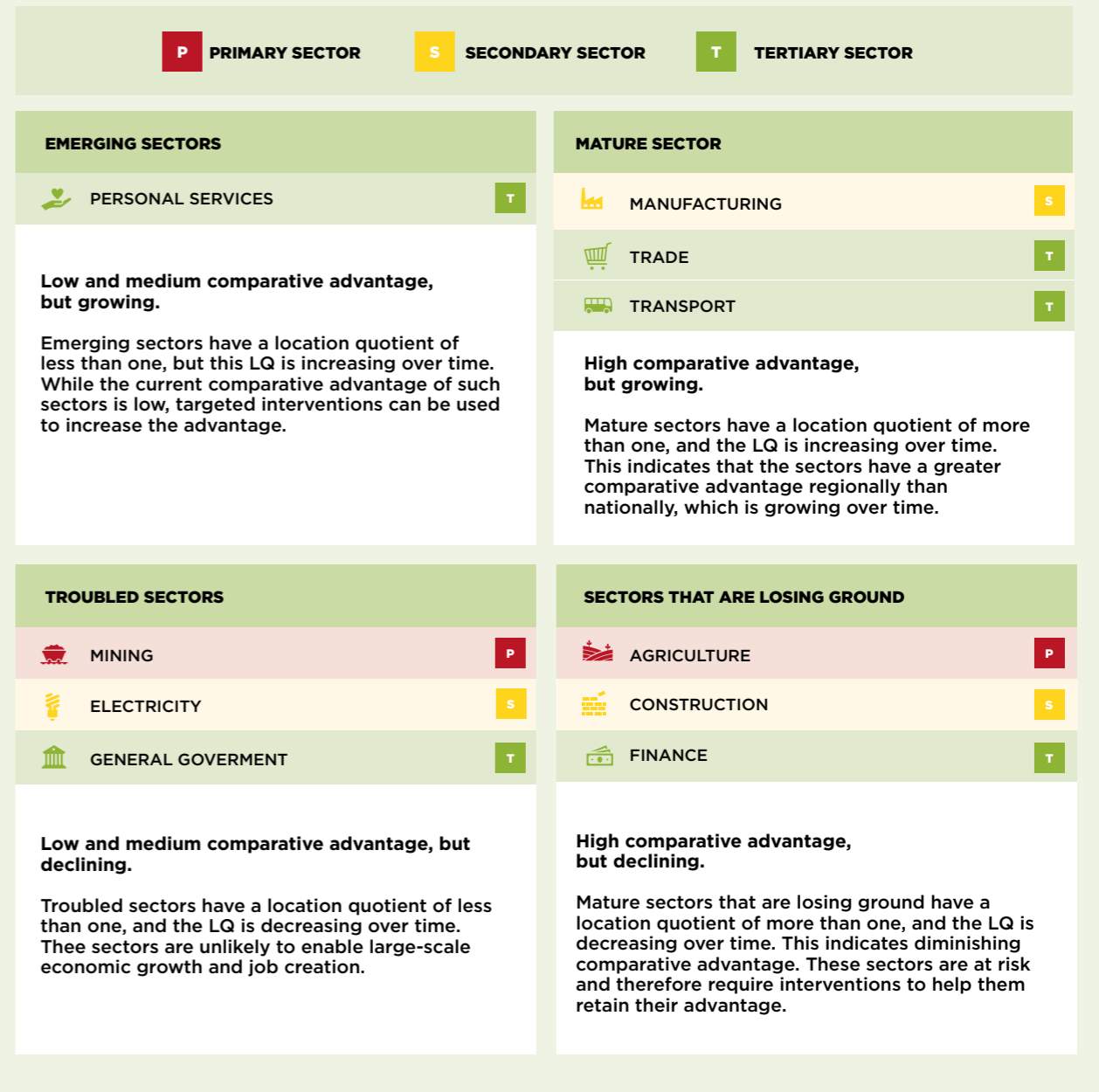
For secondary industries, the situation was more varied. Manufacturing recorded an LQ of 1.06 for GDP. This indicates that agro-processing and food-related production provide the OD with a competitive foothold, even though the employment LQ of the sector (0.86) shows comparatively lower labour absorption. Construction registered a strong LQ for GDP (1.92) and a slightly-above-average employment LQ (1.09), supported by residential expansion in centres such as Overstrand and Theewaterskloof. However, as noted, output and hiring in this sector fluctuate with investment cycles, placing it at risk during periods of higher borrowing costs. The LQ for GDP of the transport, storage and communications sector (1.24) shows that this sector also has an advantage with regard to output. This stems from the movement of agricultural products, regional logistics routes and tourism-related activity.

Most tertiary activities operated at levels lower than the Provincial benchmark in 2024, although trade (an LQ of 1.21 for GDP and of 1.03 for employment) remained consistent with the District’s retail base in Overstrand and Caledon. Finance, general government and personal services all recorded LQs below 1.0. This indicates that these activities function at a smaller scale compared to the Province, even though they contribute meaningfully to local jobs. The comparatively limited presence of higher-order services helps explain why the District’s skills profile has not shifted towards relatively advanced occupations and why municipal areas continue to rely heavily on semi-skilled and low-skilled labour.



DIAGRAM 2.2.1

## SECTORAL POTENTIAL OVERBERG DISTRICT, 2024



Source: Quantec, 2025

### 3. Municipal GDPR and employment performance



# 3.1 CAPE AGULHAS

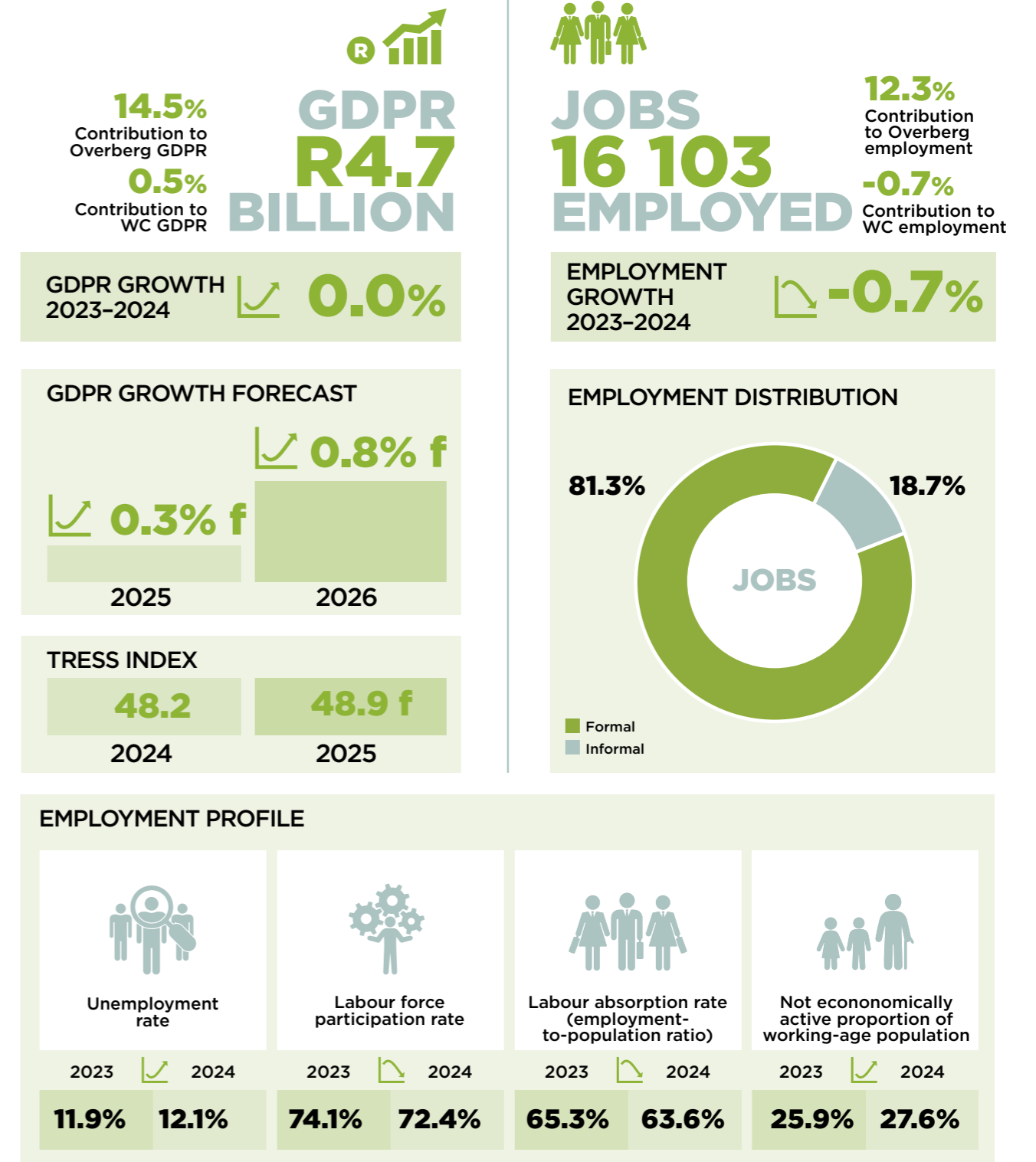
## Introduction

The Cape Agulhas municipal area forms part of the Overberg District (OD). Its location at the southernmost tip of Africa, where the Atlantic and Indian Oceans converge, makes the area a landmark destination in South Africa. Bredasdorp functions as the administrative and commercial hub of Cape Agulhas, while coastal settlements such as L'Agulhas and Struisbaai provide a relaxed seaside atmosphere. Attractions include the Cape Agulhas Lighthouse, the symbolic southern tip of the continent, the Agulhas National Park (featuring rare fynbos and birdlife) and long stretches of unspoiled coastline. Visitors can enjoy whale watching, hiking, fishing, and exploring maritime museums and heritage villages. L'Agulhas and Struisbaai, in particular, offer family-friendly beaches and access to coastal trails. Agriculture, fishing and tourism form the foundation of the local economy, supporting livelihoods and contributing to regional development.

### Municipal GDPR and employment

DIAGRAM 3.1.1: MUNICIPAL GDPR (CURRENT PRICES) AND EMPLOYMENT, Cape Agulhas, 2024

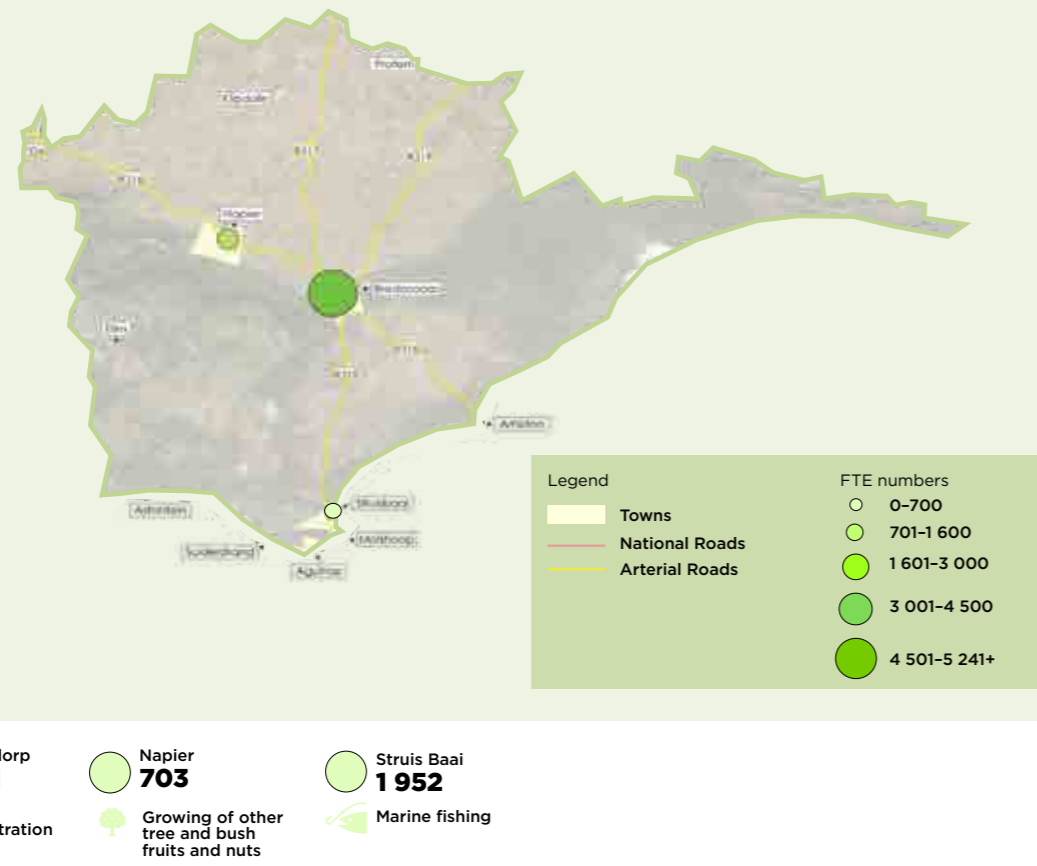
## CAPE AGULHAS, 2024 GDPR AND EMPLOYMENT



Source: Quantec, 2025

MAP 3.1.1

## NUMBER OF FTE JOBS PER TOWN AND MAIN SECTOR, CAPE AGULHAS, 2024



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

In 2024, the gross domestic product per region (GDPR) of Cape Agulhas measured R4.7 billion. This was unchanged from its 2023 level, indicating no real economic growth during the year. Cape Agulhas contributed 14.5 per cent to the GDPR of the Overberg District (OD), and 0.5 per cent of Provincial economic output.

A total of 16 103 individuals were employed in the area in 2024, representing a slight decline in the jobs total (of 0.7 per cent) relative to the figure recorded in 2023. The Cape Agulhas municipal area accounted for 12.3 per cent of employment in the OD in 2024, and 0.6 per cent of employment in the Western Cape as a whole.

The structure of employment in the municipal area remained predominantly formal, with formal jobs constituting 81.3 per cent of the total and informal employment making up the remaining 18.7 per cent. Although a relatively small share of overall employment, informal work continues to play an important role in supporting local livelihoods and enabling labour absorption, particularly in trade, personal services and agriculture.<sup>8</sup>

<sup>8</sup> (Stats SA, 2025).

Consistent with the sluggish performance of the local economy, the unemployment rate of Cape Agulhas increased from 11.9 per cent in 2023 to 12.1 per cent in 2024. The labour force participation rate declined from 74.1 per cent to 72.4 per cent, and the labour absorption rate fell from 65.3 per cent to 63.6 per cent. These trends suggest that limited economic expansion constrained job creation in 2024, with structural constraints such as skills mismatches, infrastructure backlogs and dependency on seasonal/agricultural sectors also playing a role in suppressing employment growth.

Consistent with the weak economic performance in 2024, labour-market indicators also deteriorated. Both the labour-force participation rate and the labour-absorption rate declined by 1.7 percentage points over the period. The unemployment rate also increased, indicating that fewer residents were able to secure work despite only marginal changes in the size of the labour force.

These movements reflect the limited capacity of the local economy to generate new employment opportunities during a period of stagnant GDP. This outcome is consistent with Provincial and national evidence showing that rural municipal areas experience sharper declines in participation and absorption rates when economic growth slows, particularly where labour markets are dominated by seasonal agriculture, tourism cycles and public sector services.<sup>9</sup> Structural factors, including skills mismatches, limited post-school training options, and infrastructure constraints affecting firm expansion, further restrict employment creation in Cape Agulhas, contributing to the sensitivity of the local labour market to periods of low growth.

The GDPR outlook for the Cape Agulhas municipal area points to a slow but steady recovery over the medium term. Growth of 0.3 per cent is projected for 2025, increasing to 0.8 per cent in 2026, indicating an early phase of economic stabilisation after the stagnant performance recorded between 2023 and 2024. These forecasts are predicated on gradual improvements in agricultural conditions, continued demand for essential services, and the contribution of the tourism sector, which, although seasonal, remains an important driver of local economic activity and visitor spending.

The projected recovery is moderate. This pace is influenced by the municipal area's economic structure, which is shaped by agriculture, tourism, and community services. While these sectors provide a stable foundation, they also limit the speed at which growth can accelerate. Strengthening value-added activities linked to tourism, expanding small-enterprise development, and enhancing resilience in primary production will be important for supporting stronger medium-term growth.

The Tress Index, which measures the degree of economic concentration across sectors, provides further insight into the structure of the Cape Agulhas economy. The municipal area recorded a value of 48.2 in 2024, rising to 48.9 in the 2025 forecast. Because higher values indicate stronger dependence on a narrow set of sectors, this upward shift confirms continued reliance on agriculture and core service activities. While these sectors remain central to the municipal area's economic identity, such concentration increases the area's exposure to fluctuations linked to agricultural cycles, seasonal employment patterns and public sector-driven services.

Cape Agulhas does, however, possess recognised avenues for diversification. Tourism, cultural and heritage assets, coastal recreation and nature-based enterprises are established strengths that already contribute to local economic activity and can play a greater role in supporting entrepreneurship, small-business development and expanded employment absorption.

<sup>9</sup> (Western Cape Government, 2025).

Complementary growth in emerging service activities, such as finance, specialised retail and public-service-linked industries, would further broaden the economic base. Targeted investment in these areas would help strengthen long-term resilience, stabilise growth, and support a more balanced and inclusive development path for the municipal area.

Employment in the area is geographically concentrated in Bredasdorp, which functions as the administrative and service hub of the region. As the primary centre of public administration, education, retail and community services, Bredasdorp contributes the largest share to local economic activity. Napier’s employment profile is shaped mostly by agriculture and agro-processing, particularly the cultivation of tree and bush fruits and nuts. This is complemented by small-scale agro-tourism and artisanal activities.

The economy of Struisbaai is centred on marine fishing, fish processing and related boat-service activities, with seasonal tourism providing an important additional source of income. L’Agulhas and Arniston, while smaller in size, contribute to the municipal economy mainly through tourism, accommodation and traditional fishing, drawing on their coastal and heritage appeal. Elim plays a modest but distinctive role through viticulture, wine production and cultural tourism, which support rural livelihoods and contribute to local diversification.

The sectoral distribution of municipal GDP shows that the Cape Agulhas economy is dominated by the service-based tertiary sector, which contributed 69.4 per cent of output in 2024 (R3.2 billion of the overall R4.7 billion in GDP). This structural composition is characteristic of a modern, service-oriented economy. Within the tertiary sector, finance (R1.1 billion) was the single largest contributor to municipal output. This category includes banking, insurance and real estate activities. Trade (R908.0 million) was the second-largest contributor to GDP, underscoring the importance of both retail and wholesale commerce in the local economy.

The secondary sector (manufacturing, utilities and construction) contributed 23.0 per cent of GDP in 2024. Manufacturing alone accounted for R746.0 million of this amount, indicating a modest but meaningful industrial base that supports value addition in agro-processing, boatbuilding and construction-related products. Much of this activity is concentrated in and around Bredasdorp, which hosts small-scale manufacturing linked to agricultural inputs, machinery services and marine equipment for the Struisbaai and L’Agulhas fishing cluster. The municipal area’s industrial footprint consists largely of small-scale workshops involved in auto restoration, metal fabrication and furniture manufacturing, with limited opportunities for large-scale industrial expansion.<sup>10</sup> This shows that while the industrial sector is relatively small, it plays an important supporting role in the local economy, particularly in aiding the agricultural and marine sectors through repair, processing, and equipment-related services.

The primary sector, comprising agriculture and mining, contributed 7.5 per cent to local GDP in 2024 (R351.0 million). This comparatively low share contrasts with the sector’s substantial role in employment and land use, illustrating that agriculture, despite its importance for livelihoods, generates relatively low value-added per worker. This is largely due to the labour-intensive nature of farming, seasonal fluctuations in production volumes and yields, and exposure to climatic and market volatility, all of which limit consistency in annual output. Primary sectors in rural municipal areas remain key employers but typically contribute less to GDP growth due to productivity differentials compared to the secondary and tertiary sectors.<sup>11</sup>



<sup>10</sup> (Cape Agulhas Municipality, 2024).

<sup>11</sup> (Western Cape Government, 2025).

Figure 3.1.1:

**GDPR DISTRIBUTION (CURRENT PRICES) CAPE AGULHAS, 2024**

**PRIMARY SECTOR**  
R351.0m

**SECONDARY SECTOR**  
R1 074.0m

**TOTAL GDPR**  
R4 660.0m

**TERTIARY SECTOR**  
R3 235.0m

PRIMARY SECTOR	
<b>SECTOR</b>	<b>2024</b>
Agriculture	R345.0m
Mining	R6.0m
<b>TOTAL</b>	<b>R351.0m</b>

SECONDARY SECTOR	
<b>SECTOR</b>	<b>2024</b>
Manufacturing	R746.0m
Electricity, gas and water	R124.0m
Construction	R204.0m
<b>TOTAL</b>	<b>R1 074.0m</b>

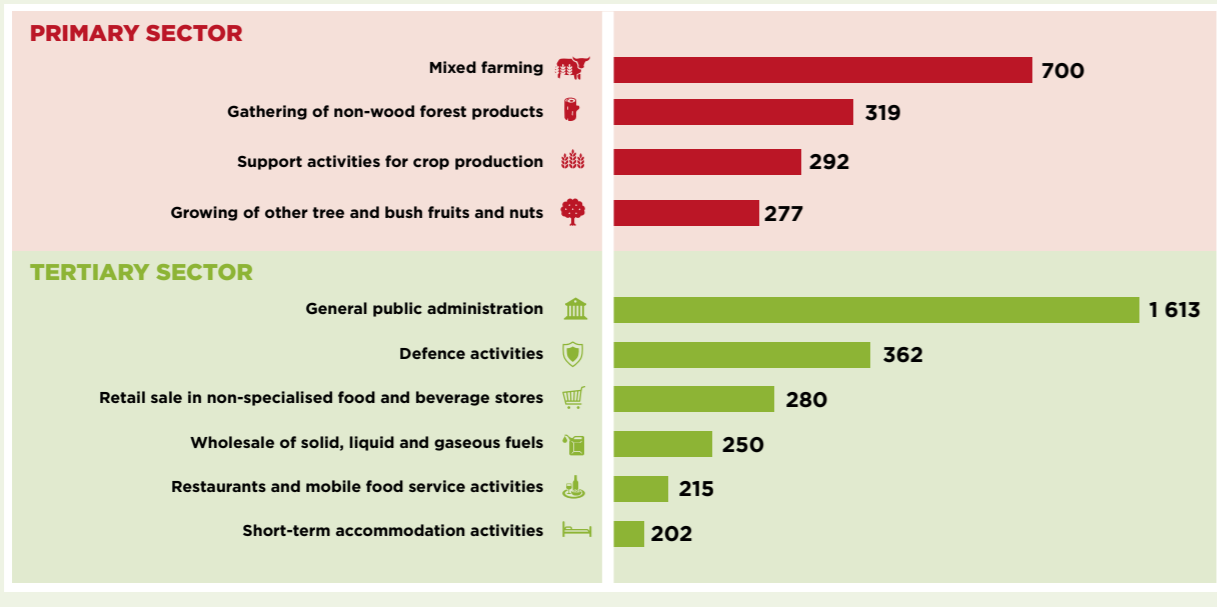
  

TERTIARY SECTOR	
<b>SECTOR</b>	<b>2024</b>
Trade	R908.0m
Transport, storage & communication	R470.0m
Finance	R1 149.0m
General Government	R242.0m
Personal services	R466.0m
<b>TOTAL</b>	<b>R3 235.0m</b>

Source: Quantec, 2025

Figure 3.1.2:

### TOP 10 SECTORS BY NUMBER OF FTE JOBS CAPE AGULHAS, 2024



Source: : Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

The employment profile of Cape Agulhas illustrates the combined influence of the public sector, agriculture, and tourism-related activities on the local labour market. In 2024, general public administration remained the municipal area’s largest source of employment, providing 1 613 full-time equivalent (FTE) jobs. This emphasised its central role in sustaining formal work and stabilising household income. Agriculture followed as a major employer, with mixed farming (700 jobs) and the cultivation of tree and bush fruits and nuts (277 jobs) together accounting for a substantial share of the primary sector labour force. These patterns confirm that although agriculture contributes a smaller share to GDP than services, it remains fundamental for employment, land use practices and rural livelihoods across Bredasdorp, Napier and Elim.

Public sector activity is further supported by defence operations at the Overberg Test Range near Arniston, which provided 362 FTE jobs in 2024, making it the third-largest source of employment in the municipality. This facility has long been identified by Denel and the Western Cape Government as a major regional employer due to its specialised technical, operational and support functions.

Tourism-related activities also feature prominently in the employment structure, showing the Cape Agulhas municipal area’s strong coastal and nature-based tourism economy. Restaurants and mobile food services supported 215 FTE jobs in 2024, while short-term accommodation activities accounted for a further 202 FTE jobs. These sectors draw on the area’s well-established tourism assets, including coastal destinations such as L’Agulhas, Struisbaai and Arniston, as well as heritage- and culture-based attractions in Elim. Their contribution highlights the importance of visitor spending in sustaining local businesses, seasonal employment and small enterprise development, particularly during peak tourism periods.

Figure 3.1.3:

### TOP 5 SECTORS FOR YOUTH EMPLOYMENT CAPE AGULHAS, 2024



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

Youth employment in the Cape Agulhas municipal area is closely aligned with the overall structure of the local economy, with opportunities concentrated in the public sector and agriculture. In 2024, general public administration was the largest source of youth employment (397 FTE jobs), showing the extent to which early-career opportunities are shaped by government-led roles. Young people in rural South Africa often enter work through public sector placements, community-based programmes and Expanded Public Works Programme-type opportunities due to limited entry points in the private sector.<sup>12</sup> Within this context, the heavy reliance on government hiring in Cape Agulhas means that youth employment outcomes are closely tied to public sector budget cycles and recruitment decisions.

Agriculture is the second main pillar of youth employment, with mixed farming providing 164 FTE jobs in 2024 and the cultivation of tree and bush fruits and nuts accounting for 128 FTE jobs. This confirms that the agricultural sector remains essential to absorbing younger workers, particularly in the Bredasdorp, Napier and Elim areas. However, dependence on these subsectors exposes young workers to seasonal variability, weather-related shocks and commodity-price fluctuations.<sup>13</sup>

Together, the predominance of public administration and climate-sensitive agricultural subsectors shows that youth employment opportunities in Cape Agulhas are clustered mainly within sectors that offer stability but relatively limited diversity. While these sectors provide important entry points into the labour market, they do not yet offer a wide range of year-round or higher-productivity pathways for young people, aligning with the broader economic structure observed in the municipal area’s GDP profile.

<sup>12</sup> (Stats SA, 2023).

<sup>13</sup> (Western Cape Government, 2024).

Another important consideration is the limited youth presence in higher-value and expanding areas of the economy. For instance, finance is the largest contributor to GDP in Cape Agulhas, but does not feature among the top sources of youth jobs. This indicates a degree of skills mismatch and constrained entry-level access into the most productive parts of the economy. Lower rates of post-school qualification attainment and more limited exposure to specialised training opportunities commonly restrict young workers' access to high-growth sectors.<sup>14</sup>

Overall, youth employment outcomes in Cape Agulhas are shaped by the concentration of opportunities in the state and in primary production as well as the limited access to diversified private sector pathways. Without skills upgrading, targeted sector development and expanded entry-level opportunities in higher-value industries, younger workers may continue to face constrained long-term income growth and career mobility.

At a sectoral level, work in the agriculture sector is predominantly low-skilled (56.3 per cent of workers). The remaining jobs are largely semi-skilled (36.5 per cent of workers), with skilled employment accounting for only 7.3 per cent of posts. This aligns with the labour-intensive nature of crop and livestock farming as well as horticulture in areas such as Bredasdorp, Napier and Elim, where mechanisation is limited and productivity per worker is modest.

The mining and utilities sectors saw the most growth regarding semi-skilled workers, with mining semi-skilled employment rising 1.7 percentage points (from 55.8 per cent in 2021 to 57.6 per cent in 2024), and electricity, gas and water low-skilled employment increasing by 1.7 percentage points during the same period.

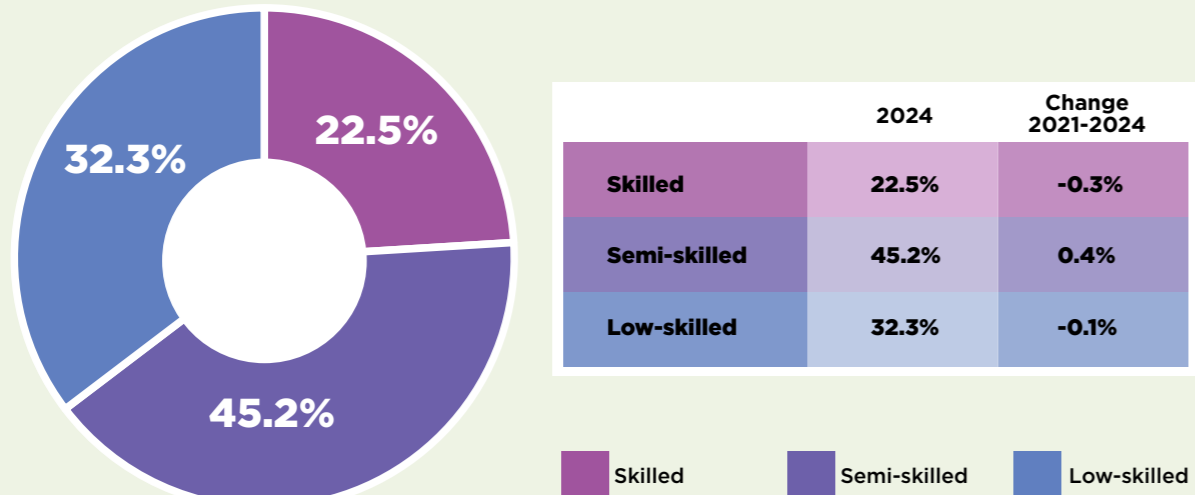
By contrast, skilled employment contracted in several sectors. In manufacturing, the share of the skilled workforce declined by 1.3 per cent (falling from 15.4 per cent in 2021 to 14.1 per cent in 2024), while the share in the electricity, gas and water sector decreased by 0.9 of a percentage point (falling from 16.2 per cent to 15.3 per cent). Similarly, the portion of skilled workers fell by 0.3 per cent in the construction sector (being recorded at 7.9 per cent in 2021, but at 7.6 per cent in 2024).

Growth in low-skilled employment occurred in the agriculture, manufacturing, construction, trade, and electricity, gas and water sectors, indicating ongoing demand for workers to take on routine, labour-intensive tasks. For example, the share of low-skilled employment in manufacturing increased by 0.9 percentage points between 2021 and 2024, while the share in the trade sector rose by 1.6 percentage points. In the case of the electricity, gas and water sector, there was an expansion of 1.7 per cent. These trends highlight the reliance of Cape Agulhas on sectors that can generate employment without a requirement for substantial formal qualifications, thereby providing opportunities for younger and less experienced workers. However, the pattern also shows that the expansion of higher-value, skilled occupations remains limited within the municipal economy.

A significant share of young people in Cape Agulhas are developing their capabilities through participation in the informal economy, which serves as an important though often overlooked avenue for skills development. For many, this is not a preferred long-term option but rather a necessary stepping stone while they wait for access to stable opportunities.<sup>15</sup> Within Cape Agulhas, informal activities typically occur in micro-retail, personal services, domestic work, informal transport and seasonal agricultural support. These types of work enable young people to gain experience in customer service, time management and basic entrepreneurship, highlighting the need for interventions that can help transition informally acquired skills into more secure and productive employment.

Figure 3.1.4:

**SKILLS DISTRIBUTION  
CAPE AGULHAS, 2024**



Source: Quantec, 2025

A review of the skills base of Cape Agulhas shows that in 2024, the workforce was dominated by semi-skilled workers (45.2 per cent), followed by low-skilled workers (32.3 per cent), and skilled workers (22.5 per cent). Changes from 2021 to 2024 were modest, with semi-skilled employment rising slightly (by 0.4 percentage points), while skilled and low-skilled employment experienced small declines (of 0.3 and 0.1 percentage points, respectively). The skills composition aligns with the economic structure of the municipal area, where traditional sectors such as agriculture and construction, alongside public administration, remain important sources of work and tend to absorb more semi- and low-skilled labour than skilled labour.

<sup>14</sup> (Western Cape Government, 2024).

<sup>15</sup> (Harambee, 2024).

## THE ECONOMIC ROLE AND GROWTH POTENTIAL OF THE TOWNSHIP ECONOMY

The township economy constitutes a vital yet under-recognised pillar of South Africa’s economy. Township-based enterprises collectively contribute over R900.0 billion annually to the national gross domestic product, with the majority of activity occurring in informal and micro-enterprise segments that sustain household livelihoods and local circulation of income.

Within the Western Cape, there is a substantial number of entrepreneurs in township areas, who engage in retail, food services, logistics and personal care activities. However, limited access to infrastructure, finance and formal markets constrains growth potential, with approximately 80.0 per cent of businesses remaining unregistered.

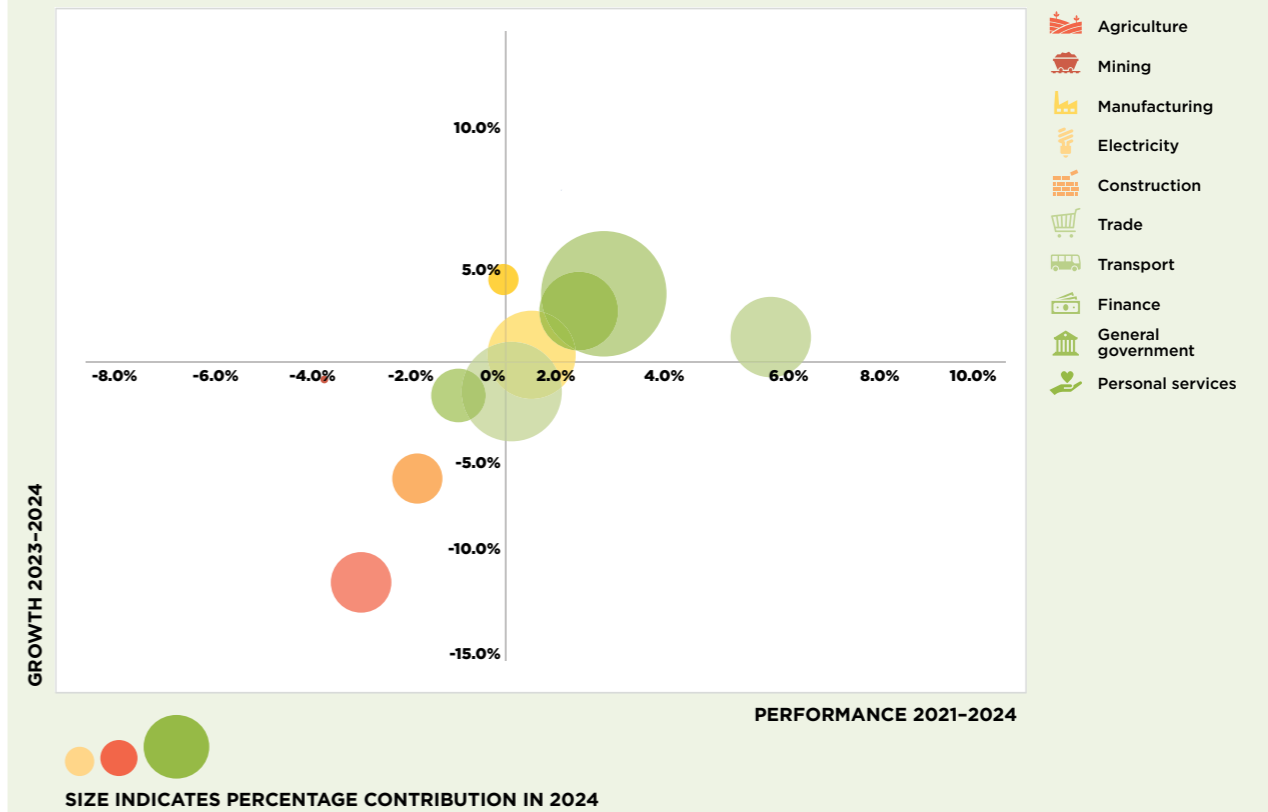
Recent national research emphasises the importance of targeted local government interventions, including the upgrading of trading infrastructure, the simplification of regulatory and licensing processes, and the strengthening of digital and financial inclusion so as to support the integration of township enterprises into wider municipal and regional value chains. Strengthening this segment of the economy can broaden Cape Agulhas’s development base beyond agriculture and formal services, promote inclusive growth, and enhance the overall economic resilience of the municipal area.<sup>16</sup>



<sup>16</sup> (Standard Bank, 2025).

Figure 3.1.5:

### GDPR PERFORMANCE PER SECTOR (CONSTANT PRICES) CAPE AGULHAS, 2021-2024



SECTOR		PERFORMANCE 2021-2024	GROWTH 2023-2024	CONTRIBUTION TO GDP 2024
PRIMARY SECTOR	AGRICULTURE	-3.5%	-11.0%	6.5%
	MINING	-4.3%	-0.9%	0.1%
SECONDARY SECTOR	MANUFACTURING	0.6%	0.4%	13.9%
	ELECTRICITY	-0.1%	4.1%	1.7%
	CONSTRUCTION	-2.1%	-5.8%	4.4%
TERTIARY SECTOR	TRADE	0.1%	-1.5%	17.6%
	TRANSPORT	6.3%	1.2%	11.5%
	FINANCE	2.3%	3.4%	28.1%
	GENERAL GOVERNMENT	-1.1%	-1.7%	5.2%
	PERSONAL SERVICES	1.7%	2.5%	10.9%

Source: Quantec, 2025

In analysing sectoral performance within Cape Agulhas from 2021 to 2024, it is evident that the municipal area shows the presence of two separate economic structures. On the one hand, there is a modernising, adaptive and increasingly services-focused economy. On the other, there remains an economy driven by primary production and trade, constrained by structural limitations

The finance sector was the leading performer between 2021 and 2024, recording a cumulative increase of 2.3 per cent over this period and growth of 3.4 per cent from 2023 to 2024. Accounting for 28.1 per cent of GDP in 2024, it remains the dominant driver of local economic activity. This points to a mature and expanding financial services base, spanning banking, insurance and real estate, which has demonstrated strong productivity and the capacity to withstand recent economic pressures.

The transport, storage and communication sector also performed strongly, achieving 6.3 per cent growth over the 2021 to 2024 period. This expansion points to the growing importance of logistics, goods movement and digital connectivity within Cape Agulhas, supported by rising freight activity, investment in communication networks, and the municipal area's strategic location within wider regional supply chains. The sustained expansion of transport and communication services, despite the subdued performance of the wider economy, shows that this sector increasingly serves a broader regional market and operates as an export-oriented service provider within the region.

Conversely, the agriculture sector contracted sharply, recording an annual decrease of 11.0 per cent in 2024. This constituted a significant setback for the local economy. The decline was probably driven by factors such as prolonged drought, escalating input costs and fluctuating commodity prices. Given that this sector is one of the area's largest employers, the downturn both dampened overall GDP growth and placed pressure on employment and rural livelihoods.

The finance sector played a key role in sustaining economic activity in 2024, contributing a notable 0.9 percentage points to overall growth. Without this contribution, economic output in OD would have been significantly lower. Relatively good performances were also recorded in the personal services and transport, storage and communication sectors, which accounted for 2.5 per cent and 1.2 per cent of GDP growth, respectively.

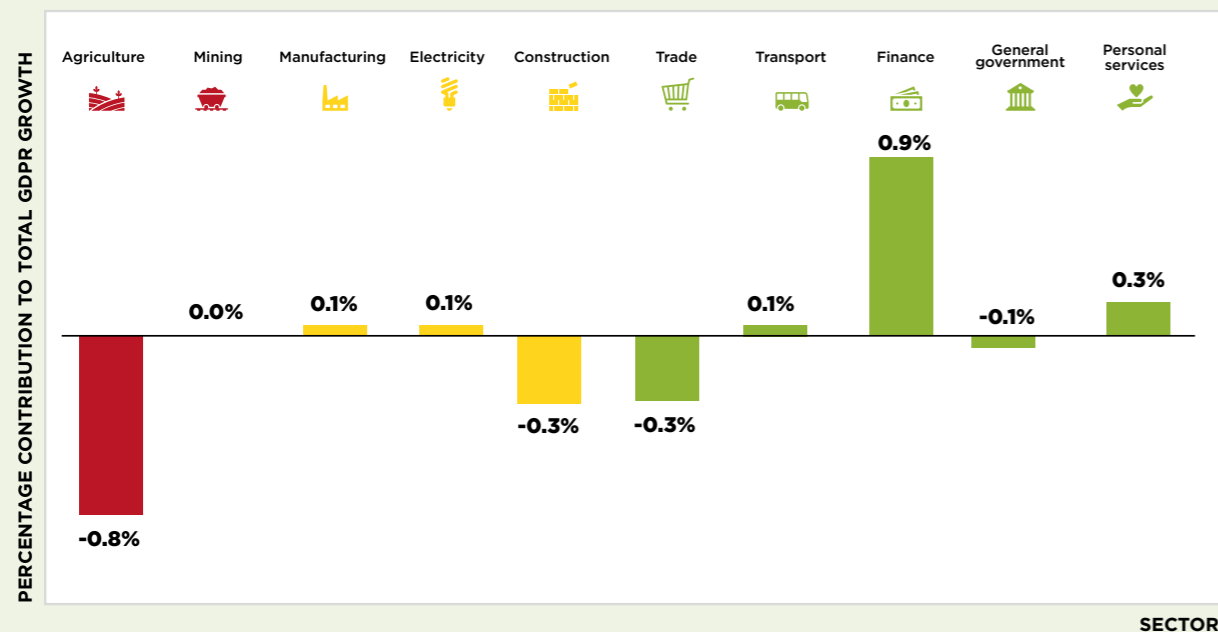
However, these gains were largely offset by contractions in several core sectors. Agriculture had the largest negative effect on overall growth in 2024, reducing it by 0.8 percentage points. This outcome is consistent with broader production pressures across the Western Cape and the country as a whole: during this period, national agricultural output volumes declined, and the Provincial sector reported weaker performance due to ongoing climatic risks, elevated input costs and operational constraints.<sup>17</sup> These factors put pressure on agricultural output and ultimately impact the sector's influence on overall economic stability within the municipal area. Negative contributions by the trade sector (0.3 of a percentage point) and construction (0.3 of a percentage point) further indicate underlying structural pressures. The contraction in trade suggests softer consumer spending and reduced commercial activity, while the decline in construction points to lower levels of building and infrastructure investment (both of which often serve as indicators of business and investor confidence).



<sup>17</sup> (Department of Agriculture, Land Reform and Rural Development, 2024).

Figure 3.1.6:

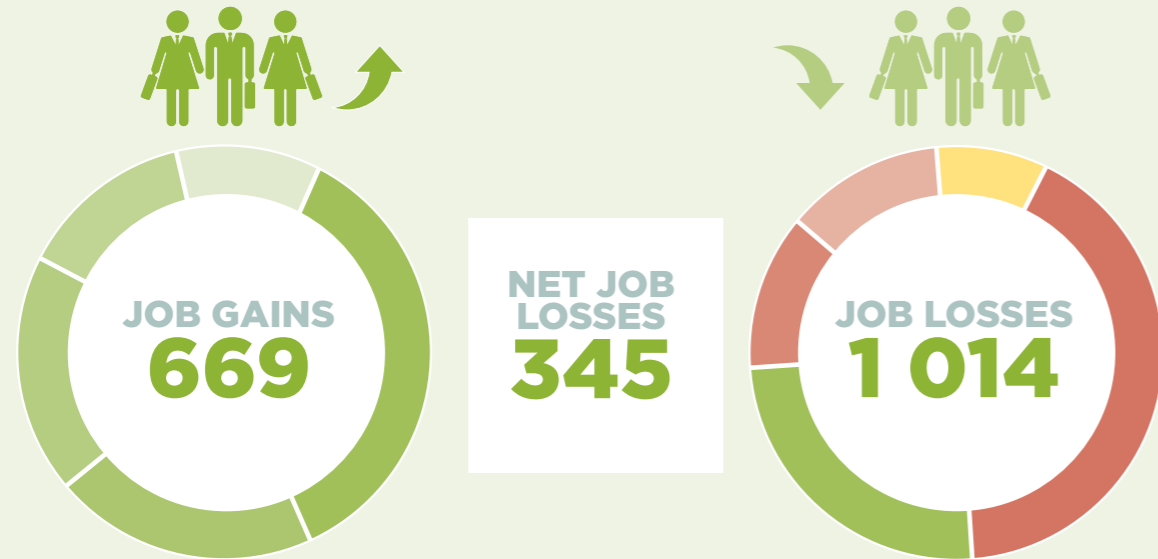
### SECTORAL CONTRIBUTION TO GDP GROWTH (CONSTANT PRICES) CAPE AGULHAS, 2024



Source: Quantec, 2025

Figure 3.1.7:

### TOP 5 SECTORS FOR FORMAL JOB GAINS AND LOSSES, CAPE AGULHAS, 2023-2024



T	Accounting, bookkeeping and auditing activities	106	P	Growing of other tree and bush fruits and nuts	-398
T	Residential care activities for mental health and substance abuse	46	T	Temporary employment agency activities	-138
T	Pre-primary and primary education	45	P	Gathering of non-wood forest products	-60
T	Non-specialised wholesale trade	38	P	Mixed farming	-59
T	Repair of machinery	35	S	Building completion and finishing	-33
O	Other	399	O	Other	-326

**P** PRIMARY SECTOR    **S** SECONDARY SECTOR    **T** TERTIARY SECTOR    **O** OTHER

Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

The net loss of 345 formal jobs from 2023 to 2024 demonstrates an economy undergoing structural adjustment, where gains in selected service industries were outweighed by sharper declines in agricultural and labour market intermediary activities. However, this period also saw the creation of 669 positions, which were concentrated in specialised tertiary sectors. The increases in accounting, bookkeeping and auditing (106 jobs) and repair of machinery (35 jobs) point to the gradual strengthening of a professional and technical services base that supports local enterprise activity. Gains in residential care (46 jobs) and education (45 jobs) further illustrate the stabilising effect of state-funded and essential services, which tend to be less sensitive to short-term economic fluctuations. However, these gains were dispersed across relatively small subsectors and did not amount to a broad-based uplift in employment.

The improvements were overshadowed by substantial job losses concentrated in a few narrow areas. The loss of 398 jobs in the cultivation of tree and bush fruits and nuts in 2024 represented a pronounced sector-specific shock, driven by adverse production conditions, rising input costs and disruptions within relevant agricultural value chains. The scale of this contraction demonstrates the pressure faced by one of the most labour-absorbing agricultural activities in the municipal area. The loss of 138 jobs in temporary employment agency activities is also notable, as this subsector often serves as an indicator of overall business demand. Its contraction points to reduced short-term hiring by firms and softer labour demand across multiple industries.

Together, these employment outcomes align with the broader structural features of the Cape Agulhas economy. The municipal Tress Index, projected to rise in 2025, shows that economic activity remains concentrated within a narrow set of sectors. This concentration means that downturns in a few labour-absorbing activities, particularly agriculture and related intermediary services, can have an outsized impact on total employment. The job loss patterns observed in 2024 therefore, highlight the vulnerability associated with a concentrated economic base and reinforce the need to broaden the range of economic activities. In this regard, the Cape Agulhas municipal area’s established strengths in tourism, nature-based recreation, and coastal heritage assets offer scope to expand employment opportunities and reduce reliance on a small number of primary and service sectors, thereby supporting more stable labour-market outcomes over time.





# 3.2 OVERSTRAND

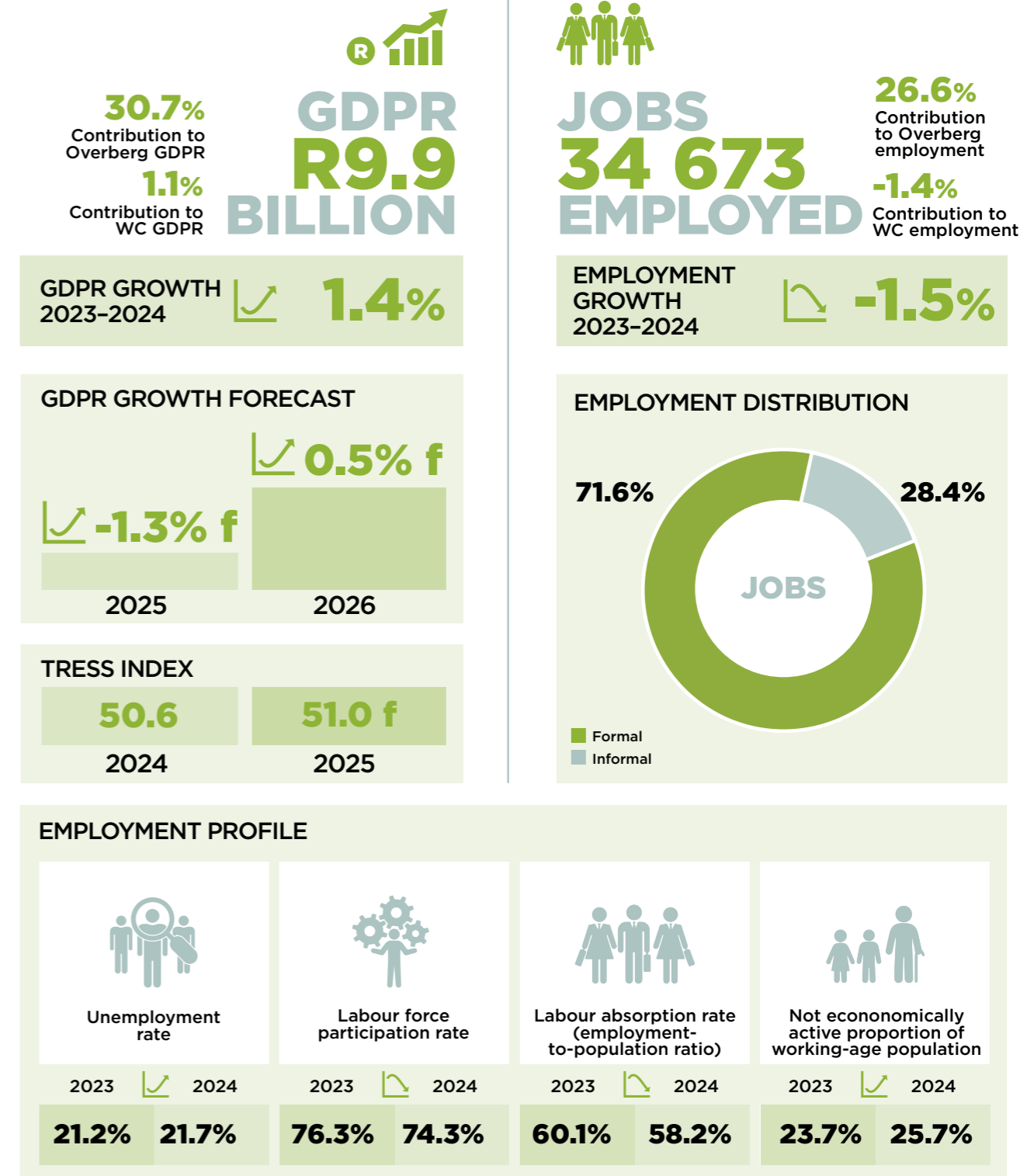
## Introduction

The Overstrand municipal area, part of the Overberg District (OD), spans a dramatic coastline that stretches from Kleinmond to Gansbaai, incorporating both bustling seaside towns and quiet rural villages. Hermanus serves as the administrative and economic centre, while Gansbaai, Kleinmond and Stanford each offer distinctive cultural and ecological attractions. The area is especially famous as a site for whale watching, with thousands of visitors flocking to Walker Bay annually to observe the Southern Right Whales as they migrate to the sheltered, warmer waters of the bay to calve and nurse their young between June and November. It also boasts shark cage diving in Gansbaai, the pristine beaches and cliffs of the Atlantic coast, and the biodiversity of the Kogelberg Biosphere Reserve. Activities range from hiking and golfing to visiting heritage sites and artisanal markets. Hermanus draws both local and international visitors with its mix of natural splendour, outdoor adventure and vibrant cultural offerings. Tourism is the mainstay of the economy, complemented by agriculture and fishing.

## Municipal GDPR and employment

DIAGRAM 3.2.1: MUNICIPAL GDPR (CURRENT PRICES) AND EMPLOYMENT, Overstrand, 2024

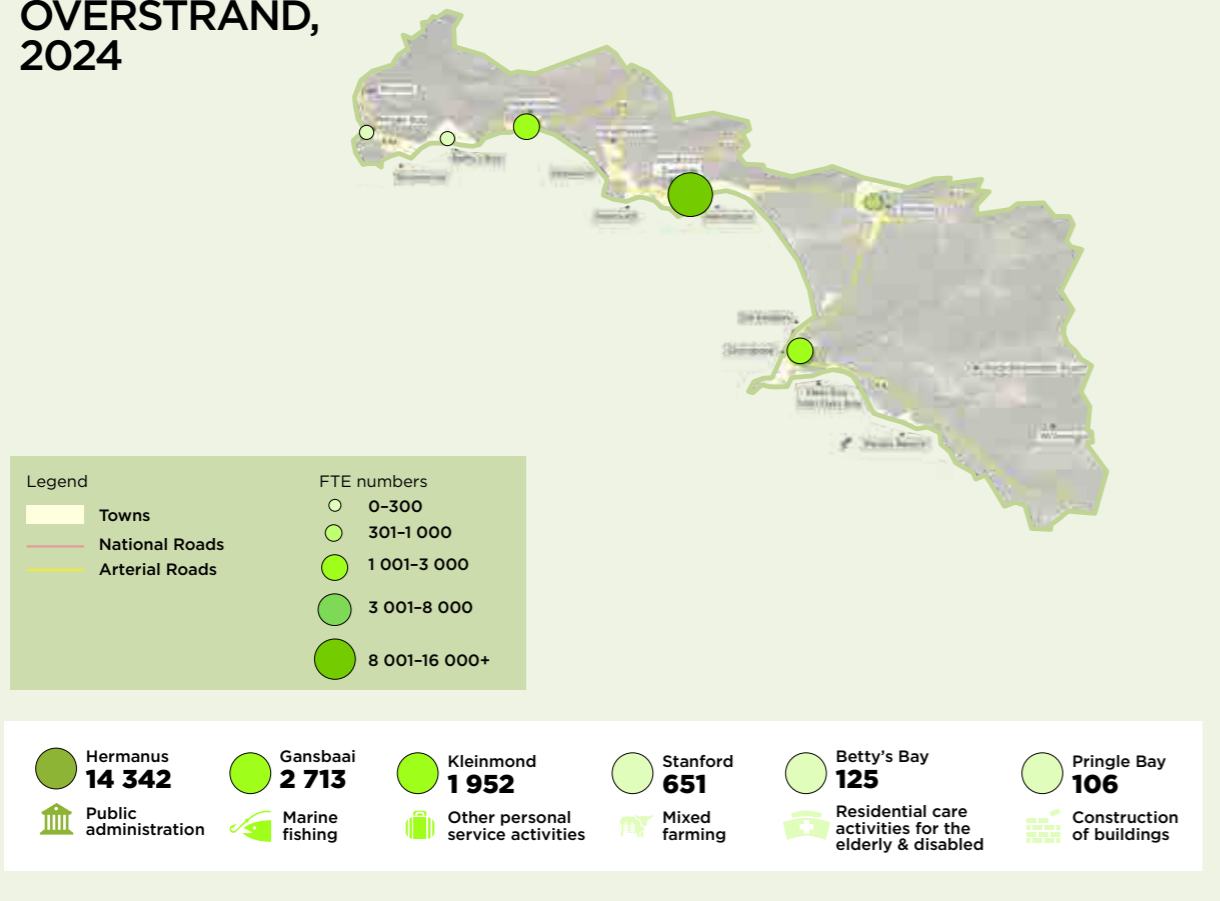
### OVERSTRAND, 2024 GDPR AND EMPLOYMENT



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

MAP 3.2.1:

## NUMBER OF FTE JOBS PER TOWN AND MAIN SECTOR, OVERSTRAND, 2024



Overstrand recorded a gross domestic product per region (GDPR) of R9.9 billion in 2024, marking a marginal 1.4 per cent expansion on the total for the previous year. The municipal area has an important role in the regional economy, contributing 30.7 per cent of GDPR generated by the Overberg District (OD) in 2024 and 1.1 per cent of Western Cape output.

While GDPR increased in 2024, labour-market conditions deteriorated somewhat. Total employment declined by 1.5 per cent, with the number of employed persons falling from 35 188 in 2023 to 34 673 in 2024. Overstrand accounted for 26.6 per cent of the District's jobs in 2024 and 1.4 per cent of employment in the Western Cape. In addition, the unemployment rate increased, rising from 21.2 per cent (2023) to 21.7 per cent (2024). This was coupled with a decline in the labour force participation rate, which fell from 76.3 per cent to 74.3 per cent, indicating that a segment of the working-age population disengaged from the job market. Labour force withdrawal increases when job prospects weaken, particularly in smaller and rural economies where job search costs are high.<sup>18</sup> The labour absorption rate fell from 60.1 per cent to 58.2 per cent, and the proportion of the working-age population classified as not economically active rose from 23.7 per cent to 25.7 per cent.

<sup>18</sup> (Stats SA, 2024).

The local workforce had a formalisation rate of 71.6 per cent in 2024, with informal employment accounting for the remaining 28.4 per cent of total employment. The informal sector remains a vital source of livelihoods and contributes significantly to labour absorption.<sup>19</sup> Within Overstrand's economy, informal activity is closely linked to service-oriented and tourism-driven operations. Street trading, informal retail, small-scale hospitality services, coastal craft markets and seasonal activities associated with tourism hubs such as Hermanus and Gansbaai provide important income opportunities and help sustain households, particularly during peak tourist periods. These activities complement the formal tourism and services sector and play an integral role in supporting local economic dynamism.

The economic outlook shows that a period of adjustment is likely, with forecasts indicating a 1.3 per cent contraction in GDPR in 2025 and a slight recovery (of 0.5 per cent) in 2026. These predictions reflect a combination of factors, including anticipated decline in demand for tourism-linked services, volatility in the primary sector, and national economic challenges related to elevated operating costs and subdued consumer spending. Sustained recovery will depend on improvements to conditions in service industries, continued demand for tourism services and stabilisation within key coastal and agricultural value chains.

The Tress Index provides further insight into these dynamics. Overstrand recorded a Tress Index of 50.6 in 2024, a figure that is projected to rise slightly to 51.0 in 2025. As higher values indicate greater economic concentration, this upward movement shows that the municipal area remains reliant on a small number of sectors, most notably tourism, finance and marine-related activities. As a result of this concentration, Overstrand is vulnerable to sector-specific fluctuations, because downturns in tourism, finance or marine-related activities can disproportionately affect overall economic performance and employment. This highlights the importance of continued diversification across services, small business development, and promoting niche coastal and heritage-based industries to strengthen longer-term economic stability.

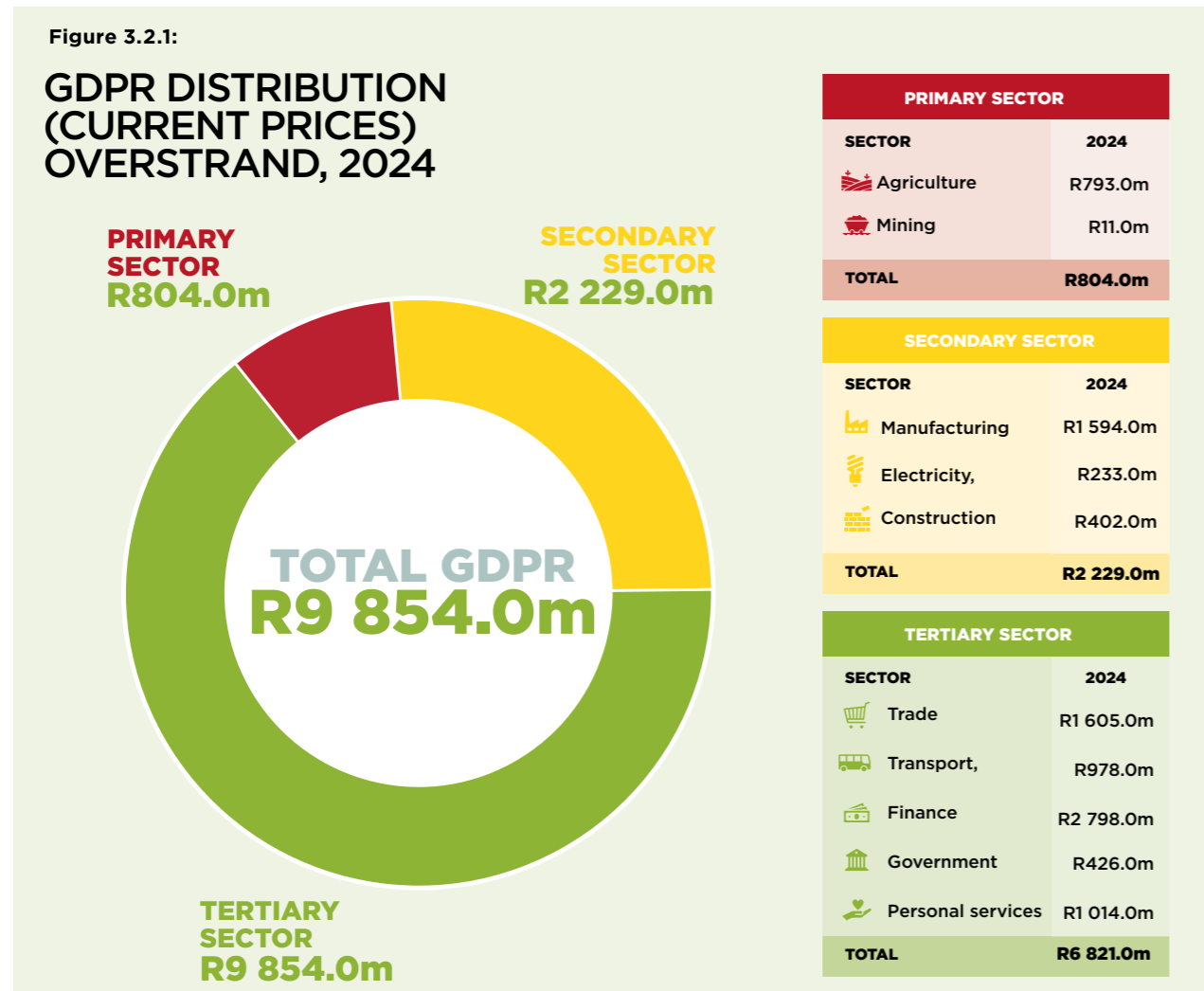
Economic activity in Overstrand also displays strong spatial concentration. Hermanus functions as the administrative and economic core of the municipality, with general public administration, education, health and retail forming the largest sources of formal employment. Gansbaai's economy is centred on marine fishing and related processing, reflecting its established role in the District's fishing value chain. Kleinmond shows a concentration of employment in personal service activities, consistent with its position as a coastal residential and holiday town with a service-oriented economic base.

The smaller settlements have niche and more localised employment structures. Stanford is characterised by its strong agricultural footprint, particularly in mixed farming and agro-tourism-linked activities. Betty's Bay records a notable share of employment in residential care activities, aligned with the presence of facilities serving elderly and disabled residents. Pringle Bay, in turn, shows a concentration of jobs in construction-related activities, driven predominantly by residential development, renovations and holiday home construction rather than a formal construction industry. The settlement's small scale means that even moderate levels of building activity can appear as the dominant employment category.

<sup>19</sup> (Stats SA, 2024).

These spatial patterns show how Overstrand’s economy combines a strong coastal tourism and services base with marine-related industries and small-scale agriculture while also relying on public sector employment in the larger towns. This structure underpins the municipal area’s economic strengths but also highlights the importance of continued diversification to enhance resilience across its different settlements.

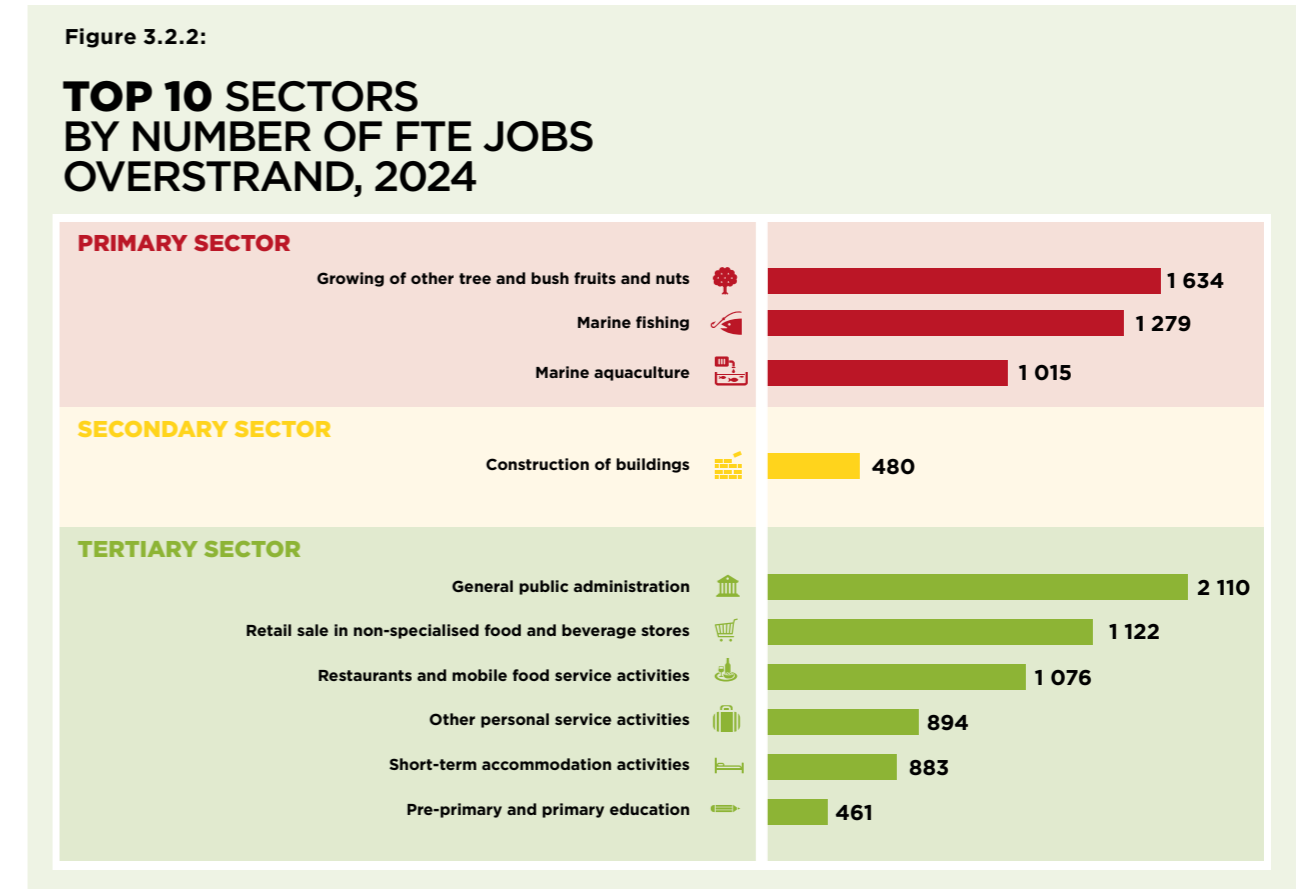
The primary sector, made up of agriculture and mining, contributed 8.2 per cent of total GDP (R804.0 million). While its share of output is smaller relative to services, agriculture remains strategically important due to its role in employment, land use and support for downstream value chains, including food processing, logistics and agro-tourism. Seasonal volatility in primary production also influences year-to-year economic performance.



Source: Quantec, 2025

The structure of the Overstrand economy is dominated by service industries. In 2024, the tertiary sector accounted for 69.2 per cent of municipal GDP (R6.8 billion of the overall R9.9 billion). Within this sector, finance was the most significant contributor, generating 28.4 per cent of local output (R2.8 billion), consistent with the area’s strong property market, retirement economy, and financial intermediation services. Trade (16.3 per cent; R1.6 billion) and transport, storage and communication (9.9 per cent; R978.0 million) were the next largest contributors, supported by Overstrand’s role as a coastal tourism hub and a regional centre for goods movement, retail services and visitor-related activity.

The secondary sector, comprising manufacturing; electricity, gas and water; and construction, collectively accounted for 22.6 per cent of GDP (R2.2 billion). Manufacturing was the largest component, contributing R1.6 billion, driven by food and beverage processing, marine-related fabrication, and construction-linked production activities.



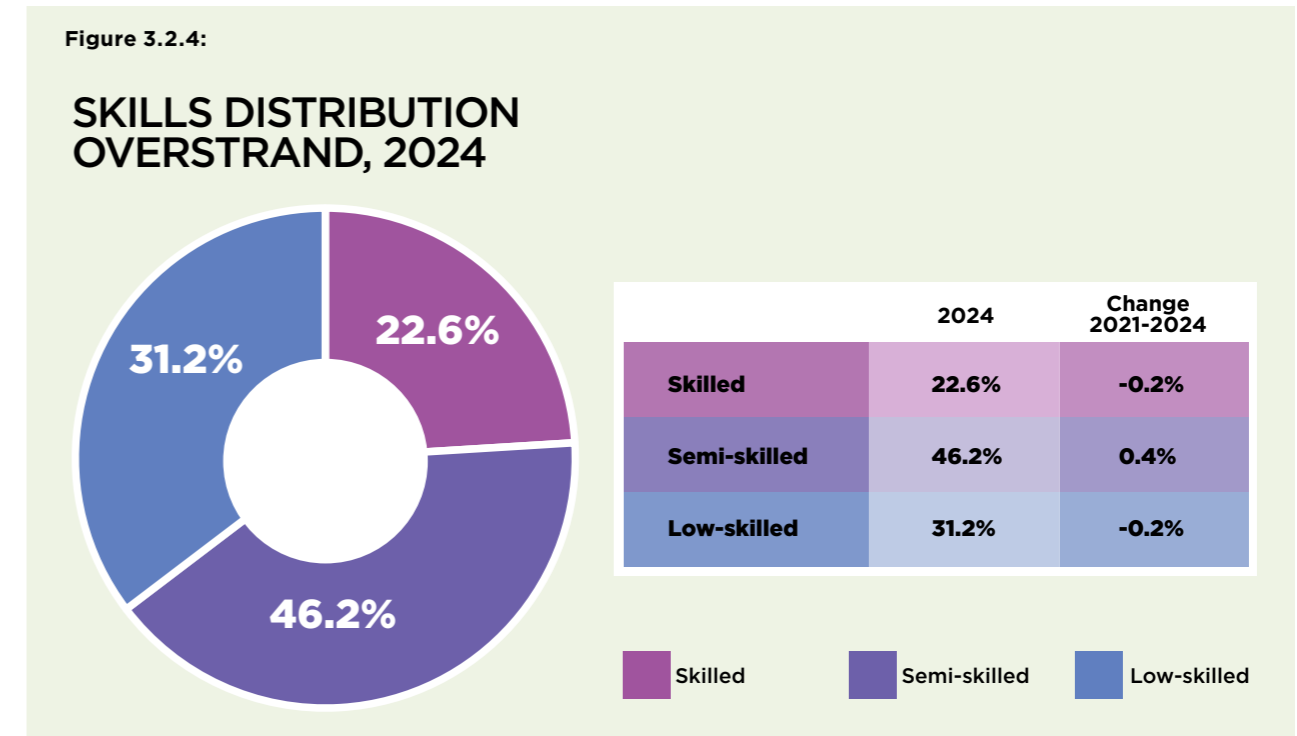
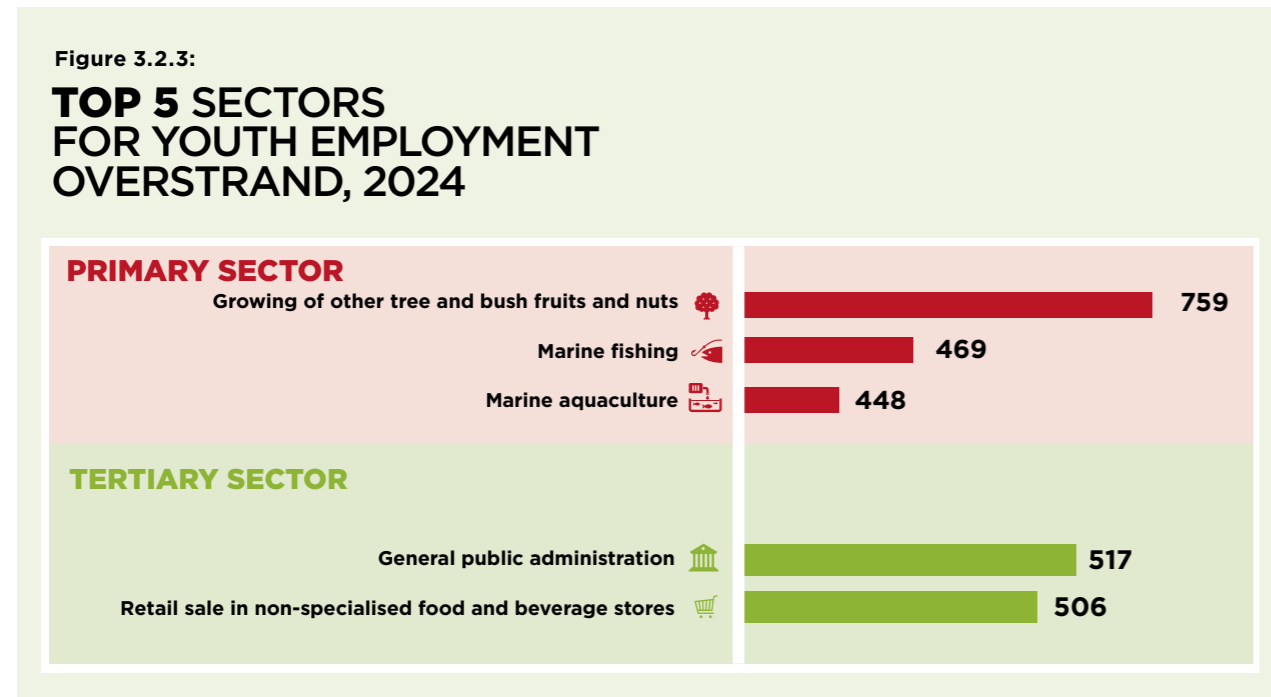
Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

In 2024, general public administration was the single largest source of employment, providing 2 110 full-time equivalent (FTE) jobs and highlighting the role of the public sector in supporting stable, formal work across the municipal area. The primary sector also played a substantial role in employment, with 1 634 FTE jobs in the cultivation of tree and bush fruits and nuts and 1 279 FTE jobs in marine fishing, making these the second- and third-largest employers in the municipal area.

Tourism-related services also feature prominently in the employment landscape. Overstrand’s strong coastal tourism economy, driven by attractions such as whale watching, beaches, nature reserves and hospitality offerings, supports a wide range of service jobs in food services, accommodation, retail and recreation. These activities generate significant seasonal and year-round employment in towns such as Hermanus, Gansbaai and Kleinmond, reinforcing the municipal area’s identity as a major visitor destination in the Western Cape.

Together, the composition of jobs highlights a different set of dominant industries to those foregrounded in the GDPR breakdown. Public administration, agriculture and marine-related activities remain central to job creation, even though finance, trade and other services generate the largest share of economic output. This contrast points to the dual structure of the Overstrand economy, where high-value service sectors drive production while more labour-intensive primary and public sector activities provide most of the jobs. This pattern is typical of tourism-driven coastal municipalities where income is concentrated in specialised services, but employment remains predominantly found in occupations linked to government, agriculture, fisheries and hospitality.<sup>20</sup>

higher-productivity segments of the economy, including professional tourism services, finance-related activities, digital services and technical fields, so that young people can participate in a wider range of long-term employment opportunities consistent with the municipal area's overall economic development.



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

Source: Quantec, 2025

Youth employment in the Overstrand municipal area is concentrated within a small group of industries that closely align with the broader employment structure. In 2024, the cultivation of tree and bush fruits and nuts was the largest source of youth jobs, providing 759 FTE positions, followed by general public administration (517 jobs) and retail in non-specialised food stores (506 jobs). Marine-based activities also played a significant role, with marine fishing (469 jobs) and marine aquaculture (448 jobs) ranking among the top five contributors to youth employment. These sectors dominate early-career labour absorption in towns such as Hermanus, Kleinmond and Gansbaai, where agriculture, public administration, retail and fishing remain central to the functioning of the local economy.

The skills composition of the Overstrand municipal area's workforce shows a labour market dominated by semi-skilled and low-skilled roles. In 2024, semi-skilled workers accounted for 46.2 per cent of the workforce, followed by low-skilled workers at 31.2 per cent and skilled workers at 22.6 per cent. Over the 2021 to 2024 period, this distribution changed only slightly: the share of skilled workers remained largely unchanged, semi-skilled employment increased marginally, and low-skilled employment rose in several key industries.

The prominence of these industries shows that youth employment is shaped directly by the municipal area's service-oriented, labour-intensive economic base. While Overstrand has a strong tertiary sector, particularly in finance, trade and tourism, these high-value industries do not yet appear among the leading sources of employment for young workers. Instead, the sectors offering the most opportunities tend to be those with lower entry requirements and strong seasonal or operational demand. This concentration highlights the need to strengthen access to

Across sectors, agriculture, construction; trade; transport, storage and communication; and many community-service activities continued to rely heavily on operational and routine labour. Between 2021 and 2024, the proportion of low-skilled workers increased in manufacturing (by 0.7 of a percentage point), trade (by 1.6 points) and construction (by 0.7 points), reflecting growing demand for labour-intensive tasks in these areas. Over the same period, the share of skilled employment declined in manufacturing (by 1.3 points) and trade (by 0.8 of a percentage point), indicating limited expansion of higher-skill occupations in sectors dominated by seasonal or service-driven activity. In contrast, incremental growth in skilled roles occurred in finance (up 0.3 of a percentage point between 2021 and 2024) and personal services (up 1.0 per cent over the same period), consistent with the administrative, clerical and professional functions required to support Overstrand's expanding service-based economy.

<sup>20</sup> (Western Cape Government, 2024).

The informal economy adds an important dimension to Overstrand’s labour market structure, particularly in settlements such as Zwelihle, Mt Pleasant, Hawston and Kleinmond. Informal activities in these areas, including home-based retail, street trading, food preparation, personal services, repairs, and small-scale marine-related work, are predominantly semi-skilled and low-skilled. Tourism-driven Municipalities tend to absorb younger and less-qualified workers into informal activities, but these roles seldom contribute to expanding the skilled labour pool.<sup>21</sup>

### THE ECONOMIC ROLE AND GROWTH POTENTIAL OF THE TOWNSHIP ECONOMY

The township economy constitutes a vital yet under-recognised pillar of South Africa’s economy. Township-based enterprises collectively contribute over R900.0 billion annually to the national gross domestic product, with the majority of activity occurring in informal and micro-enterprise segments that sustain household livelihoods and local circulation of income.

Within the Western Cape, there is a substantial number of entrepreneurs in township areas, who engage in retail, food services, logistics and personal care activities. However, limited access to infrastructure, finance and formal markets constrains growth potential, with approximately 80.0 per cent of businesses remaining unregistered.

Recent national research emphasises the importance of targeted local government interventions, including the upgrading of trading infrastructure, the simplification of regulatory and licensing processes, and the strengthening of digital and financial inclusion so as to support the integration of township enterprises into wider municipal and regional value chains. Strengthening this segment of the economy can broaden Overstrand’s development base beyond agriculture and formal services, promote inclusive growth, and enhance the overall economic resilience of the municipal area.<sup>22</sup>

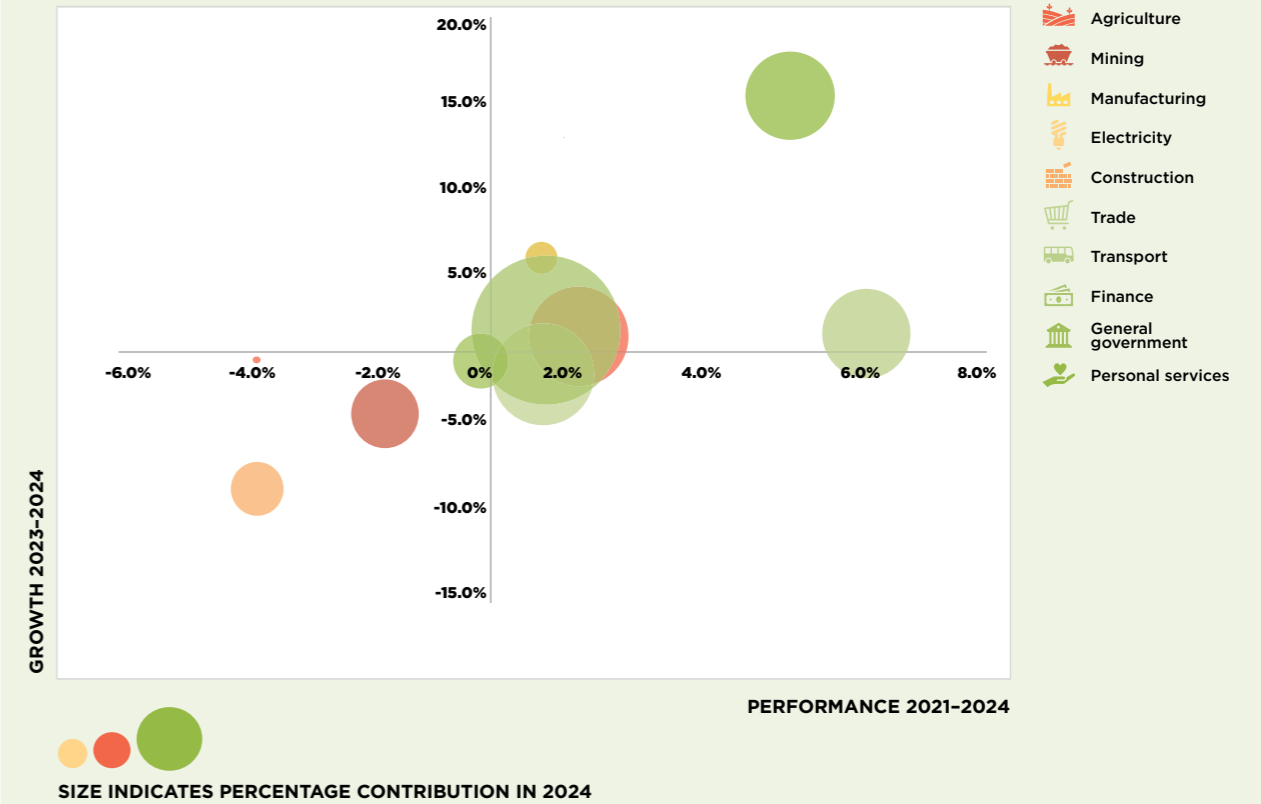


<sup>21</sup> (Stats SA, 2024).

<sup>22</sup> (Standard Bank, 2025).

Figure 3.2.5:

### GDPR PERFORMANCE PER SECTOR (CONSTANT PRICES) OVERSTRAND, 2021-2024



Source: Quantec, 2025

A review of sectoral GDPR performance in Overstrand between 2021 and 2024 shows varied recovery patterns across the local economy. The personal services sector was the strongest performer over this period, expanding consistently and recording additional growth between 2023 and 2024. The transport, storage and communication sector also strengthened, achieving steady gains from 2021 to 2024 and further improvement in 2024. This is consistent with broader trends in tourism-driven municipal areas, where transport and communication services often expand alongside visitor activity and growing regional trade linkages.

By contrast, agriculture and construction experienced contractions. Agriculture declined by 1.7 per cent between 2021 and 2024, with a sharper fall of 3.7 per cent from 2023 to 2024. Construction contracted by 3.8 per cent over the 2021 to 2024 period, including an 8.2 per cent decline between 2023 and 2024. These downturns reflect rising input costs, weaker investment conditions, and the seasonal nature of both primary production and building activity.<sup>23</sup> Mining also recorded a mild contraction over the three-year period, while trade remained broadly flat, indicating constrained consumer spending from 2021 to 2024.

The finance, manufacturing, and electricity, gas and water sectors maintained steady growth across the 2021 to 2024 period. The finance sector made up 32.0 per cent of Overstrand’s GDPR in 2024, remaining the most prominent component of the local economy and supported by financial, real estate and professional services. Manufacturing contributed 14.0 per cent of GDPR in 2024, while trade contributed 14.8 per cent, together forming a core base for sustained economic activity.

The Overstrand municipal area recorded a 1.4 per cent increase in GDPR in 2024, an expansion driven primarily by developments in the personal services and finance sectors. Personal services made the single largest contribution to growth, adding 1.5 percentage points, supported by sustained demand for health, education, community services, and hospitality activities across the municipal area. Finance contributed a further 0.4 of a percentage point, reflecting the continued strength of banking, real estate, professional services and business support functions, which play a key role in sustaining local economic output.

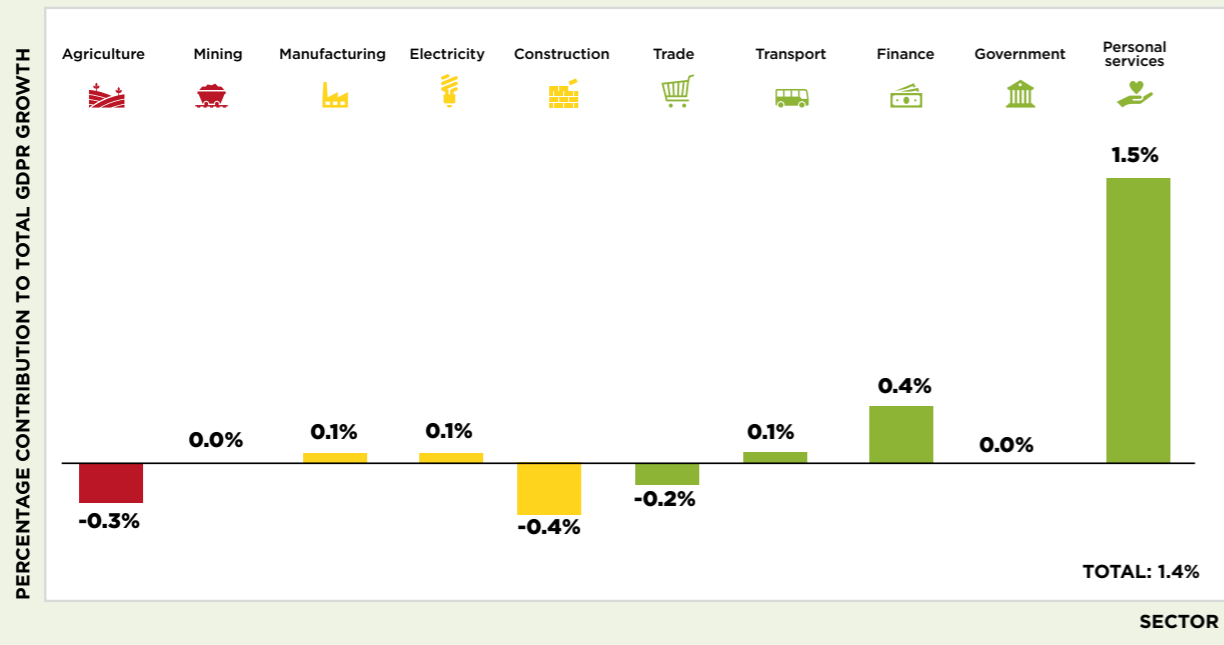
Moderate positive contributions also came from manufacturing; electricity, gas and water; and transport, storage and communication (each adding 0.1 of a percentage point). These outcomes align with the underlying structure of the municipal economy. Food processing and value-adding activities linked to agriculture and fisheries support manufacturing, essential municipal functions maintain steady demand in utilities, and Overstrand’s strong tourism flows, goods movement and regional connectivity sustain activity in logistics and communication services.

These gains were partially offset by negative contributions from several sectors. Construction reduced overall GDPR growth by 0.4 of a percentage point, consistent with the weaker building activity recorded in parts of the District during 2024. Agriculture subtracted 0.3 of a percentage point, owing to constrained production conditions, rising input costs and seasonal fluctuations in output. Trade also recorded a slight negative contribution (0.2 of a percentage point), due largely to slower household spending and reduced consumer footfall in retail during the period.



Figure 3.2.6:

**SECTORAL CONTRIBUTION TO GDPR GROWTH (CONSTANT PRICES) OVERSTRAND, 2024**

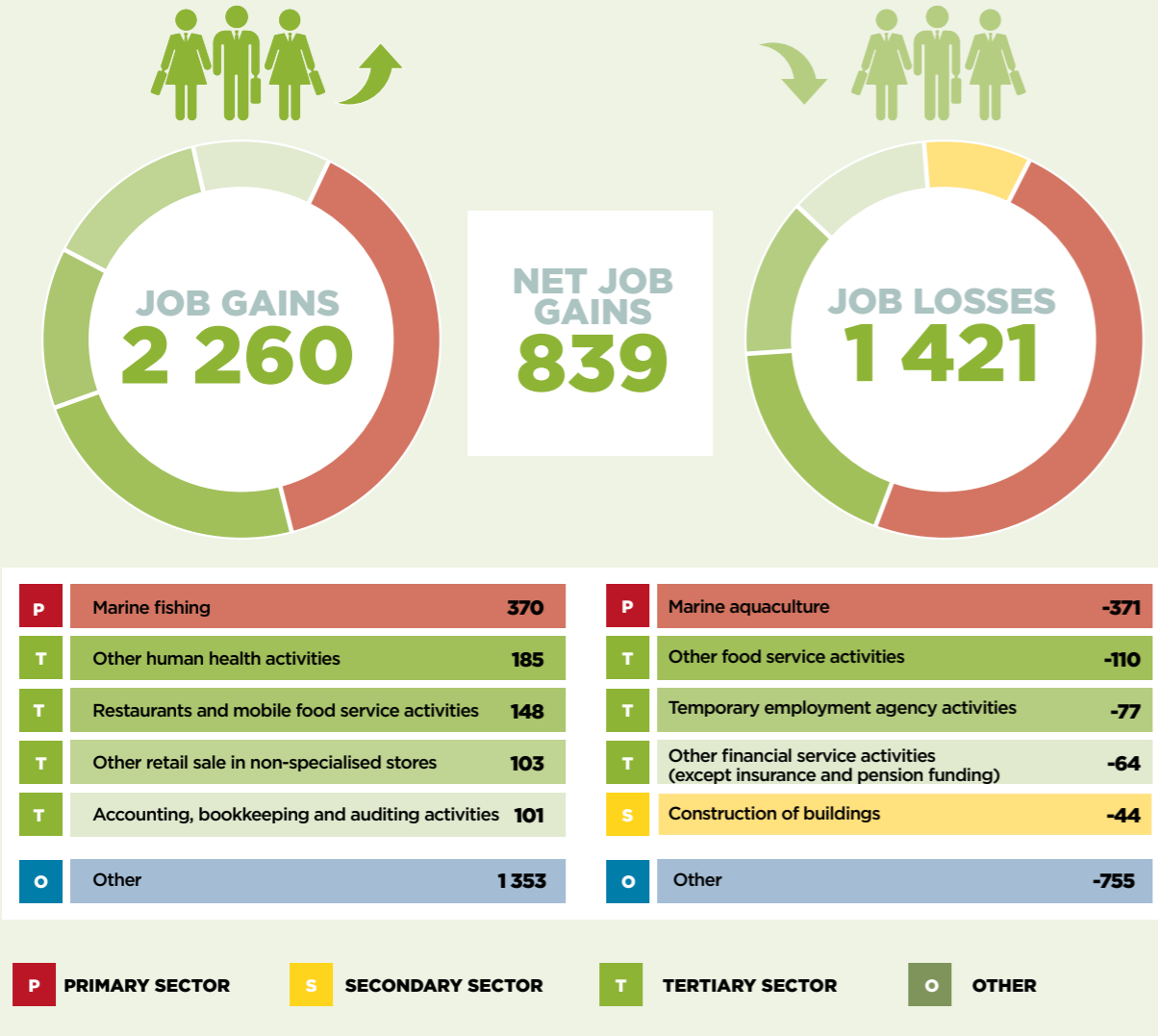


Source: Quantec, 2025

<sup>23</sup> (Overstrand Municipality, 2025).

Figure 3.2.7:

### TOP 5 SECTORS FOR FORMAL JOB GAINS AND LOSSES, OVERSTRAND, 2023-2024



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

The largest job gains were recorded in marine fishing (370 jobs), certain human health activities (185) and restaurants and mobile food service activities (148). These gains show the ongoing importance of marine fishing in Overstrand, notably in Gansbaai, where it is a major employer. Service-oriented activities also continue to play a central role in the local labour market amidst steady demand for tourism-linked hospitality and retail services (especially during peak seasons). These operations are considered part of the personal services sector, which, as noted, made the leading sectoral contribution to GDP growth in 2024. The increase in jobs associated with human health activities is a function of rising demand for community-level health and care services and is consistent with the demographic and service sector profile of the municipal area.

However, these gains were outweighed by job losses concentrated in sectors facing operational and cyclical challenges. Marine aquaculture shed 371 jobs between 2023 and 2024, consistent with broader weaknesses in agriculture-linked activities where rising input costs, environmental constraints and fluctuating output levels limited expansion. Certain food service activities lost 110 jobs, indicating strain on small hospitality businesses due to reduced household spending and uneven tourism recovery during the year. Temporary employment agency activities contracted by 77 jobs, corresponding with reduced construction activity and less private investment, while losses in financial service activities (64 jobs) are consistent with the sector’s high-output but low-employment characteristics. A further 44 jobs were lost in building construction, demonstrating continued softness in the construction industry associated with elevated operating costs and constrained investment.

Overall, the pattern of job losses confirms the vulnerability of an economy that remains heavily reliant on a narrow group of sectors related to services and coastal resources. Although parts of the services economy and marine fishing generated employment, these gains were not sufficient to counterbalance losses in sectors experiencing financial strain, environmental pressures and declining demand.





# 3.3 SWELLENDAM

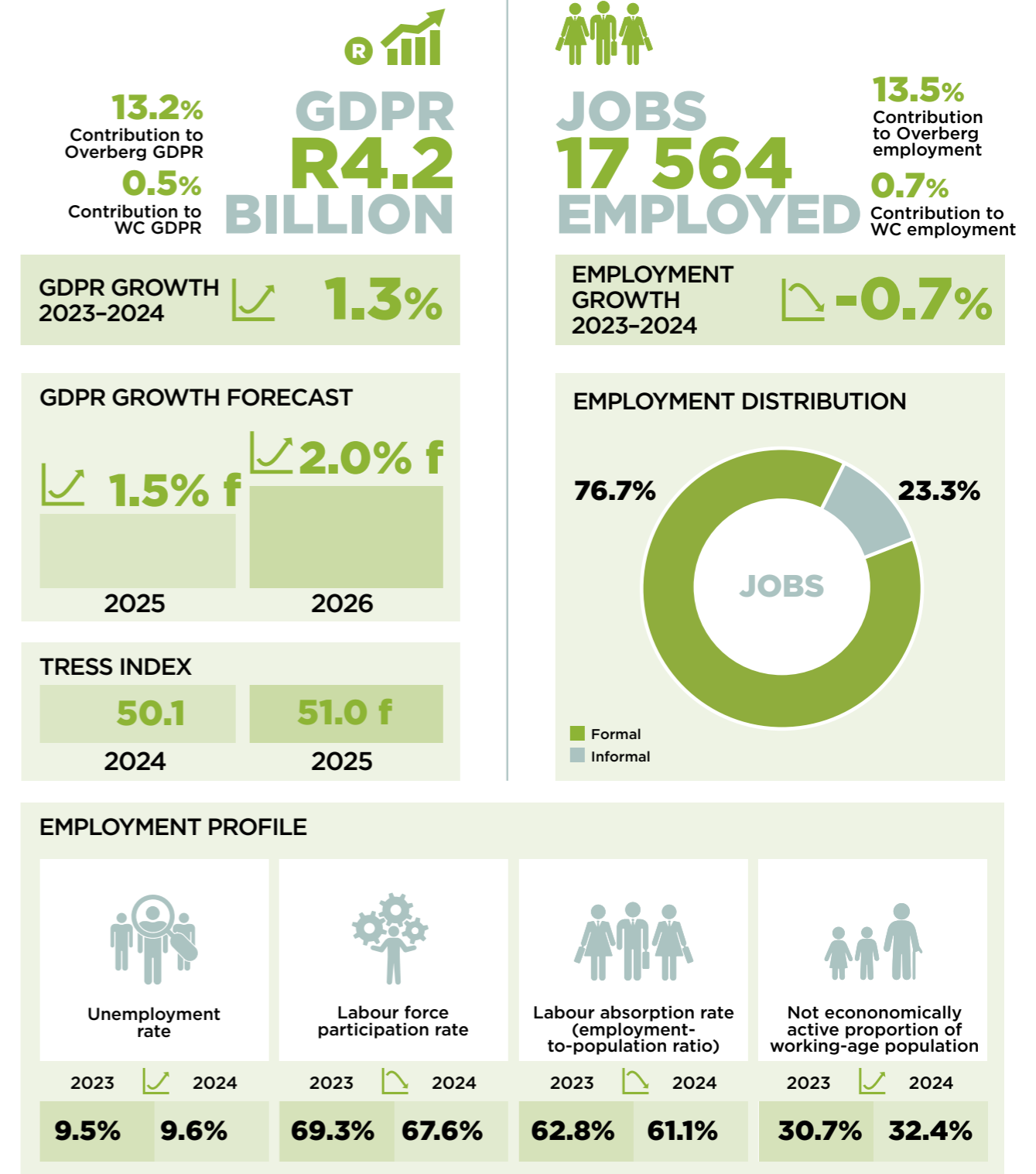
## Introduction

The Swellendam municipal area, located at the foot of the Langeberg Mountains in the Overberg District (OD), links the coastal Overberg with the inland Little Karoo. The town of Swellendam is the administrative and cultural centre of the municipal area, while Barrydale, Suurbraak and Buffeljagsrivier add depth through rural traditions and heritage character. The region is renowned for its Cape Dutch architecture, the Bontebok National Park, Marloth Nature Reserve and the scenic Tradouw Pass. Experiences on offer include mountain biking, hiking, wildlife viewing, wine tasting, and exploring historic and artisanal attractions. Barrydale and Suurbraak give access to the R62 route and authentic rural tourism. Agriculture remains the economic backbone of Swellendam, with tourism and small-scale trade strengthening the local economy.

## Municipal GDPR and employment

DIAGRAM 3.3.1: MUNICIPAL GDPR (CURRENT PRICES) AND EMPLOYMENT, SWELLENDAM, 2024

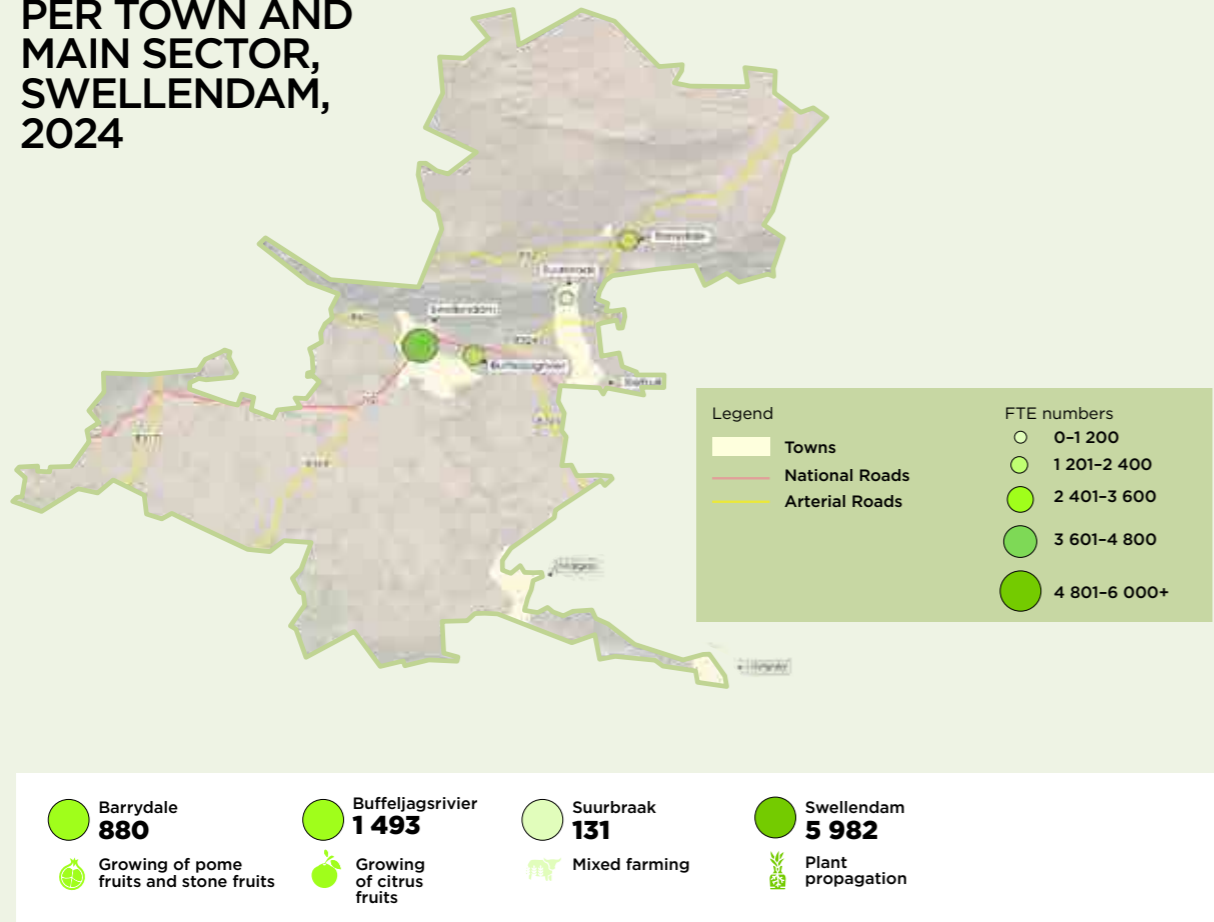
### SWELLENDAM, 2024 GDPR AND EMPLOYMENT



Source: Quantec, 2025

MAP 3.3.1:

**NUMBER OF FTE JOBS PER TOWN AND MAIN SECTOR, SWELLENDAM, 2024**



Swellendam’s economic performance in 2024 shows its importance within the Overberg District (OD), with a gross domestic product per region (GDPR) of R4.2 billion and growth of 1.3 per cent compared with 2023. The municipal area contributed 13.2 per cent to the total GDPR of the OD and 0.5 per cent to Western Cape province output. Employment trends moved in the opposite direction: total employment declined marginally by 0.7 per cent to 17 564 jobs in 2024, with Swellendam providing 13.5 per cent of District employment and 0.7 per cent of the Provincial total. Formal employment remains dominant at 76.7 per cent in 2024, while the informal segment at 23.3 per cent continues to play a meaningful role in settlements such as Railton (Swellendam), parts of Suurbraak and certain peripheral agricultural settlements. Here, household enterprises, small-scale food services, informal retail and seasonal tourism activities supplement incomes and absorb workers with limited access to formal opportunities.

Labour market indicators show further pressure in 2024. The unemployment rate increased slightly from 9.5 per cent in 2023 to 9.6 per cent in 2024, while the labour-force participation rate declined from 69.3 per cent to 67.6 per cent. These developments occurred in a context where key local sectors, particularly agriculture, consumer-facing services and construction, continued to face cost pressures, weak household demand and elevated borrowing costs.<sup>24</sup>

<sup>24</sup> (The South African Reserve Bank, 2024)

The absorption rate fell from 62.8 per cent to 61.1 per cent, and the proportion of working-age residents who were not economically active rose from 30.7 per cent to 32.4 per cent. Together, these shifts point to a gradual withdrawal from active participation in the labour market as jobseekers encounter few expanding sectors and therefore withdraw from active labour market participation. The Swellendam municipal area’s local economy remains vulnerable to seasonal fluctuations, uneven skills distribution and limited absorption capacity in high-productivity sectors, factors that continue to constrain employment creation and participation.<sup>25</sup>

Swellendam municipal area’s economic spatial structure is closely aligned with these labour-market dynamics. Swellendam town serves as the main employment hub, driven by public administration, retail activity and hospitality services. Agriculture remains the backbone of the municipal economy, with plant propagation as the largest industry and surrounding settlements each developing distinct agricultural strengths: Buffeljagsrivier in citrus production, Barrydale in pome and stone fruit cultivation, and Suurbraak in mixed farming. This geographic pattern is also shown in the 2024 Tress Index score of 50.1, which signals a moderately concentrated economic base. The projected increase to 51.0 in 2025 indicates that economic activity is becoming slightly more concentrated over time, highlighting the need to broaden the local economic base through stronger agro-processing development, expansion of service industries beyond tourism, and support for small enterprise growth.

GDPR growth is projected to strengthen to 1.5 per cent in 2025 and 2.0 per cent in 2026. These forecasts are shaped by expectations of improved electricity supply stability, gradual recovery in household consumption, a normalisation of agricultural output following weather-related variability, and anticipated improvements in national logistics performance.<sup>26</sup> However, the outlook remains sensitive to interest rate trends, climate variability and the performance of core agricultural export chains, all of which influence Swellendam’s ability to generate more broad-based and resilient economic growth.<sup>27</sup>



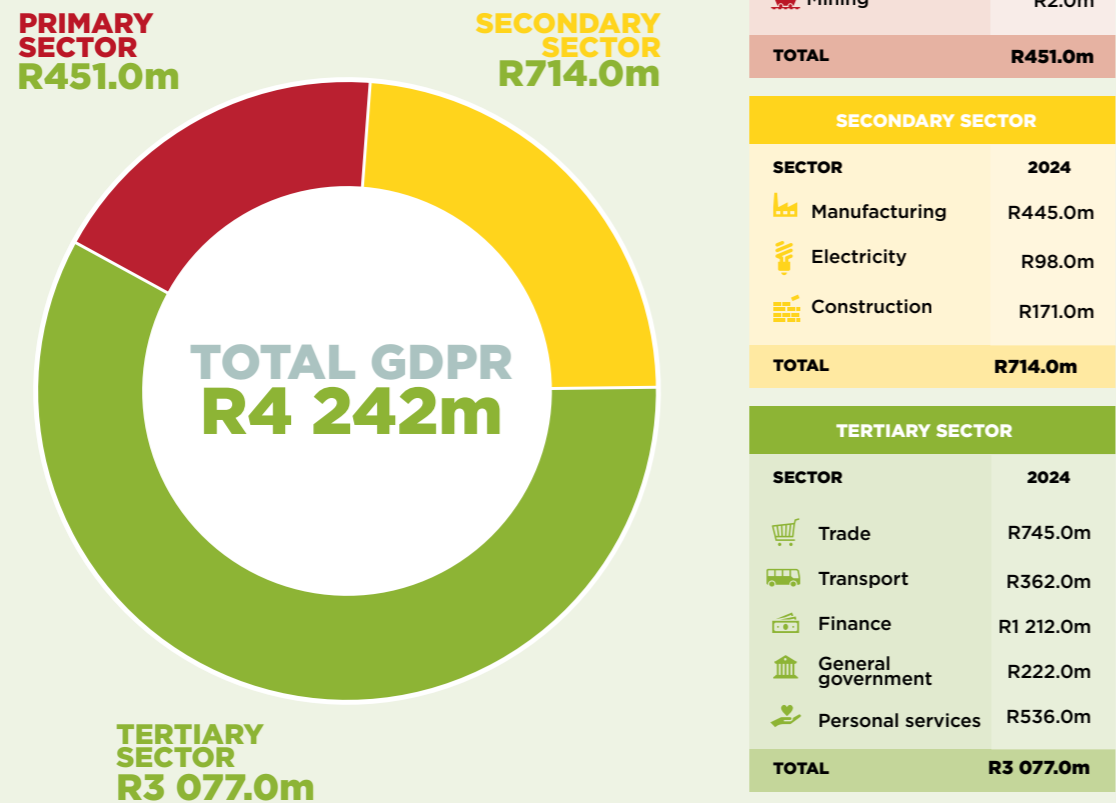
<sup>25</sup> (Swellendam Municipality, 2022).

<sup>26</sup> (Western Cape Government, 2024).

<sup>27</sup> (ProAgri, 2022).

Figure 3.3.1:

### GDPR DISTRIBUTION (CURRENT PRICES) SWELLENDAM, 2024



Source: Quantec, 2025

The economic structure of the Swellendam municipal area in 2024 was dominated by the tertiary sector, which produced R3.1 billion (72.5 per cent) of total GDP. This level of service-sector dominance is typical of municipal areas with a strong administrative centre, a tourism presence, and a growing base of finance-related activities. Within the tertiary sector, finance was the largest contributor, generating 28.6 per cent of municipal GDP (R1.2 billion). This outcome was driven by the Swellendam municipal area’s expanding financial, property-related and business-service functions, and supported by residential investment, insurance uptake, and Swellendam town’s role as a service destination for surrounding agricultural areas. Trade contributed 17.6 per cent (R745.0 million), driven by retail and hospitality activity linked to both local households and visitor flows. Personal services, at 12.6 per cent (R536.0 million), further demonstrated the importance of household-facing services, health, social services and community organisations in sustaining local demand.

The secondary sector contributed 16.8 per cent to total GDP (R714.0 million) in 2024. Manufacturing, which is largely driven by food processing, agro-industrial activities and small-scale production, forms the largest part of this grouping. Construction and utilities, while smaller components of the sector, are strongly influenced by local development cycles, electricity supply reliability and the pace of Provincial infrastructure delivery. Construction activity

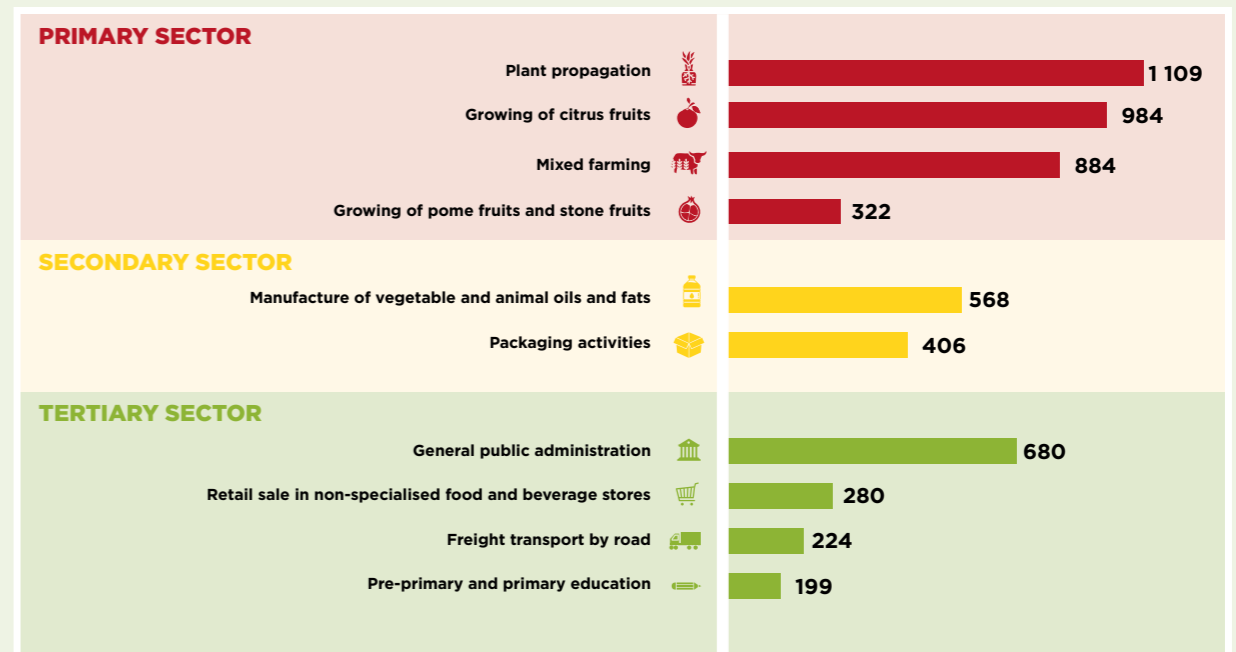
across smaller municipal areas has been constrained by slower capital project implementation, elevated borrowing costs and delays in infrastructure upgrades, all of which directly affect the building and maintenance pipeline in towns such as Swellendam.<sup>28</sup>

The primary sector contributed 10.6 per cent of GDP (R451.0 million), with agriculture making up almost the entire component (R449.0 million). Although agriculture sustains the Swellendam municipal area’s spatial economy, most visibly in Buffeljagsrivier’s citrus production areas, Barrydale’s fruit orchards and Suurbraak’s mixed farming, its direct GDP contribution is much smaller than that of the service sector. Even so, agriculture remains central to employment, seasonal labour absorption and the functioning of regional agro-value chains.

These structural features show that the Swellendam municipal area functions as a service-centred local economy with a strong agricultural base, shaped by the interaction between a broad tertiary sector and several specialised farming zones. This pattern is also consistent with the municipal area’s Tress Index score in 2024, which indicated moderate economic concentration and highlighted the need to strengthen value-addition in agro-processing and services to broaden the economic base over time.

Figure 3.3.2:

### TOP 10 SECTORS BY NUMBER OF FTE JOBS SWELLENDAM, 2024



Source: : Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

<sup>28</sup> (Western Cape Province, 2024).

Swellendam municipal area's employment structure is shaped by agriculture and the activities that support it. In 2024, the three largest sources of full-time equivalent (FTE) jobs were plant propagation (1 109 FTEs), the growing of citrus fruits (984 FTEs), and mixed farming (884 FTEs). These activities dominate local labour absorption across Buffeljagsrivier, Barrydale and Suurbraak where, as previously mentioned, fruit cultivation, citrus production and mixed farming remain central to household livelihoods. Although agriculture contributes a smaller share to overall GDP than the service sector, it remains the foundation of local employment in Swellendam, absorbing the largest share of workers across the municipal area's farming regions.

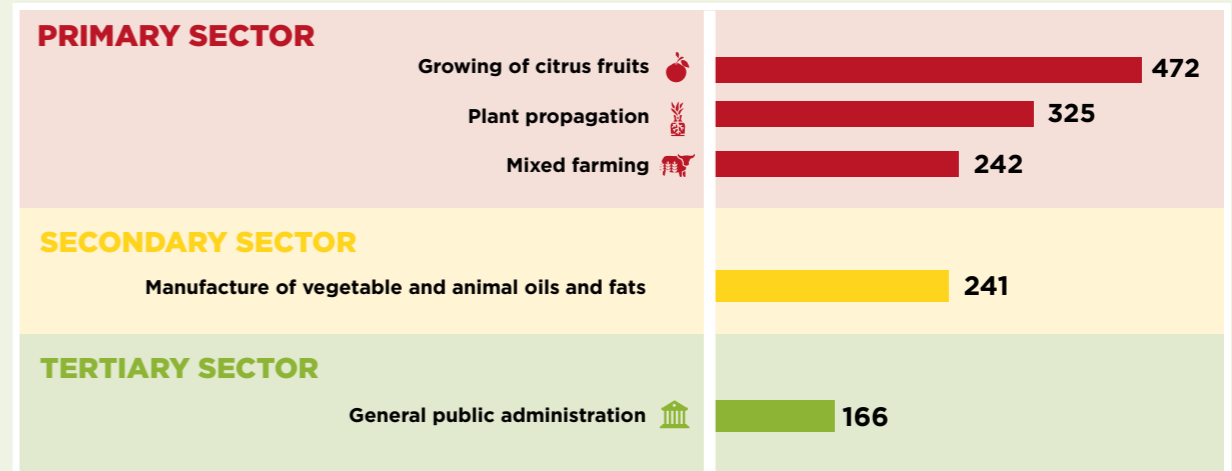
General public administration was another major source of employment in 2024 (680 FTEs), highlighting the stabilising role of government services in a municipal area where agricultural employment fluctuates seasonally. These fluctuations stem from production cycles in fruit cultivation, harvesting periods in citrus and pome fruit areas, and labour peaks and troughs in mixed farming across Buffeljagsrivier, Barrydale and Suurbraak. Education services also feature among the top employers, with pre-primary and primary schools supplying 199 FTEs, thereby providing consistent, year-round employment that helps support communities during periods when farming activity declines. Although finance is the single largest contributor to GDP, it does not feature among the top employers, which is a typical pattern in rural municipal areas where high-value service sectors employ fewer people compared with agriculture and public sector activities.

Secondary industries connected to agricultural production also absorb a substantial share of workers, showing the close integration between farming and agro-processing in Swellendam. The manufacture of vegetable and animal oils and fats (568 FTEs) and packaging activities (406 FTEs) both feature prominently among the top sources of employment and are directly linked to the region's primary farming outputs. Their presence indicates the partial extension of agricultural value chains within the municipal areas, supporting processing, packaging and logistics activities essential for export-oriented fruit production. Retail and transport services, such as retail sales in non-specialised food and beverage stores (280 FTEs) and freight transport by road (224 FTEs), show how agriculture creates employment in sectors responsible for moving, distributing and selling locally produced goods.



Figure 3.3.3:

### TOP 5 SECTORS FOR YOUTH EMPLOYMENT SWELLENDAM, 2024



Source: Nell, A. & Visagie, J. *Spatial Tax Panel 2014-2024 (dataset)*. Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

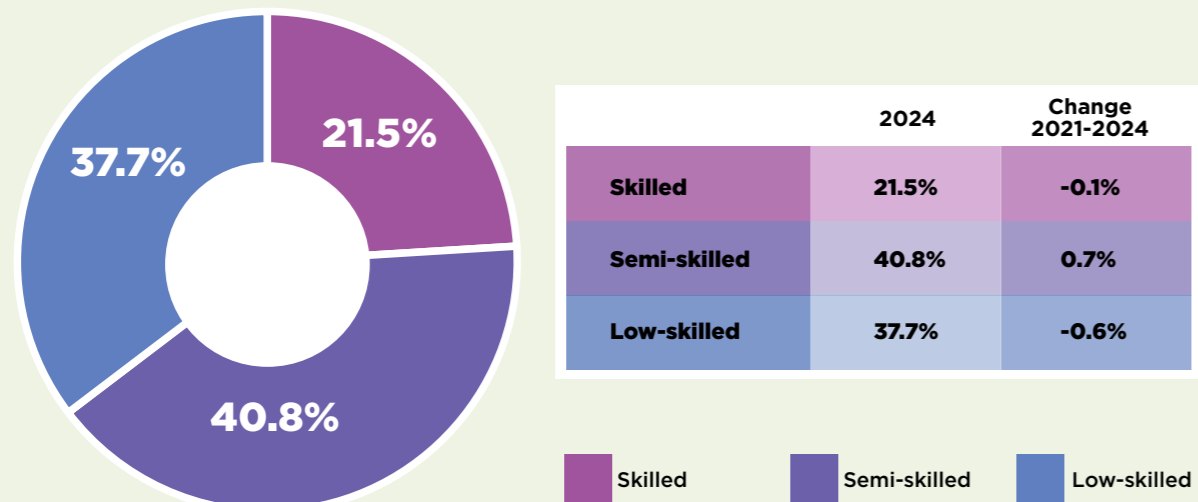
Youth employment in the Swellendam municipal area is heavily concentrated in a narrow set of primary and agriculture-related activities. In 2024, the growing of citrus fruits provided the largest number of youth FTE jobs (472), followed by plant propagation (325) and mixed farming (242). Agro-processing plays an equally important role, absorbing 241 young workers in the manufacture of vegetable and animal oils and fats, while general public administration employed a further 166 such workers in 2024.

This concentration of youth employment within farming, early-stage agricultural production, agro-processing and government services has shaped the structure of the Swellendam municipal area's economy, where agriculture dominates labour absorption and services provide stable, year-round employment. The prominence of agriculture and agro-processing in youth employment also shows that young people in rural municipal areas often enter the labour market through manual, seasonal or production-linked roles due to limited access to diversified employment opportunities and skills-intensive industries.<sup>29</sup> As a result, youth participation tends to rely on seasonal peaks in fruit cultivation, propagation and processing as well as on public sector opportunities that offer more consistent work.

<sup>29</sup> (AgriSETA, 2025).

Figure 3.3.4:

### SKILLS DISTRIBUTION SWELLENDAM, 2024



Source: Quantec, 2025

The overall skills distribution in the Swellendam municipal area in 2024 shows a labour market dominated by semi-skilled and low-skilled workers. Semi-skilled labour made up 40.8 per cent of all jobs, followed by low-skilled labour at 37.7 per cent, while skilled workers accounted for 21.5 per cent in 2024. Between 2021 and 2024, semi-skilled employment increased slightly (0.7 of a percentage point), whereas both skilled (0.1 of a percentage point) and low-skilled (0.6 of a percentage point) categories contracted marginally over the same period. This structure is typical of rural municipal areas where agriculture, agro-processing and service activities form the main employment base. Primary agriculture and associated value chains across the Western Cape province continue to absorb lower-skilled and semi-skilled labour due to the manual nature of production, seasonal peaks, and limited automation in fruit-growing regions.<sup>30</sup>

Manufacturing, primarily linked to agro-processing (oils, fats, fruit processing), experienced a moderate decline in skilled roles (0.7 of a percentage point over the 2021 to 2024 period) but a rise in semi-skilled (0.5 of a percentage point) and low-skilled (0.3 of a percentage point) jobs, indicating steady demand for machine operators, packers and processing workers. The share of semi-skilled workers also increased in construction (by 1.0 per cent), while skilled (0.6 of a percentage point) and low-skilled (0.4 of a percentage point) roles declined over the 2021 to 2024 period.

Within trade, a decline in skilled and semi-skilled roles paired with an increase in low-skilled employment (1.7 percentage points) points to weaker retail activity and a shift towards basic sales and service functions, a trend consistent with reduced household purchasing power under high interest rate conditions.<sup>31</sup> The transport, storage and communication sector expanded its semi-skilled share (1.1 percentage points), supported by the growth of logistics connected to fruit movement, cold chain demands and road freight activity. Finance, general government and

<sup>30</sup> (AgriSETA, 2025).

<sup>31</sup> (The South African Reserve Bank, 2024).

personal services recorded small increases in the skilled category, maintaining their roles as a stable, year-round source of employment in a local economy dominated by seasonal production cycles.

Overall, the skills movements from 2021 to 2024 show a labour market influenced by Swellendam's strong agricultural base, the expansion of agro-processing, and steady public sector employment. While semi-skilled roles have expanded in several sectors, high-skilled opportunities remain limited, illustrating structural conditions common in rural Western Cape economies where agricultural specialisation, seasonality and limited industrial diversification constrain upward mobility.<sup>32</sup> Strengthening vocational training, improving access to technical programmes, and expanding value addition in the agro-processing sector will be critical to supporting local skills development and improving long-term employment prospects.

## THE ECONOMIC ROLE AND GROWTH POTENTIAL OF THE TOWNSHIP ECONOMY

The township economy constitutes a vital yet under-recognised pillar of South Africa's economy. Township-based enterprises collectively contribute over R900.0 billion annually to the national gross domestic product, with the majority of activity occurring in informal and micro-enterprise segments that sustain household livelihoods and local circulation of income.

Within the Western Cape, there is a substantial number of entrepreneurs in township areas, who engage in retail, food services, logistics and personal care activities. However, limited access to infrastructure, finance and formal markets constrains growth potential, with approximately 80.0 per cent of businesses remaining unregistered.

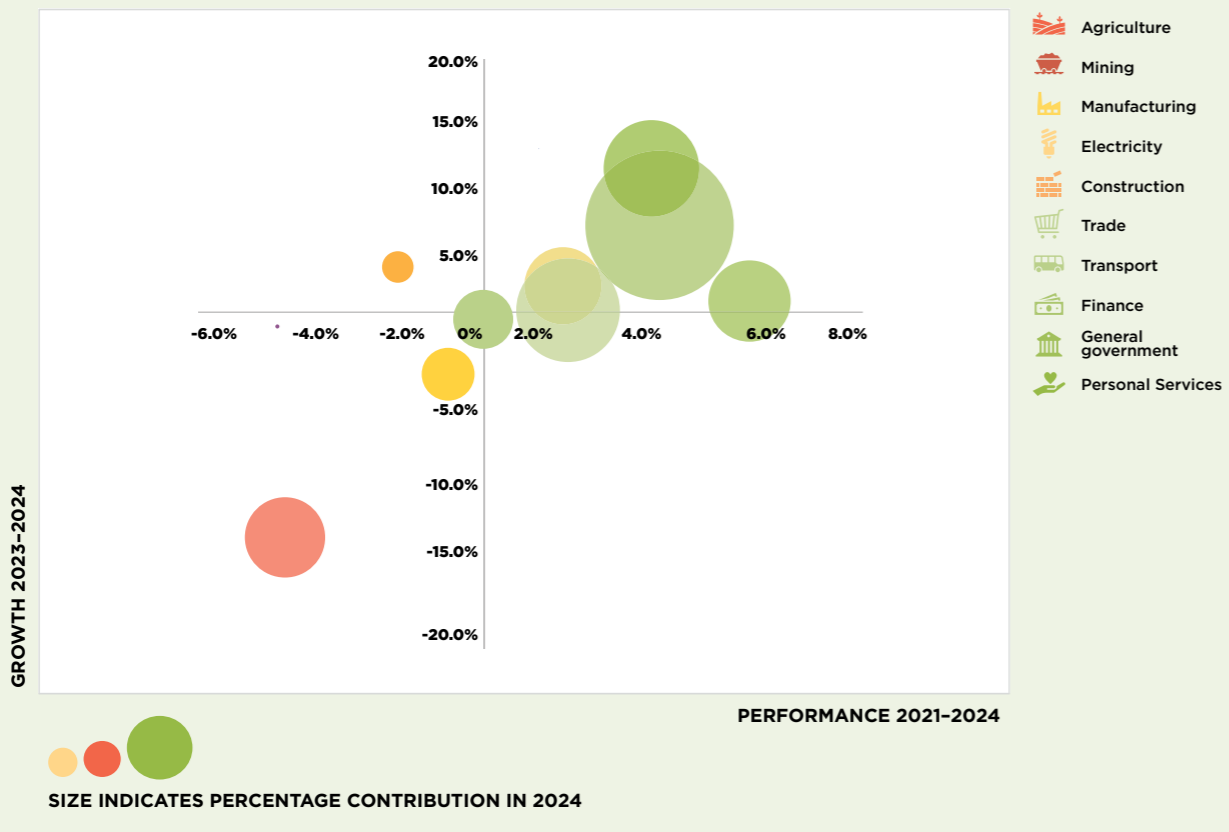
Recent national research emphasises the importance of targeted local government interventions, including the upgrading of trading infrastructure, the simplification of regulatory and licensing processes, and the strengthening of digital and financial inclusion so as to support the integration of township enterprises into wider municipal and regional value chains. Strengthening this segment of the economy can broaden Swellendam's development base beyond agriculture and formal services, promote inclusive growth, and enhance the overall economic resilience of the municipal area.<sup>33</sup>

<sup>32</sup> (Swellendam Municipality, 2022).

<sup>33</sup> (Standard Bank, 2025).

Figure 3.3.5:

### GDPR PERFORMANCE PER SECTOR (CONSTANT PRICES) SWELLENDAM, 2021-2024

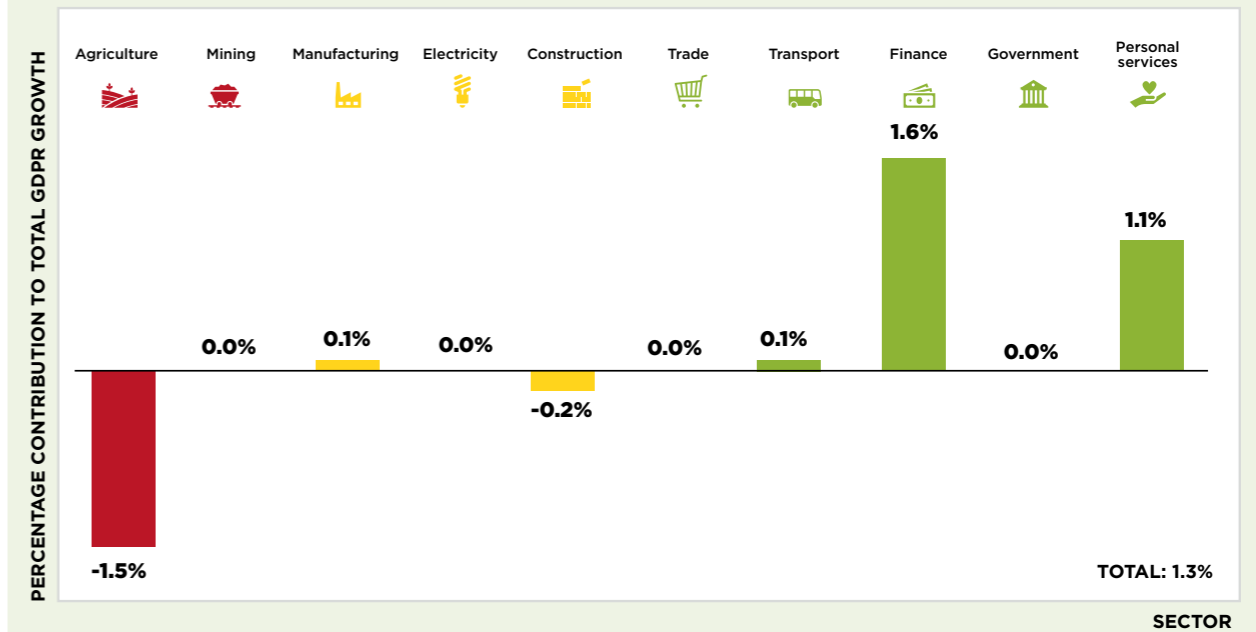


Sectoral GDP performance in the Swellendam municipal area between 2021 and 2024 shows a clear imbalance between primary industries and service sector activities. The medium-term growth indicator, which tracks each sector’s cumulative real change over the period, shows that the agriculture sector declined by 4.2 per cent over the 2021 to 2024 period, consistent with ongoing pressures related to citrus diseases, high input costs, climate variability and disruptions in export logistics.<sup>34</sup> Mining also contracted (4.3 per cent) from a very small base. Construction recorded a modest decline of 0.7 per cent due to reduced building activity, elevated borrowing costs and slower public sector infrastructure upgrades. Electricity, gas and water decreased by 1.8 per cent, indicating infrastructure-related constraints. By contrast, over the same period, several tertiary industries expanded: trade grew by 1.8 per cent, transport, storage and communication by 5.6 per cent, personal services by 3.5 per cent, and finance (by 3.7 per cent). Together, these results show that demand for logistics, retail, social services and financial activities grew more steadily than in primary and construction-related industries over the 2021 to 2024 period.

Annual growth outcomes for 2023 to 2024 further underline the contrasting performance across sectors. Agriculture experienced a sharp 13.4 per cent decline, the largest downturn across all industries, after fruit-producing areas such as Buffeljagsrivier, Barrydale and Suurbraak were affected by weather-related variability and weaker export conditions during 2024. The construction sector also contracted by 3.7 per cent, while general government posted a small decrease of 0.5 per cent. In contrast, several tertiary industries recorded growth over the same period: personal services increased by 8.5 per cent, finance by 5.1 per cent, and transport by 0.6 per cent, while manufacturing grew moderately at 1.5 per cent. This combination of primary sector weakness and sustained tertiary sector expansion provides the context for understanding the sectoral contributions to overall GDP growth in 2024

Figure 3.3.6:

### SECTORAL CONTRIBUTION TO GDP GROWTH (CONSTANT PRICES) SWELLENDAM, 2024



Source: Quantec, 2025

<sup>34</sup> (Western Cape Government, 2024).

The 1.3 per cent total GDP growth achieved in 2024 was driven largely by strong performance in a small number of high-value tertiary industries. Finance was the single largest contributor, adding 1.6 percentage points to overall growth. This demonstrated the continued expansion of financial, property and business service activities in the municipal area, highlighting finance and trade as the leading economic sectors locally. Personal services provided the second largest contribution (1.1 percentage points in 2024), supported by steady demand for health, education, care and household-facing services. Community and social services are therefore noted as stabilising components of the local economy.<sup>35</sup>

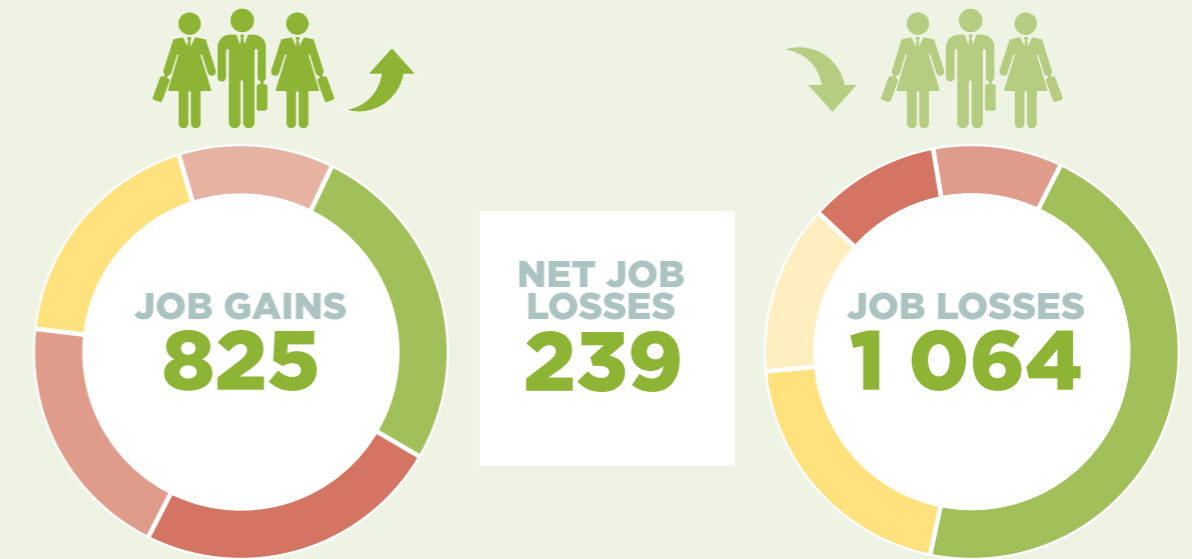
These gains were, however, partly offset by a sharp contraction in agriculture, which reduced total GDP growth by 1.5 percentage points following a difficult production year across key fruit-growing areas. Rising input costs, climate variability and disruptions within export-oriented fruit value chains continue to place pressure on agricultural output in the Western Cape.<sup>36</sup> The combined effect is a growth profile in which the gains from tertiary industries are constrained by significant strain in primary-sector activities, highlighting Swellendam’s growing dependence on its services economy to support overall economic performance.



<sup>35</sup> (Swellendam Municipality, 2022).

<sup>36</sup> (Western Cape Government, 2024).

### TOP 5 SECTORS FOR FORMAL JOB GAINS AND LOSSES, SWELLENDAM, 2023-2024



T	Pre-primary and primary education	94	T	Other social work activities	-393
P	Support activities for animal production	87	S	Construction of other civil engineering projects	-102
P	Support activities for crop production	87	S	Processing and preserving of fruit and vegetables	-81
S	Packaging activities	80	P	Growing of citrus fruits	-67
P	Growing of cereals, leguminous crops and oil seeds	55	P	Growing of pome fruits and stone fruits	-66
O	Other	422	O	Other	-355

**P** PRIMARY SECTOR    **S** SECONDARY SECTOR    **T** TERTIARY SECTOR    **O** OTHER

Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

Formal employment movements in 2023 to 2024 show the broader structural dynamics described earlier, particularly the contrast between stable labour-absorbing service activities and the volatility of agriculture and construction. Modest job gains were recorded in pre-primary and primary education (94 jobs), support activities for animal production (87 jobs) and support activities for crop production (87 jobs). These increases are consistent with the Swellendam municipal area’s labour market profile, where community services and agricultural support functions provide regular, year-round employment and help stabilise total employment when primary agriculture fluctuates.

Employment also increased in packaging activities (80 jobs), which form part of the agricultural value chain and indicate continued labour demand in the handling, sorting and preparation of produce for sale even during periods when agricultural output varies. Further gains were also registered in the growing of cereals, leguminous crops and oilseeds (55 jobs), showing pockets of resilience within crop-related activities during the 2023 to 2024 period.

However, these gains were outweighed by significant losses across a small number of labour-intensive industries. The largest contraction occurred in other social work activities (393 jobs in 2024), which accounted for most of the net formal job losses over the period. Reductions in construction of other civil engineering projects (102 jobs) point to the slowdown in construction activity noted earlier, driven by reduced demand, elevated borrowing costs and delays in public sector infrastructure upgrades. Job losses in the processing and preserving of fruit and vegetables (81 jobs) and in primary agriculture, particularly growing of citrus fruits (67 jobs) and growing of pome and stone fruits (66 jobs), closely resemble the difficult production conditions experienced across fruit-producing areas in 2024, where climate variability and market pressures constrained output.<sup>37</sup> Overall, the net effect for 2023 to 2024 was a period of net formal job losses, heavily shaped by one large reduction in community services employment and further amplified by contractions in agriculture and construction.

<sup>37</sup> (Western Cape Government, 2024).





# 3.4 THEEWATERSKLOOF

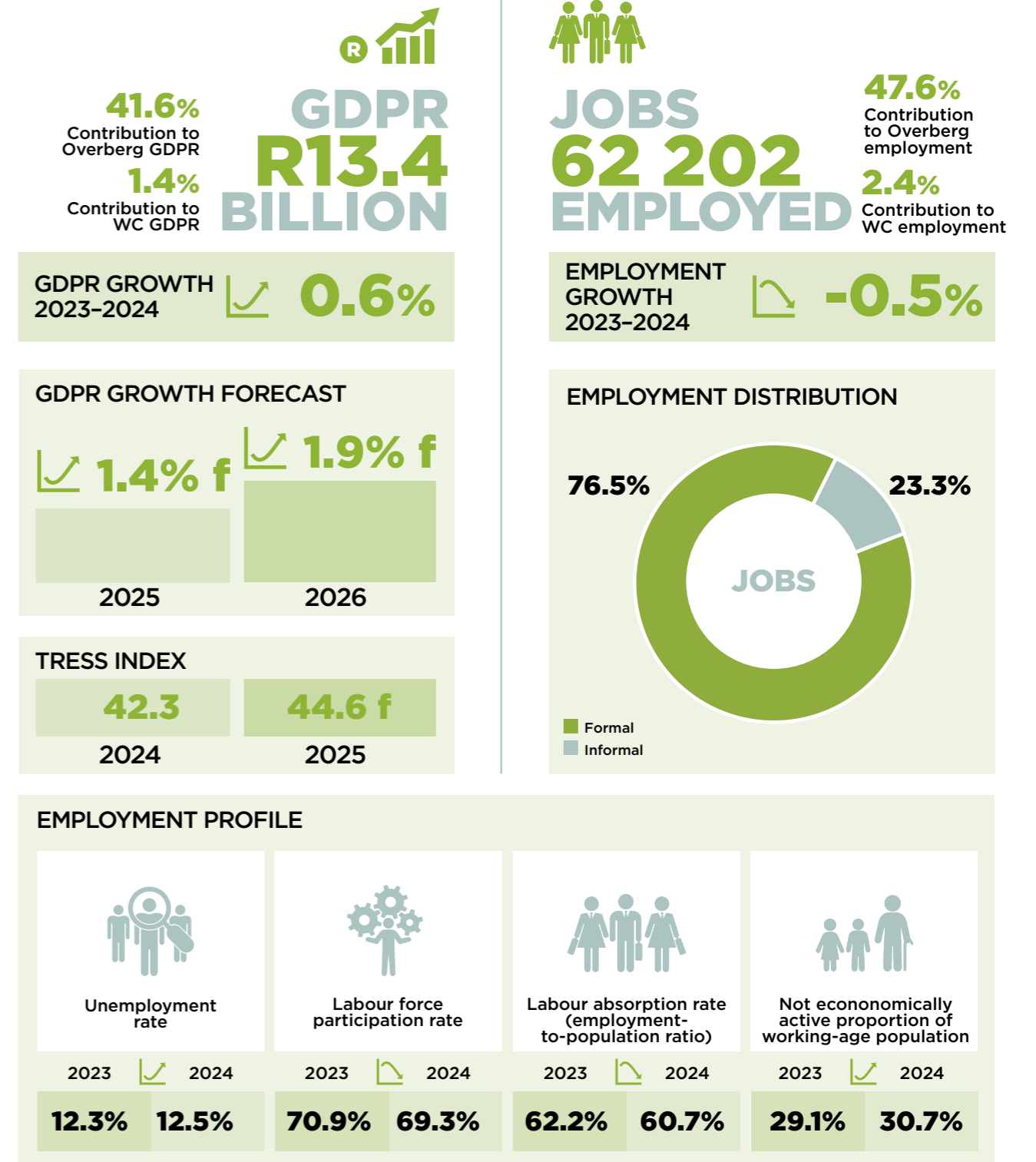
## Introduction

The Theewaterskloof municipal area, part of the Overberg District (OD), lies between the Hottentots-Holland and Riviersonderend mountain ranges, combining dramatic landscapes with fertile valleys. Caledon is the administrative and service hub of the area, which is also supported by towns such as Grabouw, Botrivier, Villiersdorp and Riviersonderend. Theewaterskloof is noted for its fruit farming, vineyards and the Theewaterskloof Dam, which serves as both a vital water resource and a popular recreational destination. Visitors can explore wine estates, hike in the Kogelberg and Hottentots-Holland Biosphere Reserves, birdwatch, or visit heritage attractions and local markets. Grabouw is a centre of apple production and ecotourism, while Botrivier and Villiersdorp provide tranquil rural escapes. Agriculture, particularly fruit farming, supports the economy, with tourism and service industries adding further growth opportunities.

## Municipal GDPR and employment

DIAGRAM 3.4.1: MUNICIPAL GDPR (CURRENT PRICES) AND EMPLOYMENT, THEEWATERSKLOOF, 2024

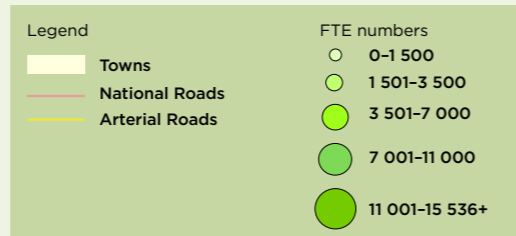
### THEEWATERSKLOOF, 2024 GDPR AND EMPLOYMENT



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury - Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

MAP 3.4.1:

**NUMBER OF FTE JOBS PER TOWN AND MAIN SECTOR, THEEWATERSKLOOF, 2024**



Theewaterskloof is the main economic driver of the Overberg District (OD), generating a gross domestic product per region (GDPR) of about R13.4 billion in 2024. This accounted for 41.6 per cent of District output and 1.4 per cent of Western Cape GDPR, confirming Theewaterskloof’s role as the largest contributor to the regional economy. Despite this strong position, the municipal area recorded only 0.6 per cent GDPR growth in 2024. Furthermore, total employment declined by 0.5 per cent to 62 202 jobs, representing 47.6 per cent of the District’s workforce. This combination of weak output growth and job losses points to growing pressure on the local labour market, particularly in agriculture-linked activities that remain highly exposed to climatic and cost shocks.<sup>38</sup>

Labour market indicators also deteriorated slightly between 2023 and 2024. The unemployment rate increased to 12.5 per cent in 2024, while the labour force participation rate fell from 70.9 per cent to 69.3 per cent over the same period. The labour absorption rate declined to 60.7 per cent in 2024, meaning that a smaller share of the working-age population was employed, while economic inactivity rose to 30.7 per cent as more residents withdrew from active job search. Theewaterskloof’s economy relies heavily on informal and seasonal work, especially in agriculture and in township-based micro-enterprises in and around Grabouw, Caledon and Villiersdorp. Agriculture in the OD employs a large share of informal workers,

<sup>38</sup> (Department of Agriculture, Land Reform and Rural Development, 2024)

with Theewaterskloof hosting the highest proportion of informal agricultural workers in the District.<sup>39</sup>

The Tress Index, which measures economic concentration, increased from 42.3 in 2024 to 44.6 in 2025, indicating a slight decline in economic diversification as activity becomes more concentrated within a few sectors, most notably agriculture, finance and manufacturing. This change highlights the municipal area’s continued structural dependence on agriculture, particularly deciduous fruit and vineyard production. Farming remains central to the local economy but is highly sensitive to climate and market shocks.

Theewaterskloof’s economic outlook remains stable but vulnerable. GDPR growth is projected to increase to 1.4 per cent in 2025 and 1.9 per cent in 2026, supported by an expected stabilisation in agricultural output as producers recover from the weather-related volatility, rising input costs and energy disruptions experienced between 2023 and 2024. This is consistent with recent Provincial assessments, which indicate that fruit production volumes are likely to normalise as climatic conditions improve, input cost inflation moderates, and energy availability becomes more reliable.<sup>40</sup>

Furthermore, the continued expansion of financial and other service industries, which are already responsible for just over 60.0 per cent of total GDPR in 2024, is expected to support urban centres such as Caledon and Grabouw through rising demand for retail, logistics, business and community services. Sustaining inclusive growth in Theewaterskloof will therefore depend on diversifying beyond primary agriculture, strengthening agro-processing and manufacturing linkages, improving labour productivity in services, and better integrating the township and informal economy into formal value chains so that both formal and informal workers benefit from emerging opportunities.



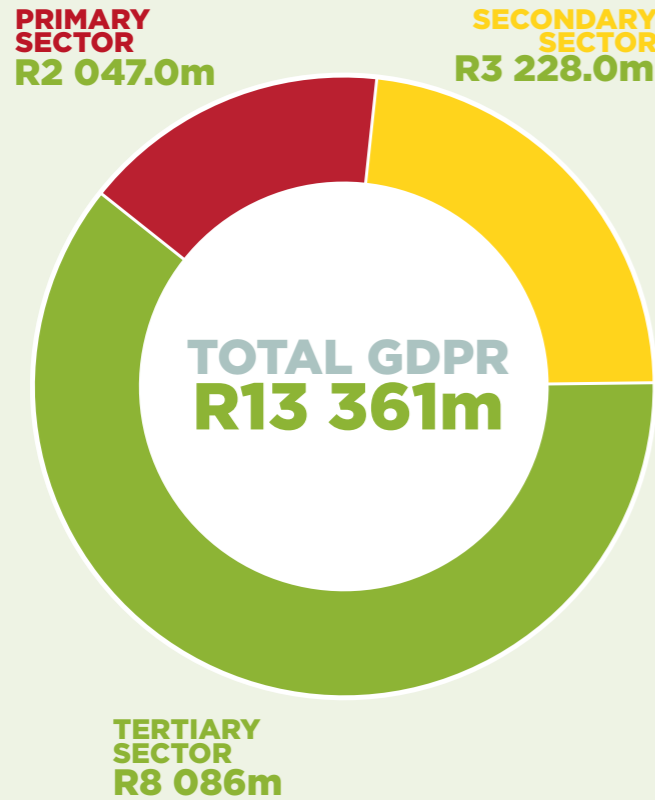
<sup>39</sup> (Urban Dynamics South Cape, 2023).

<sup>40</sup> (Western Cape Government, 2024).

<sup>41</sup> (Standard Bank, 2025).

Figure 3.4.1:

### GDPR DISTRIBUTION (CURRENT PRICES) THEEWATERSKLOOF, 2024



PRIMARY SECTOR	
SECTOR	2024
Agriculture	R2 042.0m
Mining	R5.0m
<b>TOTAL</b>	<b>R2 047.0m</b>

SECONDARY SECTOR	
SECTOR	2024
Manufacturing	R2 057.0m
Electricity	R440.0m
Construction	R731.0m
<b>TOTAL</b>	<b>R3 228.0m</b>

TERTIARY SECTOR	
SECTOR	2024
Trade	R2 112.0m
Transport	R1 244.0m
Finance	R2 888.0m
General government	R577.0m
Personal services	R1 265.0m
<b>TOTAL</b>	<b>R8 086.0m</b>

Source: Quantec, 2025

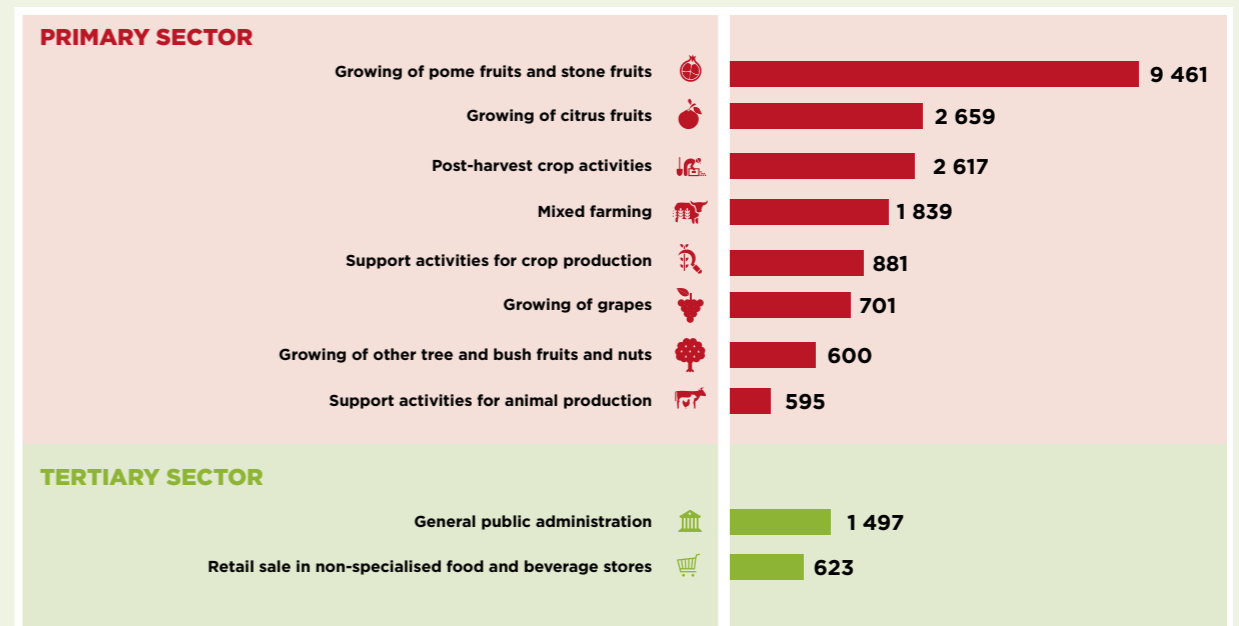
The economic structure of the Theewaterskloof municipal area in 2024 shows a shift towards service-driven activities even as overall diversification is weakening, as indicated by the rising Tress Index. The tertiary sector currently dominates, contributing 60.5 per cent of municipal GDP in 2024. Within this sector, finance stands out as being the single largest contributor (R2.9 billion, or 21.6 per cent, of GDP), followed by trade (R2.1 billion). The secondary sector, made up of manufacturing; electricity, gas and water; and construction, contributed R3.2 billion in output (24.1 per cent) in 2024. Manufacturing formed the core of this cluster, supported by food and beverage processing and other activities linked to agricultural production and regional demand. The primary sector, dominated by agriculture, added R2.0 billion (15.3 per cent) to the total GDP distribution in 2024, highlighting the sector's ongoing significance for land use, export activity and rural livelihoods. That said, the sector's share of total value added is now smaller than that of services.

This GDP distribution corresponds closely with the growth patterns outlined earlier. Agriculture remains central to employment, exports and spatial development, but its value-added contribution is constrained by seasonality, exposure to climate shocks and persistent reliance on low-skilled labour. Meanwhile, finance, trade and personal services have expanded in response to urbanisation around Caledon and Grabouw, the growth of consumer markets and the presence of government and business services that support agriculture and agro-processing.

The growing prominence of services in Theewaterskloof is consistent with wider structural trends in both the OD and the Province. In particular, the finance, trade, transport and community services sectors have become the strongest contributors to GDP growth as household consumption rises, logistics networks improve, and digital connectivity expands across the Western Cape. Within the District, similar patterns are observed, with tertiary industries steadily increasing their share of regional output while agriculture remains vital but highly sensitive to climate and market conditions. Manufacturing and agro-processing continue to function as critical linkages between agriculture and the growing services sector by adding value to fruit and other agricultural products destined for domestic markets and export supply chains.

Figure 3.4.2:

### TOP 10 SECTORS BY NUMBER OF FTE JOBS THEEWATERSKLOOF, 2024

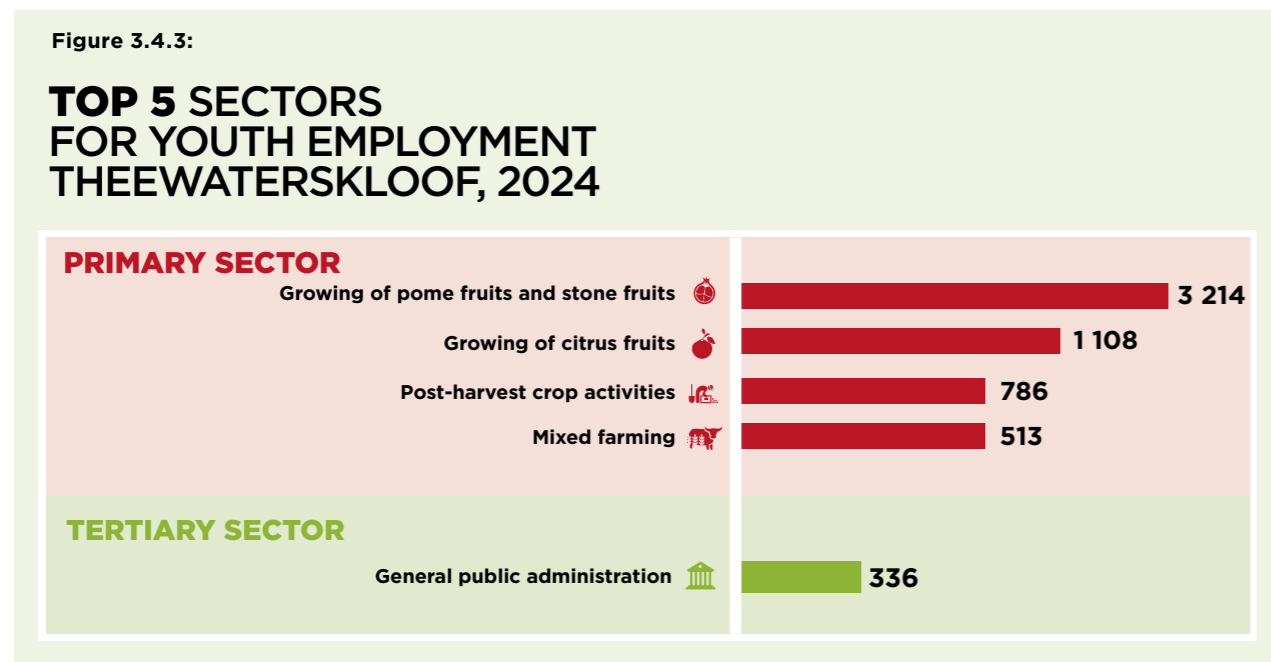


Source: : Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury - Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

While the economic output of Theewaterskloof is increasingly service-oriented, its employment base remains firmly concentrated in primary agricultural production and related activities. In 2024, the top four sectors for full-time equivalent (FTE) jobs were all in agriculture, namely the growing of pome fruits and stone fruits (9 461 jobs), the growing of citrus fruits (2 659 jobs), post-harvest crop activities (2 617 jobs) and mixed farming (1 839 jobs). The leading non-agricultural activity, general public administration, ranked only fifth (1 497 jobs). Various additional agriculture-linked activities – support activities for crop production, the growing of grapes, support activities for animal production, and the growing of other tree and bush fruits and nuts – also feature prominently among the top employers. Retail employment in non-specialised food and beverage stores added a modest number of formal posts, showing how agricultural production generates secondary jobs in food distribution and basic services.

This job distribution shows that employment in Theewaterskloof is far more concentrated than suggested by the GDP composition of the municipal area. Agriculture’s direct contribution to output (15.3 per cent) understates its far larger role as a source of livelihoods and wage employment. The sector’s dominance reflects the spatial and climatic comparative advantage of the area, particularly the fertile valleys of Grabouw, Villiersdorp and Botrivier, where large-scale deciduous fruit and citrus production is concentrated. However, this prominence also exposes the local labour market to fluctuations in seasonality, climate variability and prices in global fruit markets, resulting in significant employment volatility from year to year.

The labour-intensive nature of agriculture helps explain the high proportion of low-skilled and semi-skilled work in the local economy and emphasises the challenge of structural transformation. Although services such as personal services and finance are now leading contributors to economic value, they have limited capacity to absorb large numbers of workers. By contrast, agriculture, despite its lower share of GDP, continues to support tens of thousands of jobs, many tied to fruit production, post-harvest handling and export activities.

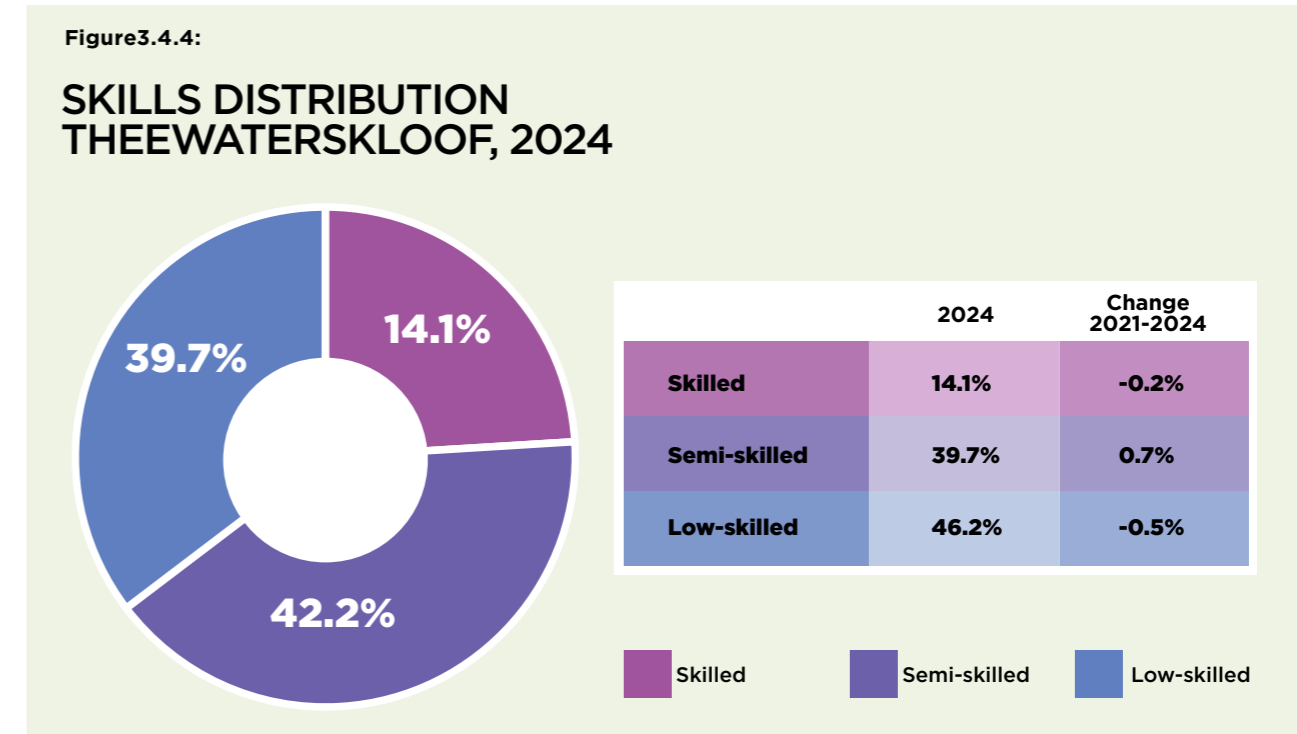


Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

Youth employment in Theewaterskloof is heavily concentrated in the agricultural value chain and follows the broader employment profile. In 2024, the growing of pome fruits and stone fruits was by far the largest source of youth jobs, providing about 3 214 FTE positions. This was followed by citrus fruit cultivation (1 108 jobs) and post-harvest crop activities (786 jobs), all sectors that rely on seasonal and cyclical work linked to planting, harvesting and packing cycles. The only non-agricultural sector among the top five youth employers was general public administration (336 jobs), indicating that formal opportunities outside agriculture remain limited for young workers.

This pattern reveals both the strength and vulnerability of Theewaterskloof’s youth labour market. On the one hand, agriculture provides an important entry point into work, offering accessible employment opportunities for many young people with limited formal qualifications.

On the other hand, the heavy dependence on a small set of agricultural activities leaves youth employment highly exposed to climate shocks, market volatility and changes in export demand. Over the longer term, improving resilience will depend on diversifying the range of sectors that can employ young people, particularly in agro-processing, logistics, renewable energy, tourism and business services and equipping them with skills that allow movement into high productivity roles.



Source: Quantec, 2025

The skills composition of the Theewaterskloof municipal area’s workforce in 2024 shows the region’s strong agricultural base and limited diversification into high-skill industries. Low- and semi-skilled workers made up 86.0 per cent of total employment, with 46.2 per cent classified as low-skilled and 39.7 per cent as semi-skilled. Skilled workers accounted for only 14.1 per cent of jobs in 2024. Between 2021 and 2024, the share of semi-skilled workers increased slightly (by about 0.7 percentage points), while both the skilled and low-skilled shares declined marginally, indicating a slight degree of structural upgrading but no major shift in the overall skills profile.

Across sectors, agriculture, construction, trade, transport and many community services remain heavily dependent on operational and routine labour. In agriculture, the workforce continues to be overwhelmingly low- and semi-skilled, consistent with the manual and seasonal nature of fruit production, harvesting and post-harvest activities. At the same time, there is some evidence of upskilling in parts of the tertiary sector. In 2024 the proportion of skilled roles increased slightly in finance and personal services, in line with the rising contribution of these industries to GDP and the demand for professional, clerical and technical occupations.

Taken together, these trends show that despite some changes in the sectoral composition of output, the skills base of the local workforce remains narrow. This limits economic resilience, restricts upward mobility and reduces the ability of workers, especially the youth, to transition into higher-productivity roles. Expanding access to technical and vocational education and training (TVET) in

areas such as agro-processing, logistics, renewable energy, digital services and business support will be essential for broadening employment opportunities and better aligning the labour force with Theewaterskloof’s evolving economic structure.

## THE ECONOMIC ROLE AND GROWTH POTENTIAL OF THE TOWNSHIP ECONOMY

The township economy constitutes a vital yet under-recognised pillar of South Africa’s economy. Township-based enterprises collectively contribute over R900.0 billion annually to the national gross domestic product, with the majority of activity occurring in informal and micro-enterprise segments that sustain household livelihoods and local circulation of income.

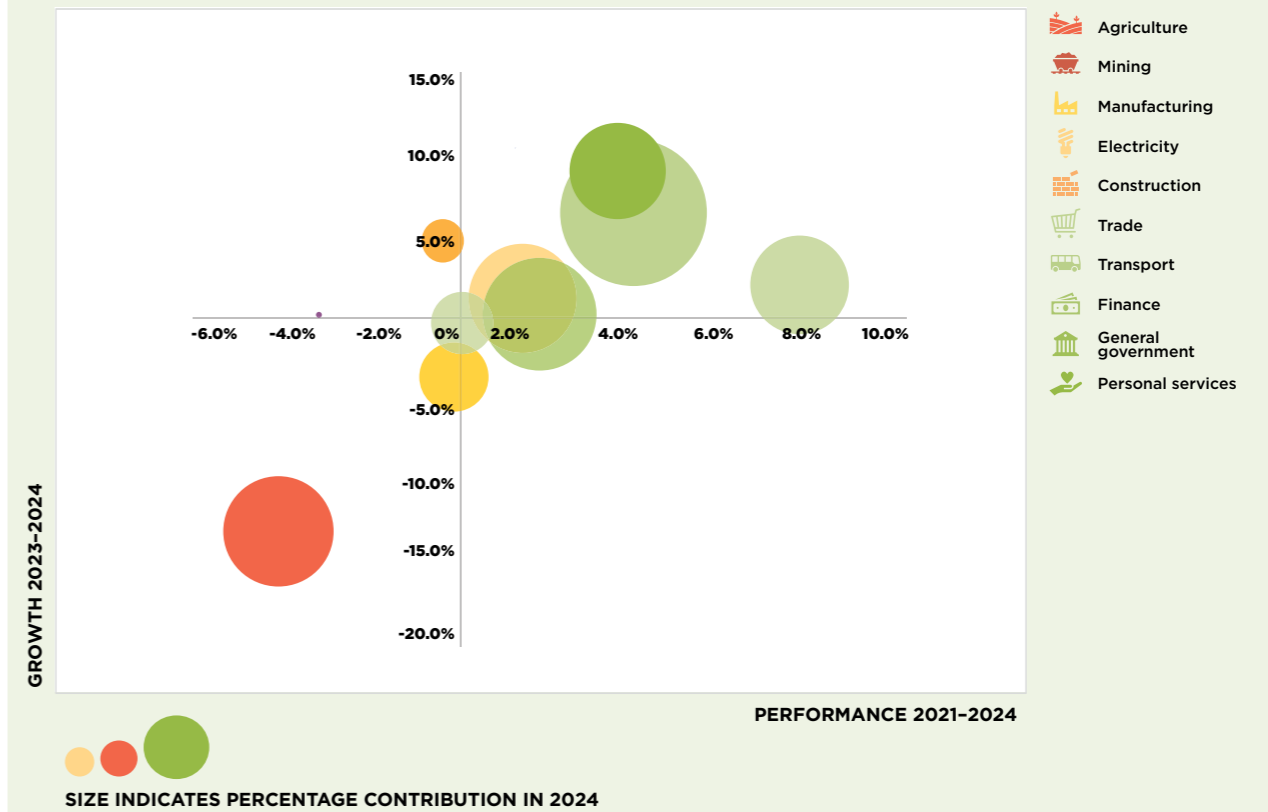
Within the Western Cape, there is a substantial number of entrepreneurs in township areas, who engage in retail, food services, logistics and personal care activities. However, limited access to infrastructure, finance and formal markets constrains growth potential, with approximately 80.0 per cent of businesses remaining unregistered.

Recent national research emphasises the importance of targeted local government interventions, including the upgrading of trading infrastructure, the simplification of regulatory and licensing processes, and the strengthening of digital and financial inclusion so as to support the integration of township enterprises into wider municipal and regional value chains. Strengthening this segment of the economy can broaden Theewaterskloof’s development base beyond agriculture and formal services, promote inclusive growth, and enhance the overall economic resilience of the municipal area.



Figure 3.4.5:

### GDPR PERFORMANCE PER SECTOR (CONSTANT PRICES) THEEWATERSKLOOF, 2021-2024



Source: Quantec, 2025

SECTOR	PERFORMANCE 2021-2024	GROWTH 2023-2024	CONTRIBUTION TO GDP 2024
<b>PRIMARY SECTOR</b>			
AGRICULTURE	-4.1%	-13.0%	13.8%
MINING	-3.2%	0.2%	0.0%
<b>SECONDARY SECTOR</b>			
MANUFACTURING	1.4%	1.2%	13.5%
ELECTRICITY	-0.4%	4.7%	2.1%
CONSTRUCTION	-0.1%	-3.6%	5.5%
<b>TERTIARY SECTOR</b>			
TRADE	1.8%	0.2%	14.5%
TRANSPORT	7.6%	2.0%	11.2%
FINANCE	3.9%	6.4%	24.7%
GENERAL GOVERNMENT	0.0%	-0.3%	4.4%
PERSONAL SERVICES	3.5%	9.0%	10.4%

Between 2021 and 2024, sectoral GDP performance in Theewaterskloof showed a widening gap between the traditional agricultural base and an expanding services economy. Agriculture recorded no cumulative growth over the period and suffered a sharp 13.0 per cent decline between 2023 and 2024, reflecting a difficult production environment. This stagnation is particularly concerning given agriculture’s central role in employment and exports, and it reinforces the mismatch between where jobs are concentrated and where value-added growth is occurring.

Between 2021 and 2024, sectoral GDP performance in Theewaterskloof showed mixed outcomes rather than sustained gains across tertiary industries. While finance recorded cumulative growth over the period, other service-related sectors such as personal services and transport, storage and communication experienced more variable performance, with growth occurring in some years and contractions in others. These patterns, therefore, do not indicate a broad or uniform strengthening of the services sector but instead reflect a municipal area where a few tertiary industries expanded moderately while others remained sensitive to local and regional economic conditions. This highlights an economy still driven by agriculture, with service-sector growth occurring selectively and not at a scale sufficient to alter the overall economic structure.

By contrast, the finance, personal services and transport, storage and communication sectors posted sustained gains from 2021 to 2024, with additional growth in 2024. These trends point to resilience in tertiary and logistics-related activities, supported by consumer demand, expanding financial intermediation and stronger linkages to the broader Provincial service economy.

The 0.6 per cent GDP growth recorded in 2024 resulted from a combination of offsetting sectoral contributions, illustrating both the strengths and vulnerabilities of the Theewaterskloof economy. Finance and personal services were the largest positive contributors, adding roughly 1.5 and 0.9 percentage points to growth, respectively. The growth in these sectors was supported by continued expansion in banking, insurance, real estate and business services as well as sustained demand for health, education and community services in urban centres such as Caledon and Grabouw.

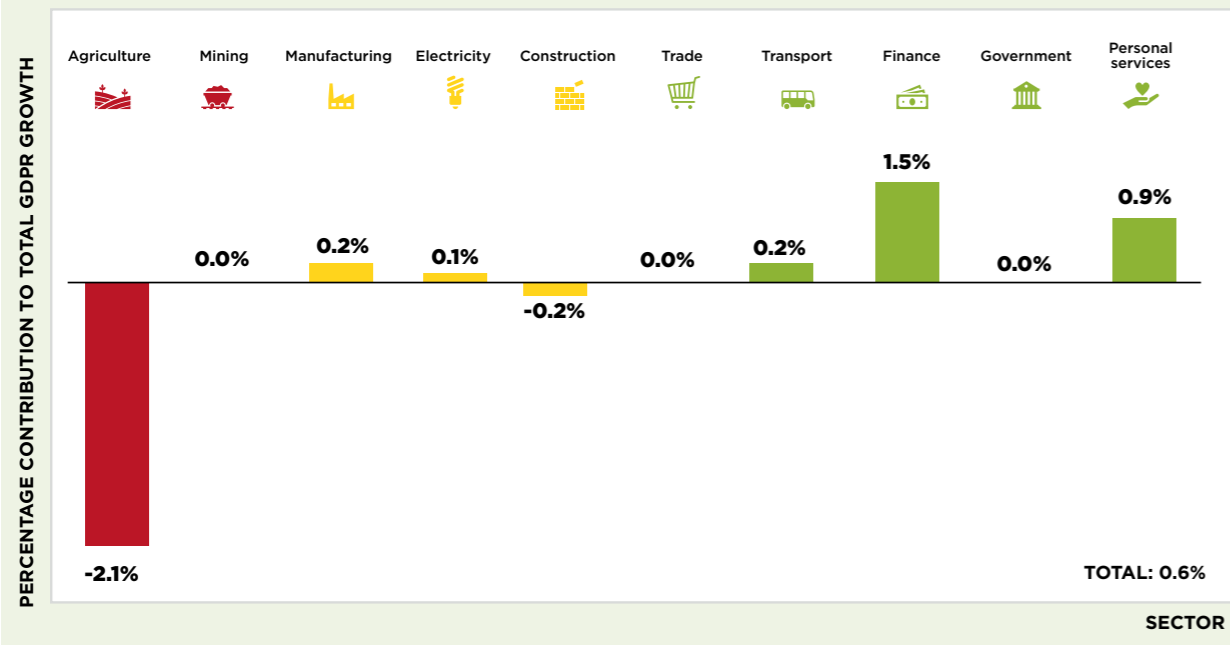
The transport, storage and communication sector made a smaller but still positive contribution to overall GDP growth in 2024 (about 0.2 percentage points), supported by logistics and fruit export routes that connect production areas such as Elgin-Grabouw and Villiersdorp to the Cape Metro and export terminals. Together, these sectors underline the increasingly important role of services and logistics in driving incremental growth in the municipal area.

However, the gains generated by these tertiary industries were largely offset by a severe downturn in agriculture, which subtracted about 2.1 percentage points from overall growth in 2024. The decline spilled over into agro-processing, trade and employment, illustrating the risk of relying heavily on one value chain. The resulting growth composition highlights a form of structural dualism: services are increasingly the main engine of GDP growth, while the foundation of the economy (especially employment) remains tied to a primary sector that is highly exposed to weather, energy disruptions and global market shifts.

Sustaining future growth will require stronger linkages between agriculture and services, particularly through investment in renewable energy, cold chain logistics and diversified agro-processing, so that agricultural volatility does not translate as sharply into local income and employment losses.

Figure 3.4.6:

### SECTORAL CONTRIBUTION TO GDP GROWTH (CONSTANT PRICES) THEEWATERSKLOOF, 2024

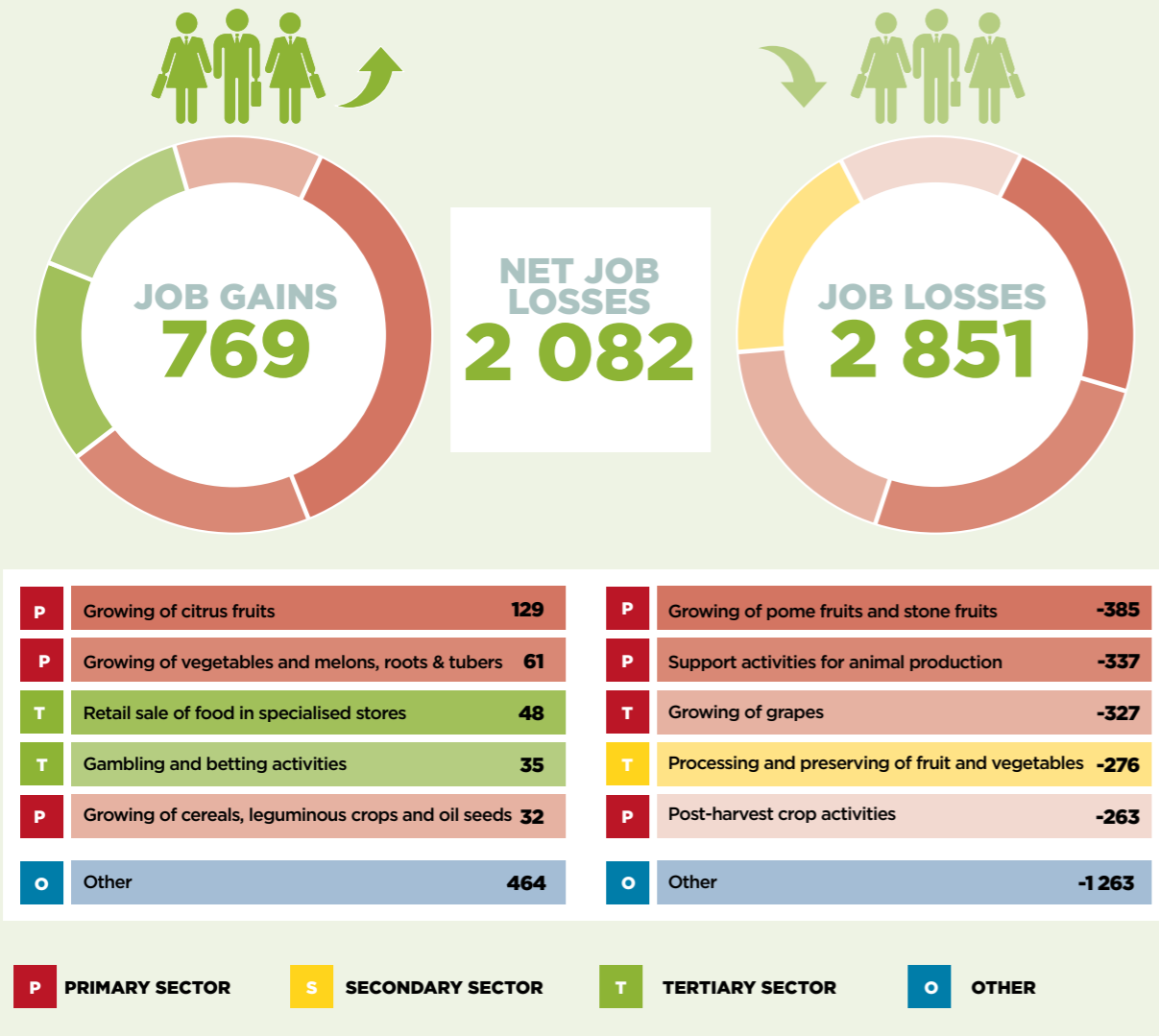


Source: Quantec, 2025



Figure 3.4.7:

### TOP 5 SECTORS FOR FORMAL JOB GAINS AND LOSSES, THEEWATERSKLOOF, 2023-2024



Source: Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

In 2024, Theewaterskloof experienced a deep contraction in formal employment, which was closely aligned with the downturn in agriculture. In all, 769 formal jobs were created – mostly in the growing of citrus fruits (129 jobs), the growing of vegetables, melons, roots and tubers (61 jobs), the retail sale of food in specialised stores (48 jobs), gambling and betting activities (35 jobs) and the growing of cereals, leguminous crops and oil seeds (32 jobs). However, these gains were outweighed by 2 851 formal job losses, resulting in a net decline of 2 082 jobs.

The largest losses occurred within the deciduous fruit value chain: the growing of pome fruits and stone fruits (385 jobs), support activities for animal production (337 jobs), growing of grapes (327 jobs), the processing and preserving of fruit and vegetables (276 jobs) and post-harvest crop activities (263 jobs). This pattern corresponds with the sharp decline in agricultural GDP and illustrates how production shocks translate directly into employment cuts along the value chain, from on-farm activities through to processing and packing

Limited job gains in citrus and vegetable production suggest some resilience in specific crop segments, possibly due to shorter production cycles or better irrigation and market conditions. However, these gains were far too small to offset losses in the dominant deciduous fruit industries and associated support activities. The result is a labour market in which low-value, labour-intensive segments are adding jobs at the margin while higher-volume, export-oriented segments are shedding employment, deepening existing vulnerabilities.

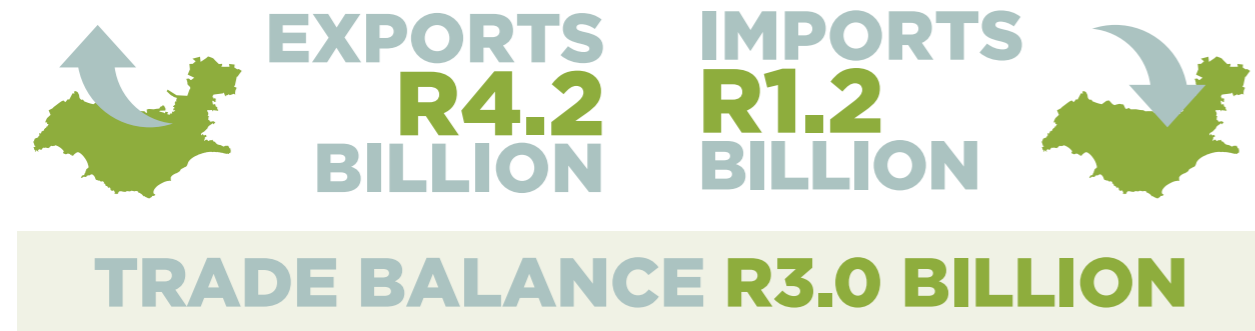
Therefore, the job loss profile in 2024 points to the need to stabilise employment within the agricultural value chain through improved irrigation infrastructure, energy reliability and modernised agro-logistics while simultaneously diversifying employment opportunities into logistics, trade, agro-services and other labour-absorbing activities. Without such measures, shocks in a few key agricultural subsectors will continue to have outsized effects on total employment in Theewaterskloof.



# 4. International trade profile

## 4.1 OVERBERG DISTRICT TRADE PROFILE

DIAGRAM 4.1.1: TRADE PROFILE, Overberg District, 2024



**TOP 3 IMPORTED PRODUCTS**

- Flat-rolled products of iron or non-alloy steel **R205.8m**
- Mixtures of odoriferous substances used in industry **R95.8m**
- Sunflower-seed, safflower or cotton-seed oil **R89.3m**

**TOP 3 EXPORTED PRODUCTS**

- Apples, pears and quinces **R1.1b**
- Fruit and vegetable juices **R604.5m**
- Molluscs **R319.4m**

**TOP 3 IMPORT PARTNERS**

- Malaysia **R194.9m**
- Spain **R141.1m**
- Eswatini **R96.6m**

**TOP 3 EXPORT PARTNERS**

- Netherlands **R638.5m**
- UK **R597.7m**
- USA **R526.3m**

PROPORTION OF BUSINESSES REGISTERED AS EXPORTERS					
	2018	2019	2020	2021	2022
Overberg	10.3%	9.2%	9.5%	9.5%	9.9%
Western Cape	12.6%	11.8%	11.3%	10.9%	11.0%

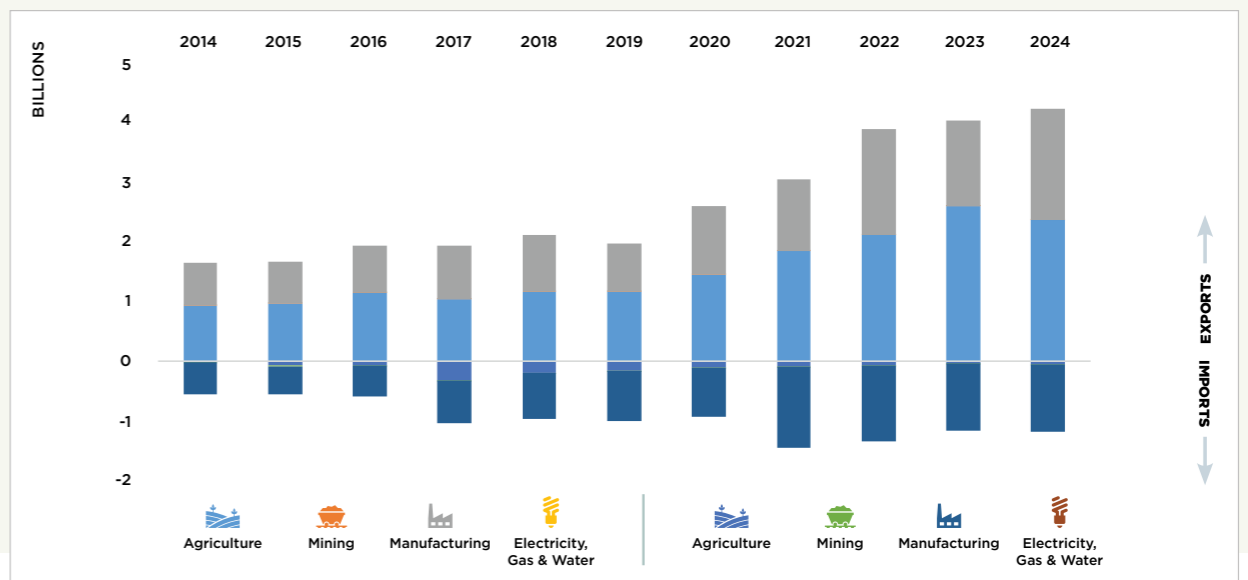
Source: Quantec, 2025

The scenic mountains, valleys and coastlines of the OD are the source of much of its international trade. Predominantly due to agricultural exports, trade in the OD has increased substantially since 2020. The value of agricultural exports from the District increased by approximately R400.0 million annually from 2020 to 2023, indicating significant growth in the export market for fresh produce from the OD. While the value of agricultural exports declined somewhat from 2023 to 2024, these goods remain central to the OD economy. Indeed, exports of apples, pears and quinces alone exceeded R1.0 billion in 2024.

While exports from the District are largely agricultural, imports are almost exclusively manufactured goods. Many are used as inputs in local industries or to supplement the stocks of local distributors, such as in the case of sunflower-seed oil or frozen fish. While exports have increased significantly since 2020, imports have not grown proportionately. This has contributed to a growing trade surplus, which stood at R3.0 billion in 2024. The surplus feeds into the District's GDP, benefitting the local economy.

FIGURE 4.1.1:

### TRADE BALANCE OVERBERG DISTRICT, 2014-2024



Source: Quantec, 2025

DIAGRAM 4.1.2

**IMPORTS  
OVERBERG DISTRICT, 2024**

**TOTAL IMPORTS R1.2 BILLION**

**TOP 10 IMPORT PRODUCTS**

Flat-rolled products of iron or non-alloy steel	<b>R205.8</b>
Mixtures of odiferous substances used in industry	<b>R95.8</b>
Coconut, palm kernel or babassu oil	<b>R89.3</b>
Frozen fish (excluding fillets)	<b>R64.1</b>
Video game consoles, tables for casino games, bowling alley equipment	<b>R39.5</b>
Coconut, palm kernel or babassu oil	<b>R37.6</b>
Plastics for packaging of goods	<b>R37.5</b>
Harvesting or threshing machinery	<b>R35.2</b>
Prepared rubber accelerators, compound plasticisers and other compound stabilisers for rubber or plastics	<b>R34.4</b>
Products containing tobacco	<b>R34.1</b>



As noted previously, the items imported into the OD are almost exclusively manufactured goods. These products have a wide range of applications, indicating in a variety of local economic activities. The leading import by value in 2024 was flat-rolled iron and non-alloy steel, which is used in the manufacture of machine parts or to make modifications to farming equipment. Mixtures of odoriferous substances, meanwhile, are used in a range of products, from baked goods to pharmaceuticals. Sunflower-seed oil and frozen fish are imported to supplement the stocks of local distributors in cases where sunflower-seed oil production or fish catches in the District cannot meet demand. The import of plastics for the packaging of goods indicates the productivity of the local economy, as packaging is required for locally produced goods to be distributed.

Several of the OD's import partners in 2024 - including Eswatini, Lesotho and Mozambique - are neighbouring countries. This is a further positive attribute of the District's trade, namely that the OD is sourcing materials from members of the Southern African Development Community, thereby supporting the growth and development of countries in the subregion.

DIAGRAM 4.1.3

**EXPORTS OVERBERG DISTRICT, 2024**

**TOTAL EXPORTS R4.2 BILLION**

**TOP 10 EXPORT PRODUCTS**

Apples, pears and quinces	<b>R1 132.7</b>
Fruit and vegetable juices	<b>R604.5</b>
Molluscs	<b>R318.4</b>
Grape or colza seeds	<b>R281.6</b>
New pneumatic rubber tyres	<b>R277.2</b>
Wine	<b>R248.6</b>
Citrus fruit	<b>R214.1</b>
Prepared or preserved crustaceans, molluscs and other aquatic invertebrates	<b>R126.1</b>
Foliage, branches and other parts of plants, suitable for bouquets or ornamental purposes	<b>R107.0</b>
Machinery for processing earth, stone, ores or other mineral substances	<b>R105.5</b>



Source: Quantec, 2025

Of the OD's top 10 exports in 2024, eight were agricultural goods, whether fresh or processed. This indicates the centrality of the agricultural and agro-processing sectors to the District economy. Apples, pears and quinces were the leading export by value, collectively exceeding R1.0 billion in exports. The Elgin Valley, in particular, is a major source of this produce. In a positive development for the industry, the introduction of new cultivars, high-density planting and planting under shade netting have all contributed to increasing apple production per hectare.<sup>42</sup> The OD has the largest area of apple cultivation in the Western Cape, and contributes significantly to both exports and domestic consumption.

The export of fruit and vegetable juices from the OD indicates the importance of the agro-processing sector, which enables additional value to be derived from agricultural produce. One of the benefits of such juices is that they are less time-sensitive than fresh produce. This is important in supporting the District's international trade in circumstances where freight and port delays may negatively impact fresh exports.

Molluscs were the third-largest export by value in 2024, the OD having the highest concentration of abalone farms in the Western Cape. South African abalone are sought after in East Asia, where they are considered a particular delicacy.<sup>43</sup>

<sup>42</sup> (SiQ, 2024).

<sup>43</sup> (Wagner & Engel, 2021)

## 4.2 Municipal imports and exports

### 4.2.1 CAPE AGULHAS TRADE PROFILE

DIAGRAM 4.2.1: TRADE PROFILE, Cape Agulhas, 2024



**PROPORTION OF BUSINESSES REGISTERED AS EXPORTERS**

	2018	2019	2020	2021	2022
Cape Agulhas	11.4%	10.8%	9.8%	10.1%	9.7%
Western Cape	12.6%	11.8%	11.3%	10.0%	11.0%

Sources: Quantec, 2025; Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury - Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

The economy of Cape Agulhas incorporates a variety of activities, particularly in agriculture and manufacturing. These industries also produce the goods which constitute the municipal area’s international trade.

Unlike the agricultural exports of surrounding municipal areas, the farming exports of Cape Agulhas do not centre on fruit. Flowers are the main agricultural export from the municipal area. Cape flora varieties grow abundantly in the region, which has resulted in the two most exported products of this area being foliage, branches and other parts of plants, and cut flowers and flower buds used in bouquets (or for other ornamental purposes). In 2024, foliage and branches were mostly exported to Germany (R31.3 million) and the Netherlands (R22.3 million). These two countries were also the largest markets for cut flowers and flower buds. Exports have, however, decreased, falling by approximately R70.0 million between 2020 and 2024.

Significant quantities of iron and steel products, primarily flat-rolled iron and steel, are imported into Cape Agulhas. There are many uses for flat-rolled iron and steel, including in agriculture, manufacturing and construction. Structural iron and steel products are also imported, including doors, windows and roofs. Notable levels of construction in the municipal area have probably contributed to the demand for these products. Imports fluctuated from 2020 to 2024, with 2021 and 2023 seeing the largest import volumes. The value of imports, which comprise manufactured goods, has exceeded that of exports, which consist mostly of primary agricultural products. This has created a trade deficit since 2021, the magnitude of which has fluctuated depending on the value of imports in a given year.

The proportion of businesses in Cape Agulhas that are registered as exporters has typically been slightly lower than the share for the Western Cape as a whole. The percentage of exporters in Cape Agulhas declined slightly from 2018 to 2022, dropping from 11.4 per cent to 9.7 per cent. However, this was due to an increase in the overall number of businesses, which is a positive indicator for the wellbeing of the local economy.

### HONEYBUSH TEA

Honeybush tea is produced from cuttings of the Cyclopa species, which are indigenous to South Africa. There are 23 distinct varieties of the honeybush plant, with variations in taste and climate preference.<sup>44</sup> The tea is sweet-tasting, free of caffeine and known to have health benefits. Historically, honeybush was largely harvested from wild plants, with commercial cultivation beginning in the 1990s. However, more than half of the honeybush harvested in South Africa still comes from wild plants. The honeybush grown in Cape Agulhas is found primarily on the southern slopes of the Bredasdorp Mountains. The small-scale nature of honeybush cultivation indicates potential opportunities for new market entrants and small-scale farmers.<sup>45</sup>

<sup>44</sup> (South African Honeybush Tea Association, 2023).

<sup>45</sup> (Agulhas Honeybush Tea, n.d.).

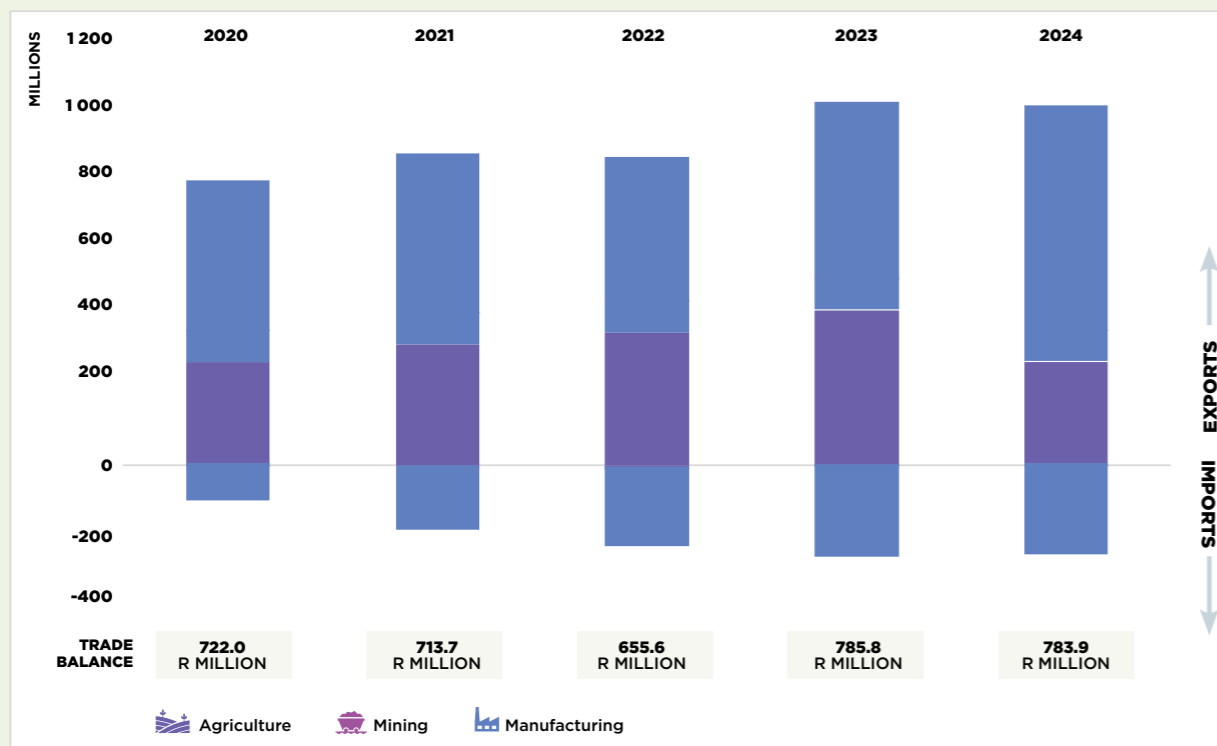
### 4.2.2 OVERSTRAND TRADE PROFILE

DIAGRAM 4.2.2: TRADE PROFILE, Overstrand, 2024



**TRADE BALANCE R783.9 MILLION**

#### TRADE BALANCE



#### TOP 3 IMPORTED PRODUCTS



#### TOP 3 EXPORTED PRODUCTS



#### PROPORTION OF BUSINESSES REGISTERED AS EXPORTERS

	2018	2019	2020	2021	2022
Overstrand	8.2%	7.8%	7.9%	7.9%	8.2%
Western Cape	12.6%	11.8%	11.3%	10.0%	11.0%

Sources: Quantec, 2025; Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury - Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

International trade in the Overstrand municipal area constitutes a significant share of OD international trade. Exports from Overstrand exceeded R1.0 billion in 2023 and 2024. The products in question showed the diversity of the local economy and included raw agricultural goods, refined agricultural products and manufactured goods. Imports ranged from raw agricultural produce to manufactured items that can be used in manufacturing processes.

The main import to Overstrand in 2024 was frozen fish, which was sourced from Lesotho. Frozen fish products can be used as intermediate inputs in the manufacture of fish meals, pellets and flours or distributed for direct consumption, depending on the grade and type of fish product. The second-largest import was, collectively, rubber accelerators, compound plasticisers for rubber and compound stabilisers for rubber. These products are largely imported for the production of new pneumatic tyres, which made up the largest export from the municipal area in 2024. The main market for the exported tyres was the Netherlands (R206.4 million).

### ABALONE AQUACULTURE

Aquaculture is a significant component of agricultural activity in Overstrand - with abalone, in particular, a key product of the region. The OD has the highest concentration of abalone farms in South Africa, which is the third-largest abalone producer globally.<sup>46</sup> While the volumes of abalone produced locally are significantly lower than those of China and South Korea - the two largest producers - South African abalone fetches high prices due to its size and quality.

The abalone aquaculture industry in Overstrand is well established, offering opportunities for investment and expansion. In addition to the farming process itself, further possibilities for diversification and growth exist along the value chain (e.g. in processing, feed production, and technology and equipment supply). The demand for abalone, particularly from East Asia, is significant, indicating potential for industry expansion.

The trade balance of Overstrand remained fairly stable from 2020 to 2024, with exports and imports increasing at similar rates, thus creating little net change in the trade balance. The significant overall value of exports, combined with the low volume of imports, has created a substantial trade surplus for the municipal area.

Compared to the Western Cape as a whole, Overstrand has a lower proportion of businesses registered as exporters. This share decreased slightly after 2018 but bounced back by 2022, when it was again recorded at 8.2 percent.

<sup>46</sup> (Wagner & Engel, 2021).

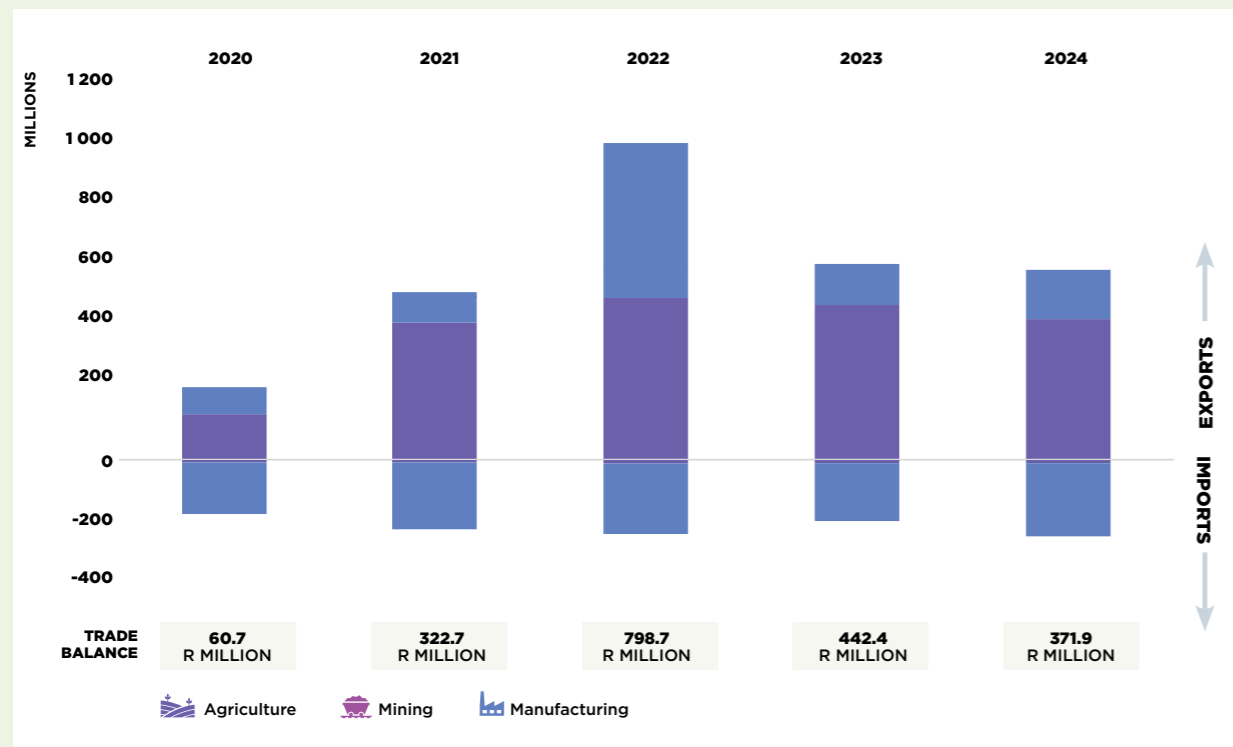
### 4.2.3 SWELLENDAM TRADE PROFILE

DIAGRAM 4.2.3: TRADE PROFILE, Swellendam, 2024



**TRADE BALANCE R371.9 MILLION**

#### TRADE BALANCE



#### TOP 3 IMPORTED PRODUCTS



#### TOP 3 EXPORTED PRODUCTS



#### PROPORTION OF BUSINESSES REGISTERED AS EXPORTERS

	2018	2019	2020	2021	2022
Swellendam	12.6%	10.9%	10.5%	11.0%	10.0%
Western Cape	12.6%	11.8%	11.3%	10.0%	11.0%

Sources: Quantec, 2025; Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury - Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

Swellendam has a well-established agriculture sector, enabling local producers to export a range of both primary and refined agricultural goods. Imports are also largely agricultural, with the top three imported products in 2024 being various vegetable and seed oils.

The highest value product imported to Swellendam in 2024 was sunflower-seed oil. It was imported exclusively from Europe, with Romania (R42.4 million) and Bulgaria (R31.9 million) being the principal sources of this product. Sunflower-seed oil is widely used, particularly in cooking and other forms of human consumption. While South Africa produces significant amounts of sunflower seeds, and by extension oil, it still requires imports to meet local demand. The second-most imported product to Swellendam in 2024 was coconut oil, which was largely imported from Mozambique (R33.8 million). The third-most imported product - also a vegetable oil - was olive oil, imported from Spain (R25.8 million).



The leading export from Swellendam in 2024 was canola seeds (also known as rape or colza), with the municipal area being one of the largest producers nationally of the commodity. The seeds were exported exclusively to Kenya (R281.6 million).

Swellendam is also a significant producer of citrus, which constituted the second-largest export in 2024. There were several different markets for citrus from the municipal area, with the Netherlands (R77.2 million), Canada (R16.6 million) and the United States (R6.0 million) the main consumers. The third-most exported product was canola oil - derived from processing canola seeds grown in the municipal area. As was the case with canola seed exports, the main market for canola oil from Swellendam in 2024 was Kenya (R25.5 million). Other destinations for the export included Nigeria (R11.9 million) and the United States (R11.9 million).

## CANOLA

Canola seeds are a subset of the rapeseed family. Unlike rapeseed, which has a variety of applications (including for industrial purposes), canola is intended for human and animal consumption. Canola oil is considered a healthier alternative to other vegetable oils due to its low saturated fat content and high level of monosaturated fats.<sup>47</sup> There are over 1 000 canola farmers in the Western Cape, with notable increases in production over the last five years.

In addition to the production and export of canola seeds, this commodity offers several opportunities to farmers and agro-processors, including in the production of canola oil and oil cake. The latter, a by-product of extracting oil from canola seeds, has a high protein content and can be used in animal feed.<sup>48</sup>

The beautiful bright yellow fields of canola that greet visitors to Swellendam in August and September are part of a key product from the region, with further opportunities for increased scale and products in the future.

Exports from Swellendam have consistently exceeded imports in value, creating a regular trade surplus. The surplus was highest in 2022 due to the value of exports being significantly higher than average. There were similar trade balances in 2023 and 2024, at a value of about R400.0 million.

The number of businesses in Swellendam registered as exporters has remained reasonably consistent since 2018. An increase in the total number of businesses in the municipal area has had the effect of diminishing the proportion of businesses registered as exporters relative to that of the Western Cape as a whole.

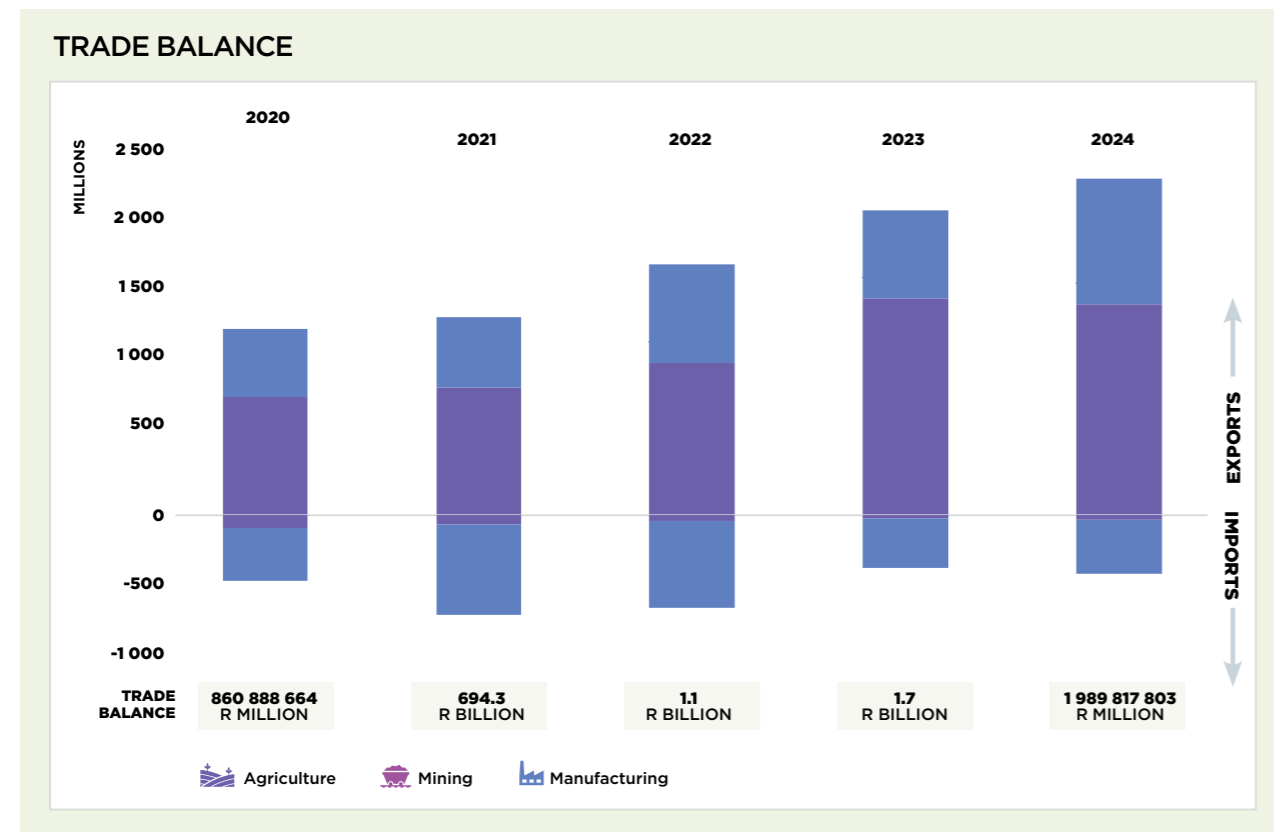
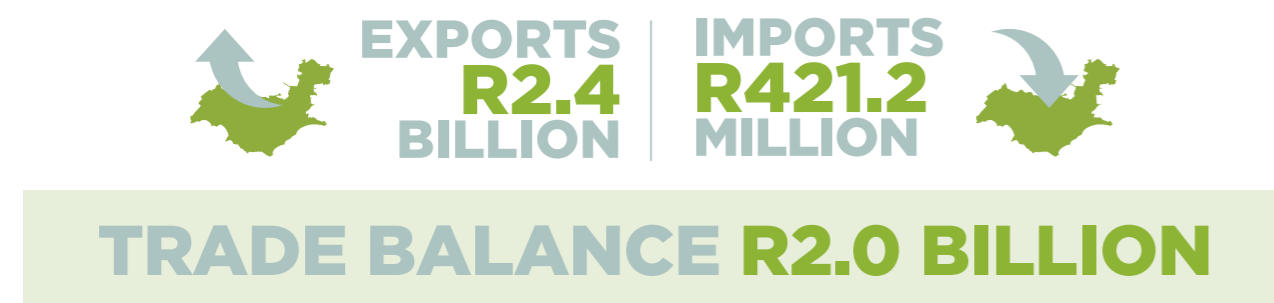
<sup>47</sup> (Adama, 2023).

<sup>48</sup> (Overberg Agri, 2022).



### 4.2.4 THEEWATERSKLOOF TRADE PROFILE

DIAGRAM 4.2.4: TRADE PROFILE, Theewaterskloof, 2024



	2018	2019	2020	2021	2022
Theewaterskloof	12.0%	9.8%	11.4%	11.1%	12.2%
Western Cape	12.6%	11.8%	11.3%	10.0%	11.0%

Sources: Quantec, 2025; Nell, A. & Visagie, J. Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury - Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025

Theewaterskloof is a significant exporter of agricultural products, both raw goods (e.g. fresh apples and pears) and processed, value-added goods such as fruit juices. This indicates the importance of the local agricultural industry and of agro-processing capabilities.

The municipal area constitutes one of the largest apple producing regions in the country, accounting for a significant share of apple exports from South Africa. While apples are the principal export from Theewaterskloof, other farmed goods are also exported from the area, including pears and citrus. The largest markets for apples and pears from Theewaterskloof in 2024 were the United Kingdom (R417.8 million) and the Netherlands (R135.5 million). The same was true for fruit and vegetable juices, for which the three main export markets were the Netherlands (R42.4 million), the United Kingdom (R12.0 million) and Italy (R10.9 million). Fruit juices produced in Theewaterskloof were primarily exported to the United States (R449.6 million).

### APPLES

The Elgin Valley, situated between Groenland and Kogelberg, is one of South Africa's most well-known and productive apple farming regions. The main cultivars of the region include the Granny Smith, Pink Lady, Winter Pearmain and Golden Delicious varieties.

The apple season is longer than that of other fruits.<sup>49</sup> This results in employment opportunities within the apple farming industry being relatively long-term and consistent – more so than is generally the case for farming activities. Additionally, the stable nature of apple farming in Theewaterskloof has resulted in this industry being a reliable source of work for many surrounding communities.

Supporting industries (notably agro-processing, packaging, and transport) are also well-established in the region, providing further economic activity and opportunities.

As a whole, South Africa supplies apples to many countries, including in Africa, Asia and Europe. The significant exports of locally-produced apples indicates the quality of South African apples, as only high-grade produce is considered fit for export. The well-established apple industry as well as connected sectors (such as restaurants, tourism and cider-making) indicates further opportunities for the local economy of Theewaterskloof.

Imports to Theewaterskloof in 2024 were largely manufactured goods. Swaziland was the biggest source for imports to the municipal area, with chemical compounds for use in industry and manufacturing – specifically mixtures of odiferous substances – the primary import (R88.2 million). The levels of imports to Theewaterskloof decreased slightly in 2023 and 2024 compared to 2021 and 2022. Combined with the increase in export volumes over the same period, this led to a notable strengthening of the trade balance, which stood at a surplus of R2.0 billion in 2024.

The proportion of businesses registered as exporters in Theewaterskloof has historically been similar to that of the Western Cape as a whole. In 2022, this share increased, exceeding the proportion of exporters in the Province overall, with 12.2 per cent of businesses in Theewaterskloof registered as exporters. This indicates the importance of export trade to the local economy, particularly with regard to agricultural production and productivity.

<sup>49</sup> (Hortgro, 2025).

## 5. Tourism

The OD, located along the southern coast of the Western Cape, is one of South Africa's most geographically diverse regions. Characterised by coastlines, fertile valleys and mountain ranges, the District extends from the Hottentots Holland Mountains near Grabouw and Elgin in the west to Cape Agulhas, the southernmost tip of Africa, in the east. Its name, meaning “over the mountain”, refers to its position beyond the Hottentots Holland range from Cape Town, making it a convenient and accessible destination for both domestic and international visitors.

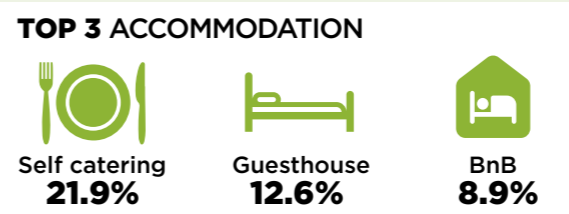
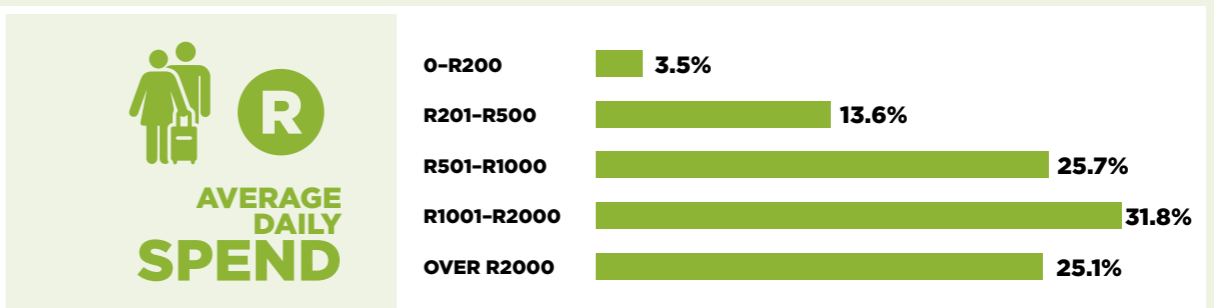
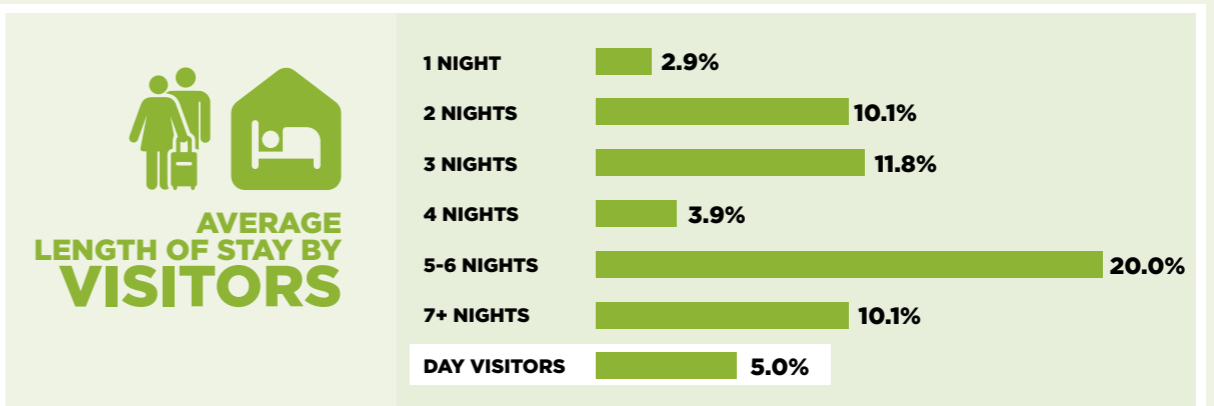
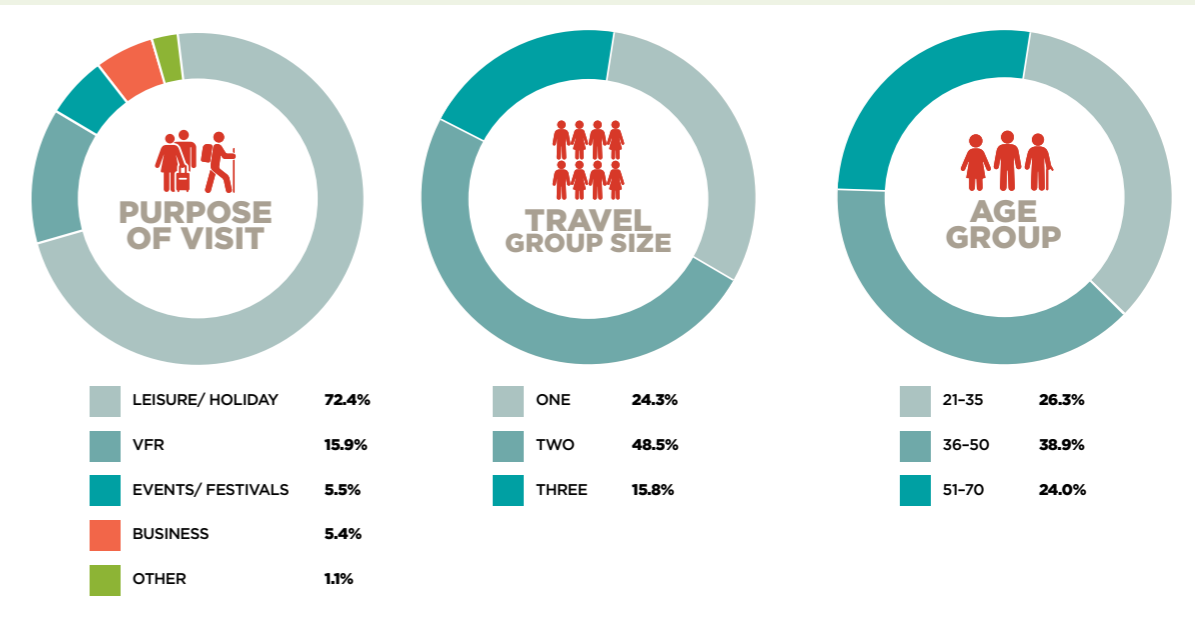
The District combines coastal, nature-based and agri-tourism activities, which are supported by varied landscapes and well-developed tourism routes. The region is known for whale watching in Hermanus, marine and coastal biodiversity along the Cape Whale Coast and protected natural areas such as the De Hoop and Walker Bay Nature Reserves. Inland, the Elgin Valley and Hemel-en-Aarde wine routes offer farm-based tourism, wine tasting and local food experiences that strengthen the area’s reputation for sustainable, experience-driven travel. Towns such as Caledon, Greyton, Swellendam and Bredasdorp add heritage, art and outdoor recreation to the tourism mix. The OD’s position along the N2 and Route 62 corridors connects the District with the Cape Winelands District and the Garden Route, reinforcing its role as a key regional tourism link.

In terms of cultural tourism, Elim, founded as a Moravian missionary settlement, is deeply rooted in cultural and spiritual heritage, offering visitors an authentic window into the region’s history through its preserved architecture, traditions and community life. Building on this cultural richness, the Cape Agulhas municipal area is positioning itself to attract Halaal tourism by encouraging local businesses to offer Halaal-certified food, prayer-friendly facilities and inclusive visitor experiences. This approach broadens the region’s appeal to family-oriented and faith-based markets while reinforcing its reputation as a welcoming and culturally attuned destination.



## 5.1 Visitor trends

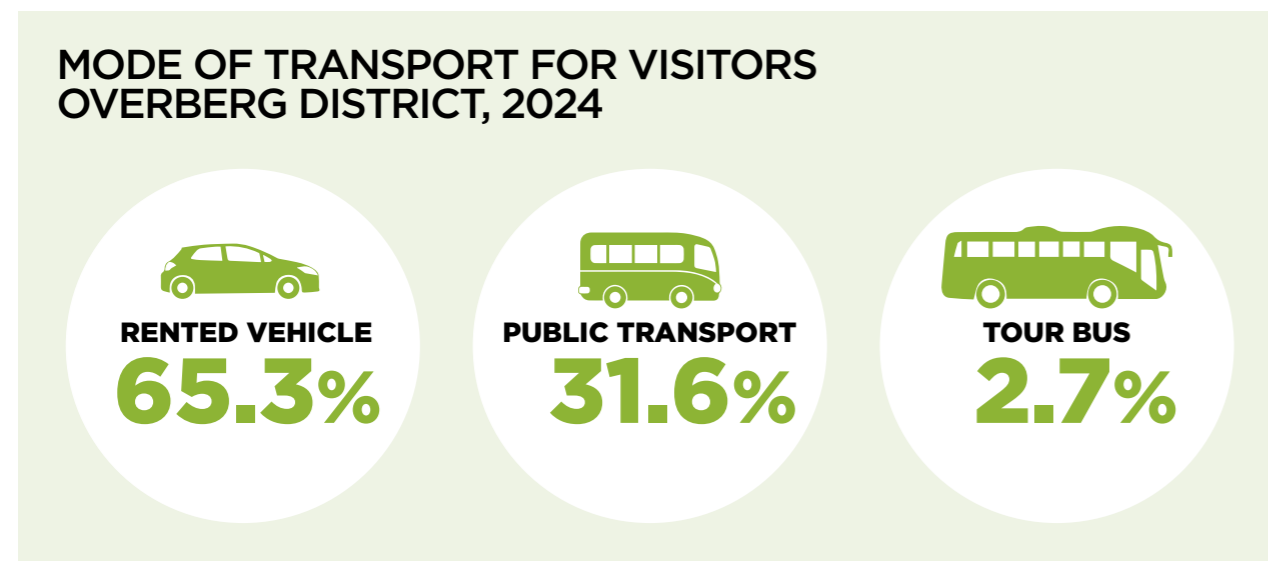
### VISITOR OVERVIEW OVERBERG DISTRICT, 2024



In 2024, domestic travel continued to dominate the OD's visitor profile, accounting for 74.7 per cent of total arrivals, while international visitors made up 25.1 per cent. The District's proximity to Cape Town, together with its location along well-established scenic travel corridors such as the Cape Whale Coast region and Route 62, makes it an easily accessible getaway for regional travellers. Among domestic visitors, an overwhelming 90.7 per cent originated from within the Western Cape, underscoring the District's popularity among Cape Town residents for short breaks and weekend trips. Smaller shares of visitors came from Gauteng (5.5 per cent) and KwaZulu-Natal (1.4 per cent), indicating increasing visibility in inland markets drawn by the District's coastal and nature-based appeal. Visitor data for January to June 2024 indicates that half of the visitors to the OD during this period (50.3 per cent) stayed overnight in the District, while 49.7 per cent were day trippers. This near-even split highlights the region's dual appeal: its capacity to serve both as a convenient day-trip destination and an overnight getaway.

For international visitors, the leading source markets in 2024 were Germany (25.6 per cent), the United Kingdom (19.0 per cent) and the Netherlands (8.1 per cent). These figures are consistent with national inbound tourism patterns and align with the OD's positioning as a nature, wine and adventure destination. These markets typically favour ecotourism and scenic travel, and are thus well suited to the District's core offerings (e.g. whale watching in Hermanus, and visits to the Walker Bay Nature Reserve).

**FIGURE 5.1.2: VISITOR PROFILES, OVERBERG DISTRICT, 2024**



Source: (ROVE, 2025: cited by Wesgro, (2025). Overberg Tourism Visitor Trends, 2024.)

The primary purpose of travel to the OD in 2024 was leisure and holiday visits (72.4 per cent), showing the District's strength as a nature- and coastal-based leisure destination offering activities such as whale watching, hiking, beach recreation and scenic drives. Visiting friends and relatives (VFR) accounted for 15.9 per cent of travel, while events and festivals (5.5 per cent) and business travel (5.4 per cent) contributed smaller but meaningful shares of the total. The growing number of wine festivals, cycling competitions, trail-running events and conservation activities has expanded niche markets while supporting year-round visitation.

The age profile of visitors in 2024 was concentrated in the 36 to 50 years group (38.9 per cent), followed by those aged 21 to 35 years (26.3 per cent) and 51 to 70 years (24.0 per cent). This distribution indicates a mature, economically active visitor base that seeks authentic and nature-

oriented experiences alongside a younger segment drawn to adventure and outdoor tourism. In terms of travel group size, 48.5 per cent of visitors travelled in pairs, 24.3 per cent alone, and 15.9 per cent in groups of three. The dominance of couples and solo travellers supports the OD's image as a destination for romantic getaways, retreats and independent exploration, a brand that is supported by a mix of guesthouses, self-catering cottages and boutique lodgings.

The average length of stay in 2024 was typically between five and six nights, showing that while the District attracts short-break visitors, it also sustains longer leisure stays. This pattern illustrates both the wide geographic spread of attractions and the variety of activities that encourage extended travel, the OD combining coastal, nature-based and rural experiences. Longer stays of a week or more were particularly common among domestic visitors seeking affordable, self-catering holidays.

Data on visitor spending patterns in 2024 suggests a high-value market. The largest share of travellers (31.8 per cent) spent R1 001 to R2 000 per day. In addition, 25.2 per cent spent more than R2 000 per day, while 25.7 per cent spent R501 to R1 000 per day. These spending levels indicate a visitor base that actively supports the accommodation, dining and nature-based sectors, confirming the OD's position as a quality-focused destination rather than a low-cost market. Consistent mid- to high-range expenditure has strong economic benefits for local tourism businesses and reinforces the District's profile as a destination for premium product development and experience-based travel offerings.



In terms of transport, most people who visited the OD in 2024 travelled by rental vehicle (65.3 per cent). This highlights the self-drive nature of tourism in the District, where attractions are dispersed across rural and coastal areas. Public transport accounted for a smaller share (31.6 per cent) and was used mainly for local transfers or regional access, while tour bus travel (2.7 per cent) remained limited. This pattern reinforces the OD's identity as an independently explored destination that appeals to flexible and self-directed travellers.

A unique addition to the region's tourism offering is the nostalgic steam-train experience that runs between Cape Town Harbour and Elgin, with occasional extensions to Houw Hoek. These day trips offer visitors a slow-paced journey through dramatic mountain passes and fynbos-covered landscapes, along historic rail alignments, combining vintage rail travel with scenic vistas and stops at country markets and farm stalls. The experience appeals to families, rail enthusiasts and leisure travellers seeking an activity that is distinctive, immersive and reminiscent of classic South African railway heritage.

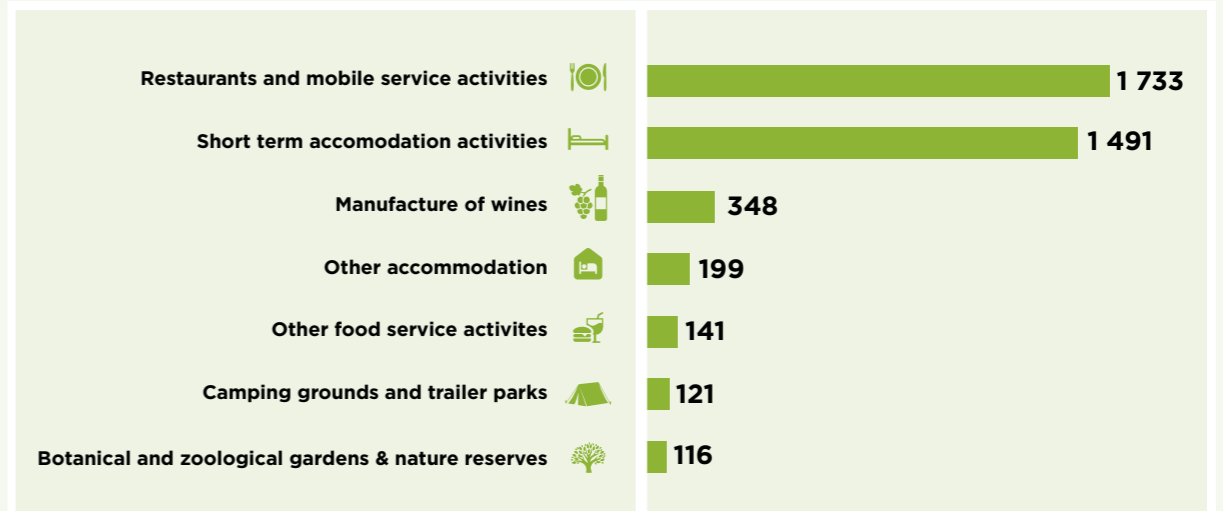
Data on visitor activity preferences shows that culinary experiences were the most popular (17.6 per cent), reflecting the OD's status as a destination for farm-to-table dining, fine local produce and wine tourism (notably in Hermanus, Elgin and Stanford)

Outdoor activities such as hiking, whale watching and coastal exploration (10.2 per cent) highlight the region's strong nature-oriented tourism base. Scenic drives (8.6 per cent), cultural and heritage attractions (8.04 per cent) and craft or food markets (7.0 per cent) further demonstrate a diversity of visitor experiences that extend beyond the main towns.

Visitor distribution across key coastal centres reveals a clear distinction between international and domestic markets. Hermanus recorded the highest share of international visitors (56.37 per cent), confirming its role as the District's global tourism anchor. This position is supported by its well-established whale-watching offering, scenic coastal environment, and strong hospitality infrastructure. Gansbaai also drew a high proportion of international travellers (49.0 per cent), due to its shark cage diving and marine adventure activities, while maintaining a nearly equal share of domestic visitors (50.9 per cent). In contrast, Hangklip-Kleinmond was predominantly domestic (98.0 per cent), reflecting its character as a local leisure and second-home destination. Stanford, with its wine estates, river activities and rural charm, recorded a predominantly domestic market (74.3 per cent) alongside steady international interest (25.0 per cent).

FIGURE 5.1.3

### TOP SECTORS FOR EMPLOYMENT IN TOURISM RELATED ACTIVITIES OVERBERG DISTRICT, 2024

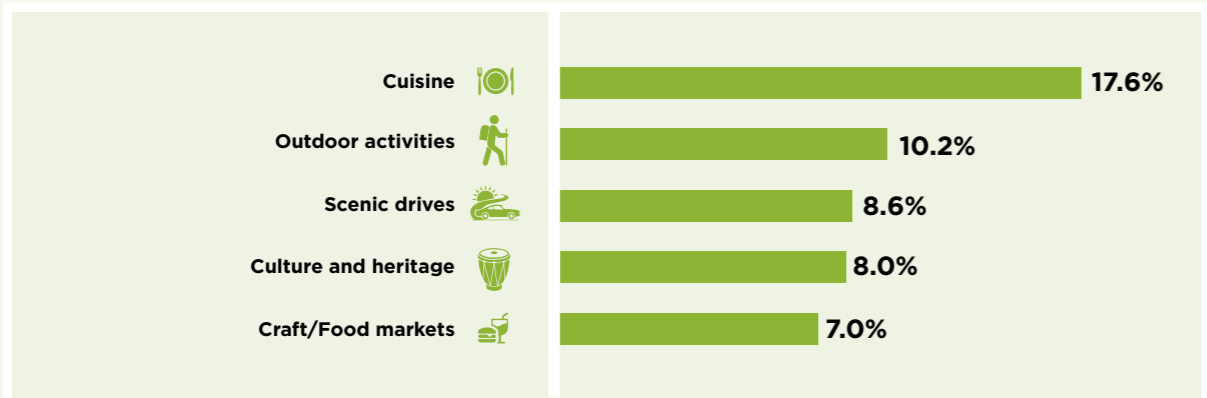


Source: Nell, A. & Visagie, J. *Spatial Tax Panel 2014-2024 (dataset). Version 5.1. National Treasury – Cities Support Programme and Human Sciences Research Council (SEAD-SA) 2025*

Tourism employment in the OD in 2024 indicated a well-balanced and diverse economy. The largest share of full-time equivalent (FTE) jobs was in restaurants and mobile food services (1 733 jobs), highlighting the region's strong culinary and hospitality appeal. Short-term accommodation activities (1 491 jobs) further underscored consistent visitor demand across popular destinations such as Hermanus, Gansbaai and Swellendam. The manufacture of wines (348 jobs) remained a key contributor, linking tourism with the District's renowned wine routes. Additional employment was recorded in other accommodation (199 jobs) and other food service activities (141 jobs), which support a diverse tourism base. Nature-based experiences also played a vital role, with 121 jobs in camping grounds and trailer parks – and 116 jobs in botanical, zoological and nature reserve activities. Overall, these figures highlight the OD's strong foundation in hospitality, wine tourism and nature-based experiences, which constitute key drivers of local employment and economic activity.

FIGURE 5.1.4

**TOP 5 TOURIST ACTIVITIES OVERBERG DISTRICT, 2024**



Source: (ROVE, 2025: cited by Wesgro, (2025). Overberg Tourism Visitor Trends, 2024.)

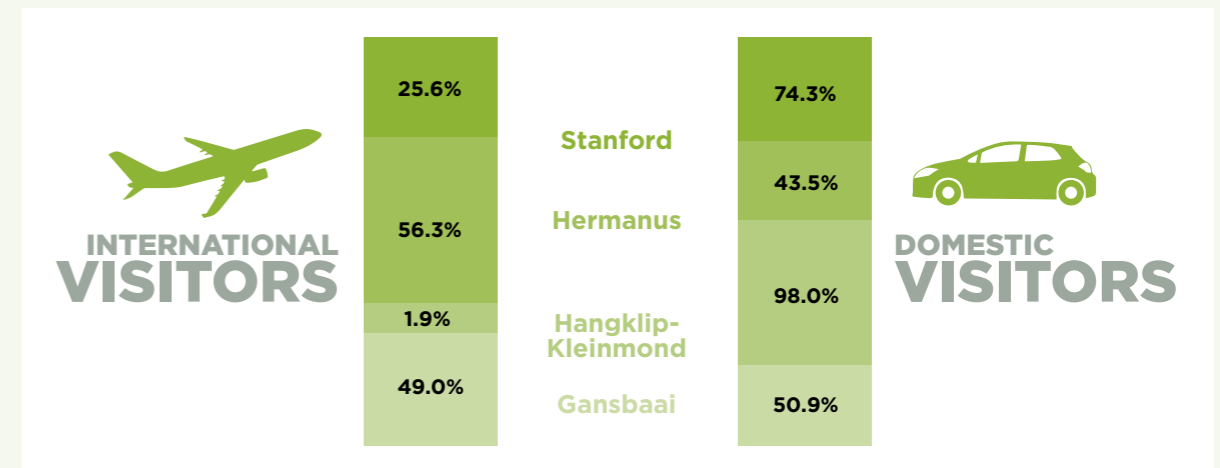
The OD, notably the Cape Agulhas region, boasts an exceptional concentration of protected natural areas and outdoor experiences. These range from the Harold Porter National Botanical Garden in Betty’s Bay to the expansive Cape Agulhas National Park. Visitors can explore iconic trails such as the De Hoop Whale Trail, discover the dramatic coastal landscapes of Walker Bay Nature Reserve, or enjoy the unique flora and geology of Phillipskop Mountain Reserve and Fernkloof Nature Reserve. The Kogelberg Nature Reserve, celebrated for its extraordinary fynbos biodiversity, offers world-class hiking and nature-based recreation, while the privately conserved Grootbos Nature Reserve showcases global leadership in ecotourism and floral conservation. Complementing these assets, the Nuwejaars Wetland Special Management Area provides a rare wetland-grassland mosaic that supports rich birdlife, wildlife and innovative community-led conservation.

The Theewaterskloof municipal area is known for the Theewaterskloof Dam, a key attraction that offers a variety of water-based activities (e.g. boating, fishing and windsurfing). The area attracts both locals and visitors in search of outdoor recreation within a peaceful natural setting. The surrounding valleys, especially near Grabouw and Villiersdorp, feature thriving fruit farms, orchards and wine farms that exhibit the area’s strong agricultural character. Visitors can enjoy farm stalls, seasonal harvest festivals and scenic drives through the countryside, making Theewaterskloof a vibrant blend of nature, agriculture and rural charm.

Swellendam boasts a rich agricultural landscape and is recognised as the largest youngberry cultivation region in the world. The area’s productive farms not only support the local economy but also enhance regional tourism appeal through authentic agri-tourism experiences. Visitors can enjoy tastings and tours that enable them to experience the distinctive flavours of locally produced youngberry liqueurs and preserves. Such activities demonstrate the region’s unique blend of farming tradition and artisanal innovation.

FIGURE 5.1.5

**VISITORS PER TOWN OVERBERG DISTRICT, 2024**



Source: (ROVE, 2025: cited by Wesgro, (2025). Overberg Tourism Visitor Trends, 2024.)

As part of its commitment to strengthening the tourism workforce, the Department of Tourism has prioritised skills development through targeted national training initiatives. For the 2023/24 financial year, the Department allocated over R73.0 million to train an estimated 1 696 learners across all nine provinces. In the Western Cape, the programme was implemented in the Overstrand municipal area, where 21 learners from Hermanus and 21 from Gansbaai were recruited.<sup>50</sup> Such training strengthens the region’s tourism sector by improving service quality and professionalism in hospitality. It equips residents with marketable skills, creating new job opportunities and fostering community participation in tourism. By enhancing food and wine service standards, the programme supports the Western Cape’s reputation as a premier culinary and wine tourism destination.

**OVERBERG DISTRICT TOURISM TRENDS 2024**



Unless otherwise stated, tourism indicators are sourced from **Overberg District Visitor Trends 2024**, published by Wesgro. The full report can be accessed using the QR code. The report is based on tourism destination insights from ROVE. This is a mobile location-based data insight dashboard, which through the use of geo- or spatial data from smartphones, is designed to uncover actionable insights about tourist visitation patterns, tourist origin markets, location affinity, times and duration of visits, and tourist demographics. The report details insights from the dashboard pertaining to the Overberg for the period January to December 2024. It is important to note that mobile location-based data provides a snapshot based on one data point and does not represent 100% of visitors. This dataset therefore provides only a partial representation of tourism activity in the District. Triangulation with additional tourism data sources is required for a more representative view.

<sup>50</sup> (Cape Whale Coast, 2025).

## 6. Investments

The investment base of the OD is shaped by contrast and continuity: this is a region where coastal prosperity meets inland resilience, and which combines long-standing agricultural foundations with expanding service, logistics and tourism economies. Across the four municipal areas of the District, the rhythm of reinvestment reflects both the pressures and the potential of a region in transition. Public infrastructure upgrades are steadying the fundamentals of mobility and service delivery, while private capital is gradually shifting towards renewable energy, agro-processing efficiency and emerging logistics innovations. This chapter explores the evolving composition of investment across the District, tracing how fixed capital formation, capital stock growth, Provincial infrastructure commitments and private sector activity collectively shape the development trajectory of the OD. It addresses not only the scale of investment, but also the deeper structural economy and how this is diversifying and adapting so as to ensure long-term competitiveness within the broader Western Cape.

### 6.1 Public sector investments

Public sector investment in the OD remains the main contributor to regional development, guiding infrastructure renewal, housing delivery, transport upgrades and social facility improvements across all four municipal areas. Governmental allocations reflect a commitment to strengthening mobility, expanding the amount of serviced land, modernising healthcare facilities and supporting environmental management. The collective investment framework positions the District for future growth, enhances service equity and creates the enabling conditions for increased private sector participation.



TABLE 6.3.1

### BUDGETED CAPITAL EXPENDITURE OVERBERG DISTRICT, 2025/26

DESCRIPTION (R'000)	CAPE AGULHAS	OVERSTRAND	SWELLENDAM	THEEWATERS-KLOOF	OVERBERG DISTRICT
<b>MUNICIPAL GOVERNANCE AND ADMINISTRATION</b>	<b>R6,874.0</b>	<b>R3,500.0</b>	<b>R19,145.0</b>	<b>R7,478.0</b>	<b>R1,599.0</b>
<b>COMMUNITY AND PUBLIC SAFETY</b>	<b>R45,288.0</b>	<b>R72,520.0</b>	<b>R5,807.0</b>	<b>R1,284.0</b>	<b>R3,820.0</b>
COMMUNITY AND SOCIAL SERVICES	R0.0	R6,625.0	R230.0	R250.0	R0.0
SPORT AND RECREATION	R0.0	R33,901.0	R4,627.0	R1,034.0	R250.0
PUBLIC SAFETY	R0.0	R7,452.0	R950.0	R0.0	R1,700.0
HOUSING (NOT HUMAN SETTLEMENTS)	R45,288.0	R24,542.0	R0.0	R0.0	R0.0
HEALTH	R0.0	R0.0	R0.0	R0.0	R1,870.0
<b>ECONOMIC AND ENVIRONMENTAL SERVICES</b>	<b>R0.0</b>	<b>R18,954.0</b>	<b>R18,869.0</b>	<b>R16,152.0</b>	<b>R258.0</b>
PLANNING AND DEVELOPMENT	R0.0	R1,554.0	R695.0	R42.0	R20.0
ROAD TRANSPORT	R0.0	R17,400.0	R18,173.0	R16,109.0	R0.0
ENVIRONMENTAL PROTECTION	R0.0	R0.0	R0.0	R0.0	R238.0
<b>TRADING SERVICES</b>	<b>R36,668.0</b>	<b>R163,371.0</b>	<b>R58,794.0</b>	<b>R16,911.0</b>	<b>R9,200.0</b>
ENERGY SOURCES	R0.0	R60,218.0	R14,995.0	R7,128.0	R0.0
WATER MANAGEMENT	R12,280.0	R63,653.0	R34,650.0	R3,218.0	R0.0
WASTE WATER MANAGEMENT	R24,387.0	R34,560.0	R8,788.0	R4,813.0	R0.0
WASTE MANAGEMENT	R0.0	R4,940.0	R360.0	R1,750.0	R9,200.0
<b>OTHER</b>	<b>R0.0</b>	<b>R0.0</b>	<b>R0.0</b>	<b>R0.0</b>	<b>R0.0</b>
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>R88,830.0</b>	<b>R258,345.0</b>	<b>R102,615.0</b>	<b>R41,825.0</b>	<b>R14,877.0</b>
<b>TOTAL EXPENDITURE AS % OF GDP</b>	<b>3.0%</b>	<b>4.1%</b>	<b>3.6%</b>	<b>0.5%</b>	<b>0.1%</b>

Over the 2025/26 period, the OD is allocating R14.9 million (0.1 per cent of District GDP) towards shared infrastructure that underpins environmental management and inter-municipal service coordination. Through expenditure on waste management (R9.2 million), public safety (R1.7 million) and health (R1.9 million), the District is fulfilling its statutory role regarding waste regulation and emergency preparedness. Projects such as the Karwyderskraal Landfill expansion and the Boontjieskraal Road rehabilitation improve regional connectivity and compliance while supporting short-term job creation and small, medium and micro enterprise (SMME) participation. Though modest in scale from a budgetary perspective, the OD capital programme ensures regional functionality and environmental resilience throughout the District.

Of the municipal areas that make up the OD, Overstrand is allocating the largest monetary amount to capital expenditure in 2025/26 (R258.3 million). With this allocation, Overstrand also leads the three remaining municipal areas in the share of municipal GDP (4.1 per cent) destined for capital projects. Almost two-thirds of the spending is earmarked for trading services (R163.4 million), notably water management (R63.7 million), wastewater management (R34.6 million) and the provision of energy infrastructure (R60.2 million).

These allocations support key projects, including the Gansbaai-De Kelders inter-link pipeline, the Preekstoel Water Treatment Works upgrade, and the Hawston Wastewater Treatment Works expansion, each of which addresses capacity and compliance challenges in rapidly growing coastal settlements. The funding reserved for sport and recreation (R33.9 million) and public safety (R7.4 million) reflects a parallel investment in liveability and coastal tourism competitiveness. Overall, the 2025/25 capital expenditure by Overstrand safeguards water reliability, enables sustainable densification in Hermanus and Kleinmond, and reinforces the municipal area's position as the service and growth anchor of the District.

The Swellendam municipal area is allocating R102.6 million for 2025/26 (3.6 per cent of GDP), principally to modernise core infrastructure and support both the agricultural and services-related facets of the local economy. The largest share of this funding, R58.8 million, is being channelled to trading services, including R34.7 million for water supply upgrades and R8.8 million for wastewater networks. As part of efforts to improve connectivity along the N2 corridor, R18.2 million is set aside for road transport infrastructure. These investments consolidate the Swellendam municipal area's dual role as a logistics and tourism node, ensuring that reliable infrastructure is in place to underpin agro-processing growth and make the area more accessible to visitors. The consistent reinvestment cycle of this municipal area indicates fiscal discipline and long-term infrastructure preservation.

The Cape Agulhas municipal area is budgeting R88.8 million (3.0 per cent of GDP) in 2025/26, primarily for housing transfers (R45.3 million) and sanitation infrastructure (R24.4 million). In addition, R12.3 million is reserved for water services and R6.9 million for municipal governance and administration.

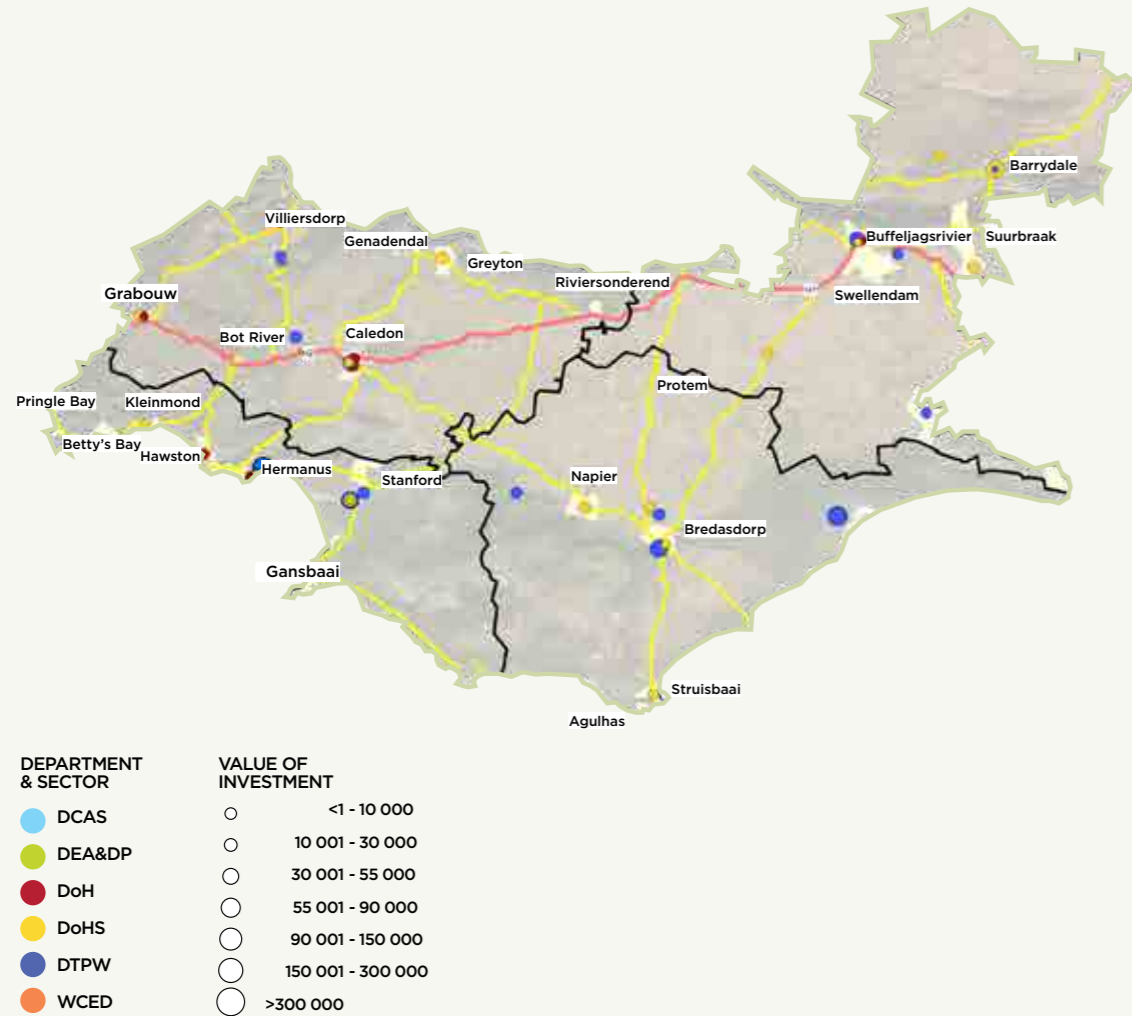
These allocations address service delivery backlogs and settlement expansion in Bredasdorp, Arniston and Struisbaai, where urbanisation pressures have intensified. By linking housing delivery with bulk water and wastewater investment, Cape Agulhas advances spatial equity and environmental compliance. While it operates at a smaller economic scale than other municipal areas, Cape Agulhas demonstrates that targeted spending on social infrastructure can both advance human development outcomes and promote employment through local construction.

Total capital expenditure in the Theewaterskloof municipal area in 2025/26 stands at R41.8 million (0.5 per cent of GDP), indicative of a commitment to maintain and extend essential infrastructure amidst tight budget conditions. Allocations include R16.9 million for trading services, R16.1 million toward road transports, R4.8 million for wastewater management, and R3.2 million for water supply. Projects such as the Botrivier Wastewater Treatment Works Phase 2, the Berglyn Raw Water upgrades and the Grabouw Bulk Water Pipeline Phase 5.3 form part of a multi-year effort to improve water provision in key settlements like Grabouw, Caledon and Genadendal. While project execution has been slowed by capacity and funding constraints, these investments remain foundational to maintaining service continuity and unlocking future residential and industrial growth potential.

Total capital expenditure in the OD for 2025/26 - comprising allocations by the four Local Municipalities and by the District Municipality - amounts to R506.5 million (2.9 per cent of District GDP), with water and wastewater projects accounting for roughly a third of spending. Investments are pragmatic in nature and focused on service stability, with core requirements such as housing transfers and infrastructure renewal receiving priority over large-scale expansion. The Overstrand and Swellendam municipal areas drive the District's capital formation and service efficiency gains, while the Cape Agulhas municipal area strengthens social infrastructure foundations. For its part, the Theewaterskloof municipal area advances incremental service upgrades amidst budget pressures. Together with the OD's regional coordination, these capital commitments provide the backbone for water resilience, spatial equity and employment-supporting infrastructure, positioning the region for gradual but steady economic consolidation through the 2025/26 period.

MAP 6.1.1:

**TOTAL DEPARTMENTAL MTEF INFRASTRUCTURE BUDGET AND NUMBER OF PROJECTS, OVERBERG DISTRICT, 2025-2028**

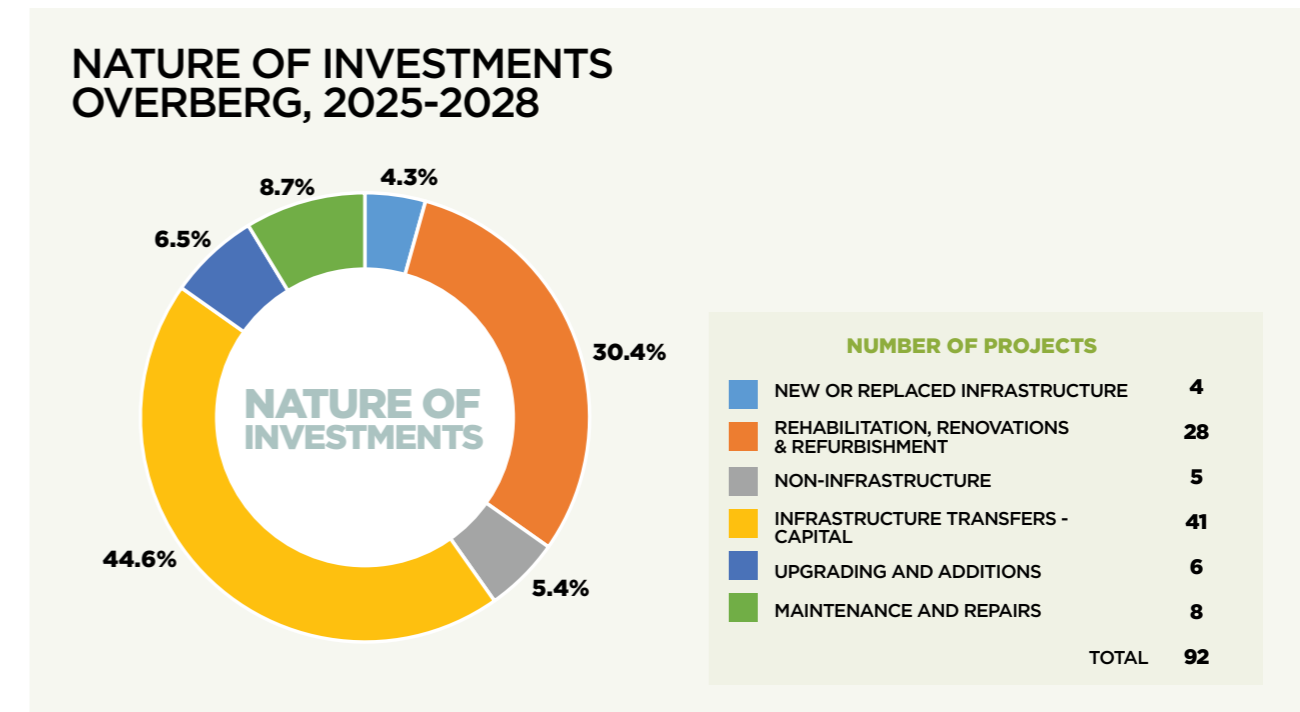


DEPARTMENTAL INVESTMENT PER SECTOR	NO. OF PROJECTS	MTEF 1 2025/26 (R'000)	MTEF 2 2026/27 (R'000)	MTEF 3 2027/28 (R'000)	MTEF total (R'000)
Human settlements (Department of Human Settlements, DoHS)	41	R281 927.0	R266 317.0	R173 611.0	R721 855.0
Transport (Department of Transport and Public Works, DTPW)	33	R403 325.0	R441 980.0	R543 240.0	R1 388 545.0
Health (Department of Health and Wellness, DoHW)	14	R2 206.0	R8 557.0	R20 207.0	R30 970.0
Environmental affairs (Department of Environmental Affairs and Development Planning, DEA&DP)	3	R23 000.0	R0.0	R0.0	R23 000.0
Public Works (DTPW)	1	R3 441.0	R23 781.0	R17 500.0	R44 722.0
<b>TOTAL</b>	<b>92</b>	<b>R713 899.0</b>	<b>R740 635.0</b>	<b>R754 558.0</b>	<b>R2 209 092.0</b>

Source: Department of Environmental Affairs and Development Planning, 2025

Between 2025/26 and 2027/28, the OD will receive an estimated R2.2 billion in Provincial investment across 92 projects. The majority of funding is directed to the transport sector (R1.39 billion) and the human settlements sector (R721.9 million), which together account for over 95.0 per cent of total allocations. While the expenditure on transport reflects ongoing commitments to road rehabilitation and maintenance across inter-municipal routes, the investments in human settlements continue to drive spatial transformation and service expansion in key growth nodes. Smaller but targeted allocations for health (R31.0 million), public works (R44.7 million) and environmental affairs (R23.0 million) reinforce social service delivery, administrative efficiency and environmental resilience across the OD.

Figure 6.1.1: NATURE OF INVESTMENTS, Overberg District, 2025-2028



Source: Department of Environmental Affairs and Development Planning, 2025

In the Cape Agulhas municipal area, total Provincial investment for the MTEF period (2025/26 to 2027/28) amounts to R689.2 million, most of which is being allocated to transport (R596.9 million) and human settlements (R92.4 million). The transport portfolio, financed largely through the Provincial Roads Maintenance Grant, targets key regional corridors such as Bredasdorp–Struisbaai and Bredasdorp–Arniston, improving freight and tourism linkages along the N2 and coastal belt. These routes are vital to the agricultural base of the municipal area, where crop and livestock production underpins local employment and exports, and to the growing tourism sector of Cape Agulhas, which is centred on coastal settlements. Housing projects include the Napier A2 Infill, Phola Park Insitu and Struisbaai Oukamp, contributing to spatial integration and sustainable settlement formation.

This investment mix also strengthens Bredasdorp’s capacity to be an administrative and service hub in the municipal area, a centre that supports both the formal employment base and the local construction and services value chains. Expenditure is mostly focused on road rehabilitation, regravelling, and resealing. This indicates a strategic focus on restoring the ageing mobility infrastructure that supports the municipal area’s agriculture-tourism economy and ensures continued travel between inland settlements and coastal destinations.

In the Overstrand municipal area, Provincial funding for the MTEF period totals approximately R599.6 million and spans 26 projects in four sectors. Transport and housing remain dominant, supported by targeted allocations for environmental affairs and health. The C1000 Stanford-Gansbaai, C1122 Hermanus-Botrivier and C1303 Bot River-Vermont routes collectively improve mobility between tourism, industrial and residential nodes while bolstering the municipal area in its role as a diversified economic hub. Housing investments exceeding R111.0 million – including Schulphoek IBS, Kleinmond Overhills and Stanford West, which enhance affordable housing delivery in coastal growth centres – align with labour market expansion in the construction and services sectors.



Environmental affairs projects such as the Stony Point Boardwalk and Kogelberg Nature Reserve upgrades expand the ecotourism product base, reinforcing local employment resilience in high-value nature-based tourism. Health facility improvements at Hermanus Hospital and Hawston Clinic strengthen access to health services, supporting an economically active population for which the labour force participation rate exceeds the District average.

The Swellendam municipal area has secured R359.3 million across 14 projects, with funding weighted towards human settlements (R218.3 million) and transport (R137.2 million). Housing projects such as Railton (965 units) and Suurbraak (550 units) expand the supply of affordable housing while introducing solar geyser installations, contributing to household energy security and local economic multipliers. Transport investments focus on the Swellendam-Bredasdorp corridor and Barrydale access routes. This enables agricultural logistics and tourism mobility along the R62 and N2 axes, where small town economies rely on visitor and freight flows. Repairs to infrastructure that has suffered flood damage enhance resilience against climatic events, which have recently disrupted transport and agricultural productivity. Health sector funding of R3.8 million supports the upgrade of Swellendam Hospital's psychiatric ward, aligning with the municipal area's service centre function and strengthening human capital outcomes.

In the Theewaterskloof municipal area, the District's largest and most economically significant contributor, Provincial investment totals R561.0 million across 36 projects for the MTEF period. The human settlements portfolio (R299.7 million) oversees large-scale projects in Grabouw Hillside, Villiersdorp Destiny, Botrivier Beaumont and Caledon Riemvasmaak, where rapid urbanisation and the growth of informal settlements have driven demand for serviced land and formal housing. These interventions directly complement the local construction and trade sectors, which together contributed over 20.0 per cent of municipal GDP while supporting household asset formation and social stability. Transport investment of R191.2 million, including rehabilitation of the Villiersdorp-Worcester (C1204) and Boontjieskraal (C1315) routes, enhances agricultural export mobility, particularly for pome fruit, citrus and grape producers. This transport sector anchors the District's R2.4 billion export base. Additional funding for health (R25.4 million) and public works (R44.7 million) improves service delivery infrastructure in Caledon and Villiersdorp, reinforcing the institutional and social backbone of the District's most diversified local economy.

Taken together, these investments constitute a regionally coherent public infrastructure programme that is strongly aligned with the OD's economic composition and spatial dynamics. Across the District, the prominence of transport rehabilitation and human settlement infrastructure projects highlights the extent to which the public investment strategy is centred on strengthening movement networks, stabilising rapidly growing settlements and supporting agri-industrial value chains. The dominance of transport and housing reflects the catalytic influence of these sectors on employment, market access and value chain integration, particularly in agriculture, agri-processing and tourism.

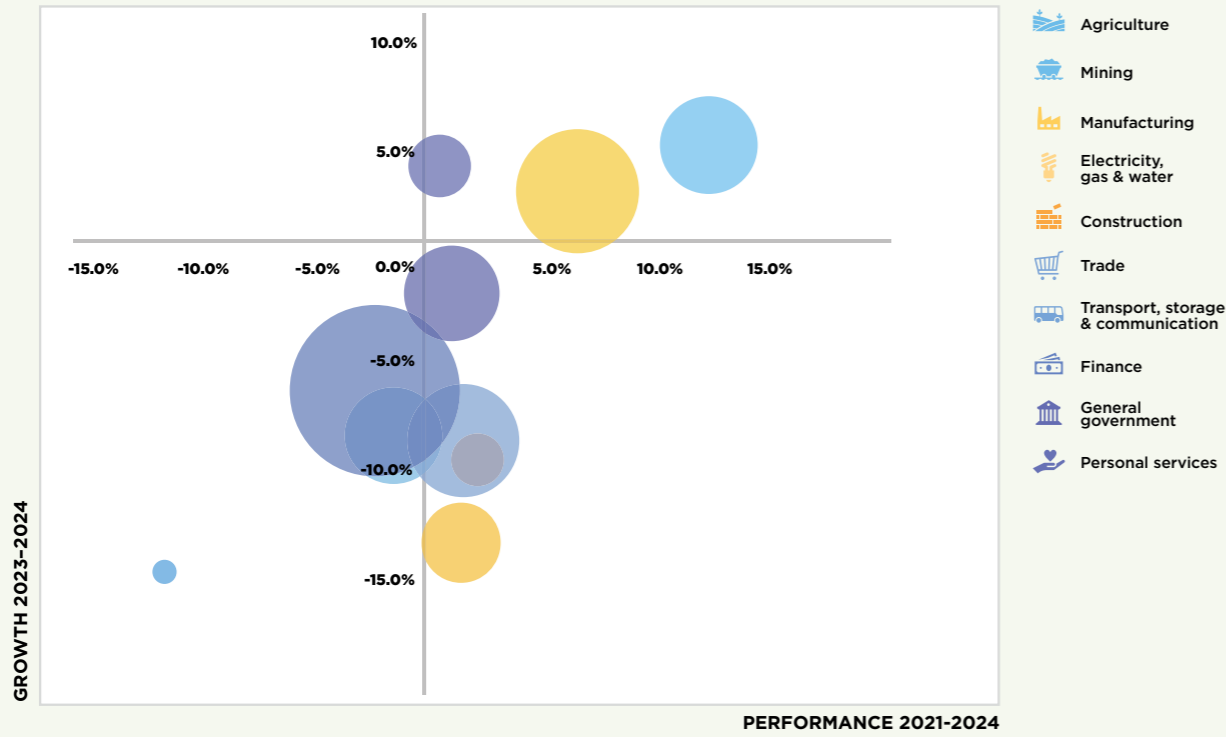
Meanwhile, targeted investments in health, environmental affairs and public works address the softer drivers of competitiveness, thereby promoting human development, environmental stewardship and administrative capacity. Collectively, they position the OD as a connected, inclusive and resilient economy, enhancing its function as a gateway between the Cape Metro and the Southern Cape and laying the groundwork for sustainable long-term growth in output, employment and trade.

## 6.2 Private sector investments

Private sector investment in the OD is steadily reshaping the region's economic landscape, with new energy projects, logistics initiatives, tourism developments and agro-processing expansions signalling renewed confidence in the District's long-term potential. The scale and pace of investment vary across municipal areas. That said, the emerging portfolio, which includes projects that range from large renewable energy developments to freight logistics pilots and tourism-led upgrades, reflects a shift towards diversified, resilient and future-oriented growth. These investments complement public sector efforts by stimulating job creation, deepening value chains and strengthening the region's role as a strategic connector between the Cape Metro, the R62 corridor and the broader Southern Cape economy.

Figure 6.2.1:

### GROSS FIXED CAPITAL FORMATION (CONSTANT PRICES) OVERBERG DISTRICT, 2021-2024



Source: Quantec, 2025

Between 2021 and 2024, private investment in the OD expanded moderately: gross fixed capital formation (GFCF) grew at an average rate of 1.7 per cent per annum before softening by 4.7 per cent in 2024.<sup>51</sup> Total GFCF in 2024 was valued at approximately R5.2 billion, with investment concentrated in the finance (23.0 per cent), transport, storage and communication (15.0 per cent each), agriculture (17.7 per cent) and manufacturing (14.9 per cent) sectors. This composition is of a piece with the District’s dual industrial base, which incorporates a service-oriented coastal economy as well as a production-intensive inland economy. However, it also signals growing pressure on reinvestment as private firms defer capital replacement due to elevated financing costs and subdued profitability.

In the Cape Agulhas municipal area, GFCF averaged 1.5 per cent average annual growth between 2021 and 2024 before declining by 5.0 percent in 2024. The contraction was driven largely by lower outlays in the agriculture sector (where they declined by 9.0 per cent) and the finance sector (a decline of 7.4 per cent), both key contributors to local economic output. The manufacturing and trade sectors showed mild resilience, growing by 2.4 per cent and 1.9 per cent respectively, supported by light industrial and retail activity around Bredasdorp and Struisbaai. The municipal area has attempted to stimulate new private inflows through the 2024 release of industrial erven in Struisbaai. This initiative, aimed at attracting logistics, warehousing

<sup>51</sup> Gross fixed capital formation (GFCF) refers to the acquisition or development of assets used to enable production or generate higher levels of income.

and agro-processing investors, signals a strategic shift toward diversification of the investment portfolio beyond traditional agricultural assets.<sup>52</sup>

The Overstrand municipal area produced an average annual growth of 1.2 per cent between 2021 and 2024 before recording a 4.9 per cent contraction in 2024. Investment remains heavily concentrated in the finance (28.6 per cent), manufacturing (17.8 per cent) and transport (including logistics) (16.1 per cent) sectors, mirroring the area’s economic diversity and strong metropolitan linkages. However, agricultural GFCF declined sharply from 2023 to 2024, falling by 8.4 per cent during this period, a reflection of weaker reinvestment in primary production. Despite the challenges encountered in 2024, the Overstrand municipal area continues to attract targeted private investment. Projects in this regard include the expansion of the Atlantic Abalone aquaculture facility in Gansbaai, which features on-site solar infrastructure and operational scaling for export markets.<sup>53</sup> This GFCF trend aligns with moderate gains in the trade sector (a 2.5 per cent increase) and manufacturing sector (2.3 per cent). Tourism-related investments that are supported by environmental upgrades at Stony Point Boardwalk and Kogelberg Nature Reserve further diversify the local investment profile.

The Swellendam municipal area recorded 1.8 per cent average annual growth in GFCF between 2021 and 2024. This municipal area had a 4.3 per cent contraction in 2024. Investment activity remains driven by the finance (25.4 per cent), agriculture (19.4 per cent) and trade (10.2 per cent) sectors. The performance of the finance and trade sectors is supported by the Railton hub mixed-use development, which is creating serviced commercial sites and improved urban connectivity. This also expands market access and stimulates new retail and financial service activity. The decline in agricultural investment between 2023 and 2024 (by 9.2 per cent) has led to tighter producer margins and limited reinvestment in machinery and irrigation infrastructure. However, private capital inflows are seeing an improvement thanks to an expansion of the Swellendam oilseed processing facility, which is aimed at increasing throughput capacity, improving energy efficiency and strengthening downstream logistics connectivity to Cape Town.<sup>54</sup> This investment aligns with observed growth in the manufacturing sector (3.7 per cent) and trade sector (5.1 per cent), positioning Swellendam as a growing agro-processing hub despite sectoral volatility.



<sup>52</sup> (Cape Agulhas Municipality, 2024).

<sup>53</sup> (Premier Fishing & Brands, 2024).

<sup>54</sup> (Swellendam Municipality IDP, 2024).

**Renewable energy infrastructure investment: 400 MW**

The largest single private investment project currently underway in the OD is a 400 MW wind energy development located between Swellendam and Bredasdorp. The initiative reached financial close in late 2024, with site preparation and turbine foundation works commencing in early 2025. Once it becomes operational in 2027, the wind farm is expected to generate clean power sufficient to supply more than 200 000 households, significantly strengthening local energy security and reducing carbon intensity in the regional economy.<sup>55,56</sup>

The project’s economic impact extends beyond a direct contribution to the energy supply. During its three-year construction phase, it is expected to create over 500 temporary jobs and 80 permanent technical and operational roles while driving local procurement of materials, logistics and maintenance services.

The development has also catalysed secondary investment in grid connection infrastructure and rural access roads, which will improve spatial accessibility around Swellendam and Bredasdorp.

By lowering power supply risks, the wind farm investment supports agro-processing and manufacturing operations. These are key contributors to the District’s GFCF, which grew by 1.7 per cent between 2021 and 2024.

The Overberg wind farm and the Overberg freight-rail business case are catalytic projects that, ideally, will broaden investment horizons in the region. Launched in mid-2025 by the Western Cape Government, the latter is a pipeline initiative aimed at re-establishing rail freight services between Caledon, Belcon and the Port of Cape Town.<sup>57</sup> While it is still in the planning phase, this project could – if successfully implemented – yield far-reaching economic spillovers by lowering logistics costs for exporters, reducing heavy vehicle congestion on the N2 and improving regional competitiveness.

In the Theewaterskloof municipal area, the investment nucleus of the OD, GFCF reflected an average annual growth of 2.1 per cent between 2021 and 2024, before declining by 4.5 per cent in 2024. The area accounted for nearly 46.0 per cent of all private investment in the District, underpinned by a strong agro-industrial base. In 2024, the agriculture sector contributed 24.7 per cent of total GFCF, the manufacturing sector 14.1 per cent, and the transport (includes logistics) sector 14.7 per cent. While agricultural investment contracted by 9.2 per cent, the manufacturing and trade sectors expanded modestly (by 2.6 per cent and 5.0 per cent respectively), driven by reinvestment in fruit processing, packaging and cold chain infrastructure. Private sector investments in agro-processing include upgrades in Grabouw that are aimed at improving post-harvest efficiency and renewable energy adoption. Tourism and service sector investments are also re-emerging, as shown by the refurbishment of The Caledon Hotel and Spa. These projects are set to be rolled out during 2025, strengthening Theewaterskloof’s hospitality and employment base.<sup>58</sup>

<sup>55</sup> (Red Rocket News, 2025).

<sup>56</sup> (Standard Bank CIB, 2025).

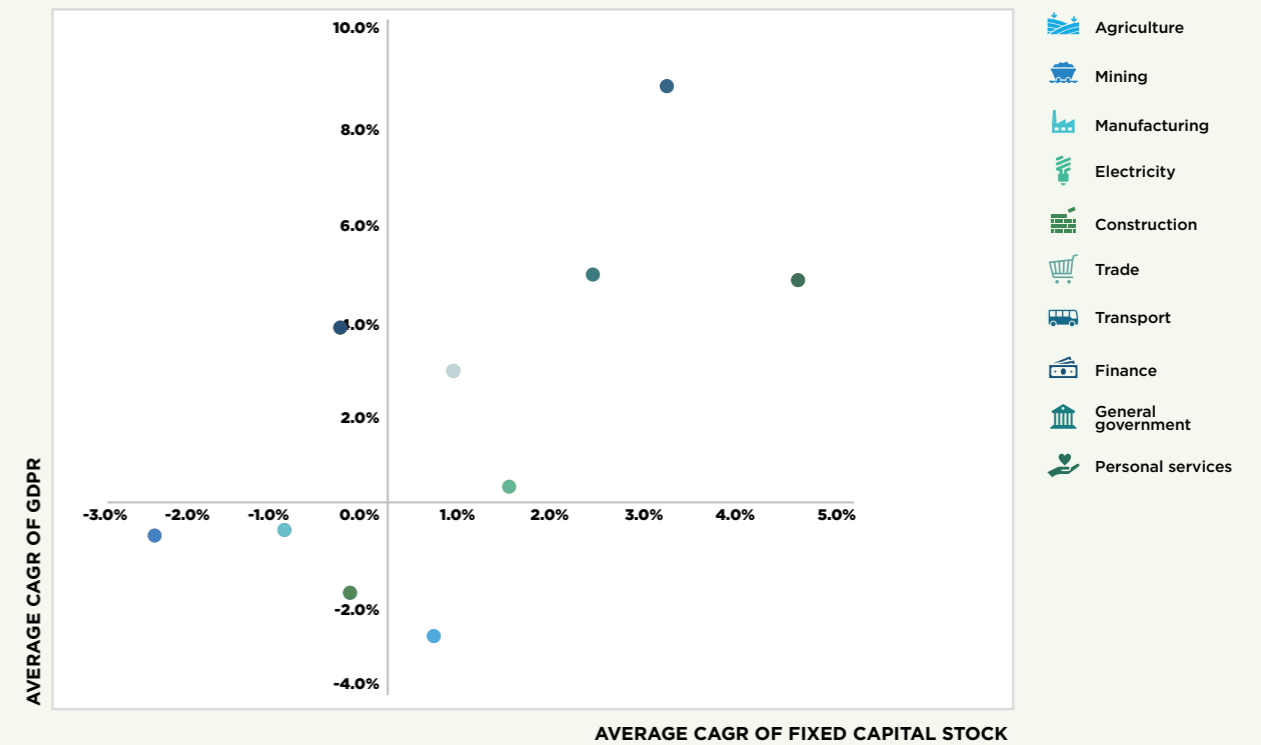
<sup>57</sup> (Western Cape Government, 2025).

<sup>58</sup> (Tsogo Sun, 2024).

Across the OD, private investment from 2021 and 2024 was characterised by moderate expansion followed by cyclical contraction, and shaped by interest rate pressures, input cost inflation and market uncertainty. However, the emergence of new private projects in agro-processing (Swellendam and Grabouw), aquaculture (Gansbaai) and hospitality/tourism (Caledon) demonstrates the region’s adaptive investment momentum. These sectoral renewals are reinforcing value chains, supporting job retention and underpinning the strong export orientation of the District. Maintaining this momentum will depend on accelerating permitting and infrastructure coordination, improving energy reliability, and strengthening local investment facilitation. These measures are central to ensuring that private GFCF continues to undergird long-term growth, spatial inclusion and competitiveness within the broader Western Cape economy.

Figure 6.2.2:

**FIXED CAPITAL STOCK AND GDP ANNUAL GROWTH (CONSTANT PRICES) OVERBERG, 2021-2024**



Source: Quantec, 2025

Between 2021 and 2024, gross fixed capital stock (FCS) in the OD grew at a compound annual growth rate (CAGR) of 1.7 per cent. During this period, GDP expanded by 2.9 per cent per annum on average, giving a ratio of roughly 1:1.7.<sup>59</sup> This indicates that economic output expanded at a faster pace than the District’s physical capital base, reflecting increased productivity within existing assets but also a slower rate of reinvestment and capital renewal. The structural composition of growth across municipal areas suggests that service-oriented sectors such as trade, finance and logistics are driving short-term gains, while fixed investment in primary and construction industries remains limited.

<sup>59</sup> CAGR: Compound annual growth rate represents the smoothed average annual growth rate over a period, allowing for consistent comparison across sectors and timeframes.

The Theewaterskloof municipal area exhibited the strongest FCS performance in 2024, growing by 1.6 per cent against GDP growth of 3.2 per cent (a ratio of 1:2) between 2021 and 2024. This balance points to a productive economy where output expansion outpaces (but remains aligned with) gradual asset growth. The municipal area's FCS, valued at R30.7 billion in 2024, continues to expand through steady reinvestment in agriculture, manufacturing and transport, and is supported by ongoing road rehabilitation and renewable energy projects. Employment stability in Grabouw, Villiersdorp and Caledon reflects strong linkages between agri-processing, logistics and financial services, while robust trade flows position Theewaterskloof as the District's capital-intensive growth anchor.

The Swellendam municipal area had the second largest growth, with FCS growth of 1.4 per cent against GDP growth of 3.3 per cent (a ratio of 1:2.4). This indicates efficient use of existing assets to support output expansion. Capital stock, valued at R9.5 billion in 2024, grew through incremental reinvestment in agri-processing, transport and small-scale manufacturing. The area's location along the N2 corridor has facilitated trade connectivity between the Western Cape interior and the Garden Route, while moderate employment growth has been supported by logistics, retail and tourism-related services. The alignment between steady asset growth and increasing output demonstrates that the Swellendam municipal area is achieving balanced capital productivity within a constrained market.



In the Cape Agulhas municipal area, FCS expanded marginally (by 0.3 per cent) compared with GDP growth of 2.3 per cent. This yielded a ratio of approximately 1:7, indicating a service-led economy that relies heavily on existing infrastructure while attracting limited new investment in productive assets. The total stock was valued at R9.7 billion in 2024. It remains concentrated in trade, government and transport services, while agricultural capital growth has stagnated due to cost and climatic pressures. Modest employment gains and strong tourism-related activity have supported GDP performance despite slower capital accumulation.

The Overstrand municipal area recorded a contraction of 0.8 per cent in FCS, while GDP grew by 2.4 per cent. This is suggestive of a structural imbalance, indicating that economic activity has decoupled from physical investment. Recording a total asset base of R21.1 billion in 2024, the economy generated growth largely through finance, real estate and tourism, with limited renewal of manufacturing or infrastructure assets. Service sector productivity and employment in consumer markets sustained short-term growth, while public investment in major transport routes such as the C1000 Stanford-Gansbaai and C1303 Botrivier-Vermont corridors mitigated infrastructure depreciation.

District-wide, there is a 1:1.7 ratio between FCS and GDP growth, demonstrating that the OD's output is expanding faster than its productive asset base. The transport, storage and communication sector recorded the strongest dual performance (3.0 per cent FCS; 8.6 per cent GDP), illustrating how logistics and connectivity investments have catalysed economic output. Similarly, the manufacturing sector (2.2 per cent FCS; 4.7 per cent GDP) and personal services sector (4.4 per cent FCS; 4.6 per cent GDP) show high output elasticity relative to capital.

Conversely, the agriculture sector (0.5 per cent FCS; negative 2.8 per cent GDP) and construction sector (0.4 per cent FCS; negative 1.9 per cent GDP) underperformed, reflecting limited asset renewal and weather-related production volatility.

Overall, the OD economy is shifting towards productivity-driven growth that is sustained by efficient use of existing infrastructure and expanding services. However, the widening gap between asset growth and output signals a need for renewed private investment in productive sectors, particularly renewable energy, agri-industrial processing and freight logistics. This will preserve the District's capital integrity and support long-term economic resilience.

In the OD, the relationship between investment and employment reflects the District's dependence on labour-intensive primary production and visitor-based services alongside relatively limited higher-order industrial activity. Capital investment in infrastructure, agricultural facilities, processing plants and tourism assets generates short-term employment during construction phases and supports indirect jobs through supply-chain linkages in transport, engineering, maintenance and input supply. Sustained employment outcomes are concentrated in the operational phase, particularly within agriculture, agro-processing, trade, accommodation and food services – sectors that record high employment location quotients and underpin the District's labour market.

Despite these strengths, the District recorded a net loss of jobs in 2024, indicating that construction-related employment alone is insufficient to offset seasonal volatility, climate pressures and rising operating costs. In this context, prioritising investment that strengthens operational capacity and value-adding activities within employment-intensive sectors – such as packhouses, food processing, tourism facilities and supporting logistics – offers the greatest potential to improve labour absorption and stabilise employment outcomes across the District.

### 6.3 Comparative advantages

The OD has a balanced and regionally integrated economic structure, with agriculture, agro-processing, logistics and tourism constituting the foundation of its comparative advantage. The District is anchored by the Theewaterskloof municipal area, which serves as a high-output agri-industrial and freight hub. The Overstrand municipal area drives service sector growth through finance, property and tourism, while the Swellendam municipal area functions as the inland logistics and trade connector along the N2 corridor, supporting both agricultural distribution and tourism. The Cape Agulhas municipal area complements this system through its heritage- and nature-based tourism economy.

Collectively, these advantages position the OD as a strategic agri-logistics and coastal services corridor linking the Western Cape’s primary production areas with metropolitan and tourism markets. The District’s capacity to leverage its natural assets, transport infrastructure and service diversification underpins its competitiveness and employment stability, while emerging investments in renewable energy and freight infrastructure signal growing momentum towards a more resilient and diversified regional economy.

**TABLE 6.3.1: ECONOMIC NEEDS AND OPPORTUNITIES, Overberg District, 2025**

Key strengths	Needs and constraints	Economic opportunities
<b>Cape Agulhas</b>		
<ul style="list-style-type: none"> <li>Balanced coastal and agricultural economy centred on Bredasdorp, Struisbaai and Arniston.</li> <li>Strength in tourism, small-scale retail and local service delivery.</li> <li>Solid infrastructure foundation from recent human settlements and transport investments.</li> </ul>	<ul style="list-style-type: none"> <li>Slow fixed capital renewal and weak reinvestment in productive sectors (agriculture, construction).</li> <li>Ageing infrastructure.</li> <li>Vulnerability to coastal erosion and storm surges affecting infrastructure and livelihoods.</li> <li>Limited industrial diversification beyond tourism and services.</li> </ul>	<ul style="list-style-type: none"> <li>Development of coastal tourism and heritage routes linking Struisbaai and Arniston.</li> <li>Expansion of climate-resilient coastal and water infrastructure.</li> <li>Promotion of niche agri-tourism and small agro-processing ventures supporting local farmers.</li> </ul>
<b>Overstrand</b>		
<ul style="list-style-type: none"> <li>Strong and diversified service economy driven by finance, real estate and tourism.</li> <li>Established urban and coastal infrastructure network connecting Hermanus, Kleinmond, and Gansbaai.</li> <li>Expanding conservation and ecotourism assets along the Walker Bay and Kogelberg coastline.</li> </ul>	<ul style="list-style-type: none"> <li>Negative fixed capital stock growth (-0.8%) reflecting asset depreciation in infrastructure and manufacturing.</li> <li>Seasonal and tourism-dependent employment base.</li> <li>Rising urban pressures on environmental systems and bulk infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of eco- and marine tourism linked to conservation zones.</li> <li>Development of mixed-use urban regeneration projects in Hermanus and Gansbaai.</li> <li>Small-scale renewable energy installations and coastal resilience initiatives to support sustainability.</li> </ul>

<b>Swellendam</b>		
<ul style="list-style-type: none"> <li>Central N2 location enabling trade and logistics connectivity between the Cape interior and Garden Route.</li> <li>Expanding agri-processing base, with efficient use of existing assets (1.4% FCS vs 3.3% GDP growth).</li> <li>Steady tourism and retail growth supported by heritage and natural attractions.</li> </ul>	<ul style="list-style-type: none"> <li>Limited industrial diversification and small enterprise scaling.</li> <li>Infrastructure maintenance backlogs and periodic flood damage are impacting transport mobility.</li> <li>Ageing municipal infrastructure in secondary settlements (Suurbraak, Barrydale).</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of large-scale renewable energy projects (wind and solar farms).</li> <li>Expansion of freight rail and logistics corridor between Caledon and Swellendam.</li> <li>Agri-processing cluster development and green industrial initiatives promoting employment growth.</li> </ul>
<b>Theewaterskloof</b>		
<ul style="list-style-type: none"> <li>The largest and most diversified economy in the OD, valued at R30.7 billion in fixed capital stock (2024).</li> <li>Strong agri-industrial and logistics base with expanding manufacturing and trade activity.</li> <li>Emerging renewable energy projects and transport investments are strengthening competitiveness.</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructural strain from population and industrial growth (Grabouw, Caledon, Villiersdorp).</li> <li>Dependence on agricultural output subject to climatic and input cost shocks.</li> <li>Skills shortages in logistics, manufacturing and energy sectors.</li> </ul>	<ul style="list-style-type: none"> <li>Micro agro-processing (cheese, yoghurt, dried fruit, boutique products).</li> <li>Agri-tourism and heritage tourism on Route 62.</li> <li>Solar minigrid projects for agricultural clusters.</li> <li>Branding and value chain projects for place-based agricultural products.</li> </ul>
<b>OD</b>		
<ul style="list-style-type: none"> <li>Balanced regional economy encompassing agriculture, trade, logistics and tourism.</li> <li>Rising productivity, with GDP growing faster than FCS (1.7% FCS average annual vs 2.9% GDP average annual).</li> <li>Strategic location along the N2 corridor, linking the Western Cape’s production and tourism systems.</li> </ul>	<ul style="list-style-type: none"> <li>Slow reinvestment in productive assets across agriculture and manufacturing sectors.</li> <li>Spatial inequality between corridor-based and peripheral settlements.</li> <li>Climate risks and infrastructure backlogs are limiting resilience and expansion.</li> </ul>	<ul style="list-style-type: none"> <li>Development of a District-wide agri-logistics and renewable energy corridor.</li> <li>Investment in climate adaptation and water infrastructure to safeguard agricultural production.</li> <li>Regional tourism integration and branding to leverage coastal and inland assets.</li> </ul>

Investment in the OD has occurred at a measured pace and has been spearheaded by moderate public sector reinvestment and productivity-driven private growth. Over recent years, the District has balanced public and private investment with precision, translating modest reinvestment into meaningful productivity and resilience. The towns and rural centres of the Overberg, each with its own rhythm of growth, combine agriculture, logistics and tourism to weave a cohesive regional economy.

Public investment continues to maintain transformation. Through preserving and improving roads, housing, clinics and conservation infrastructure, a variety of governmental initiatives have strengthened the framework within which markets can flourish and OD residents thrive. These interventions are not merely fiscal outlays but also spatial commitments aimed at ensuring sustainable and inclusive growth from Caledon to Bredasdorp, and from Hermanus to Barrydale. They reaffirm the District’s role as the southern gateway of the Western Cape, linking production, markets and mobility along its coastal and inland corridors.

Private capital has begun to reimagine the future of the Overberg. Emerging renewable energy and freight rail investments speak to an economy positioning itself for the transition into one that values sustainability, connectivity and innovation. Quietly, the OD is redefining its comparative advantage, building on its agricultural foundations to integrate agro-processing, energy generation, logistics and experience-based tourism into the economy.

Municipal-level trends confirm asymmetrical capital growth. The Theewaterskloof municipal area leads with the largest and most dynamic capital base, while the Swellendam municipal area maintains steady asset renewal along the N2 corridor. The Overstrand and Cape Agulhas municipal areas, in turn, depend primarily on service-led growth that requires limited reinvestment. This spatial differentiation suggests that the investment environment is maturing but still uneven, and that the differing needs of the four municipal areas necessitate differentiated policy support for enhancing local absorptive capacity and attracting private participation.

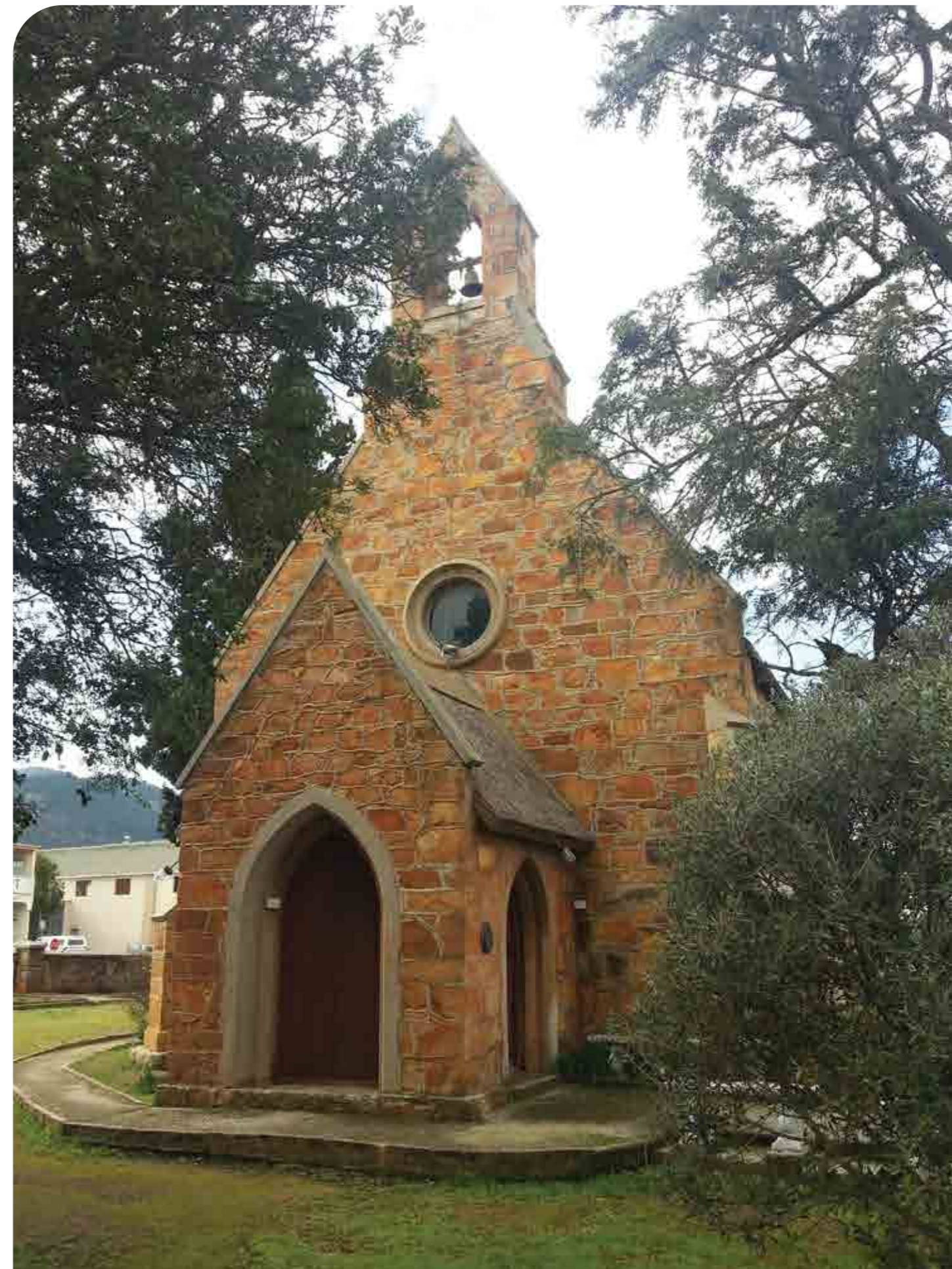
Going forward, sustaining investment momentum will depend on integrated infrastructure planning, climate-resilient asset renewal, and skills alignment in the energy, logistics and agri-industrial sectors. Strengthening the institutional interface between Provincial departments, municipalities and investors will be essential to accelerating project delivery and improving capital efficiency. By reinforcing these linkages, the OD can consolidate its position as a productive, connected and climate-adaptive economy, ensuring that future investment translates into inclusive growth, employment creation and long-term spatial sustainability.

## 7. Concluding remarks

The OD economy remains resilient and productive, supported by a strong services base, labour-absorbing agriculture and a diverse tourism sector that together sustain a significant share of regional employment and economic activity. While employment outcomes continue to reflect the effects of seasonality, cost pressures and a relatively concentrated sectoral structure, the District's underlying growth fundamentals remain sound. Trade and tourism play a central role in driving GDP and jobs, particularly through hospitality, accommodation, food services and local retail, creating opportunities for both formal businesses and informal enterprises across coastal and rural settlements.

Infrastructure investment, especially in renewable energy and logistics, is emerging as a key catalyst for improving competitiveness, market access and long-term job sustainability while also generating short-term construction employment. At the same time, the labour market highlights the importance of skills development and youth inclusion, as employment remains concentrated in low and semi-skilled occupations with limited progression pathways. Strengthening vocational, technical and sector-specific skills aligned with agriculture, agro processing, tourism, logistics and energy will be critical to improving employment stability and productivity.

The informal economy continues to play a meaningful role in labour absorption and household livelihoods, particularly within trade and tourism-linked activities, highlighting the need for supportive infrastructure and inclusive local economic development interventions. Collectively, these dynamics position the OD to translate its economic strengths into more inclusive, resilient and sustainable growth over the medium to long term.





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**OVERBERG  
DISTRICT:  
At a Glance**



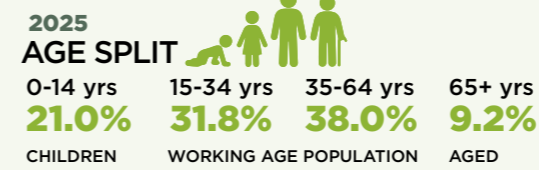
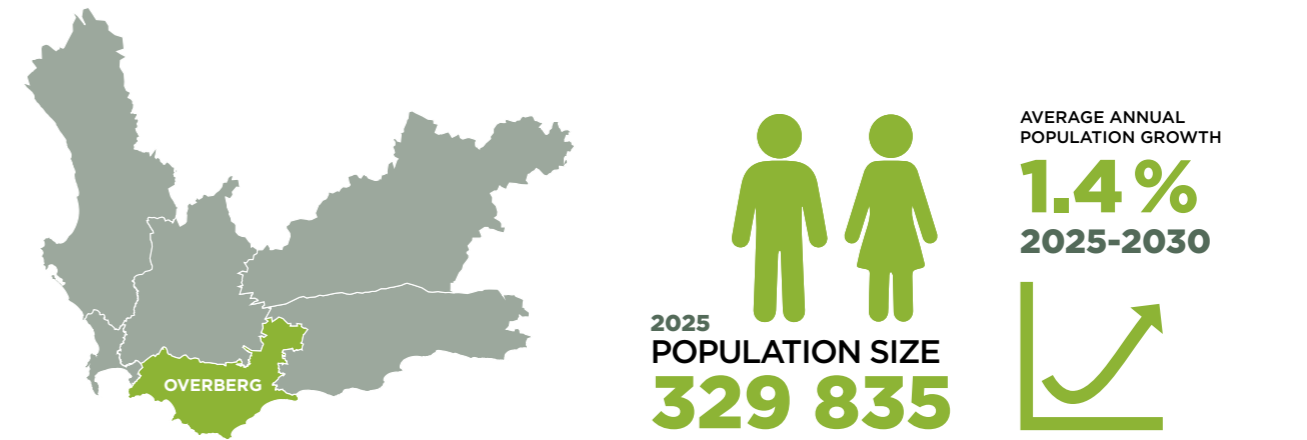
# OVERBERG

## 1. REGIONAL SAFETY AND WELLBEING

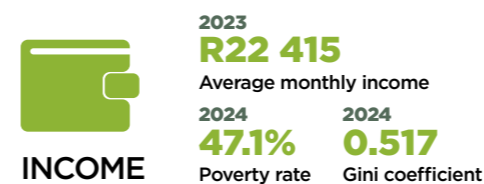
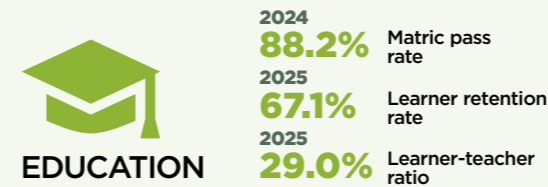
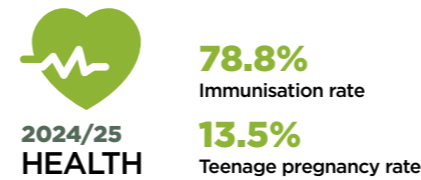
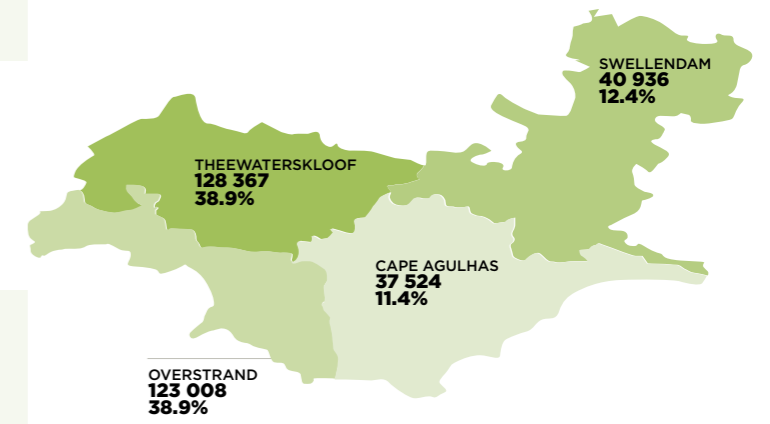
This section provides a comprehensive analysis of the socioeconomic trends shaping the Overberg District. It begins with a district-level overview of key indicators, notably those relating to population dynamics, income trends, housing needs and the provision of basic services. In addition, a nuanced assessment of healthcare, education and crime statistics is provided that offers insights into the overall wellbeing and development prospects of the region. The section concludes with detailed profiles of the four municipal areas that make up the District. Each profile contains an in-depth exploration of socioeconomic metrics, highlighting the characteristics of the area and the challenges that it faces.

### 1.1 Demographics

DIAGRAM 1.1: POPULATION SIZE AND CONTRIBUTION TO OD POPULATION, 2024

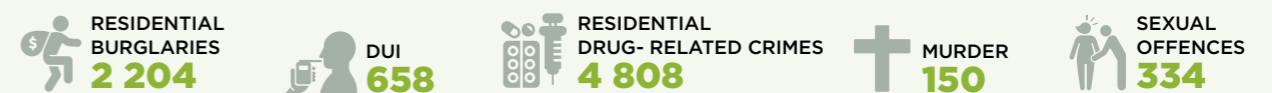


#### 2025 POPULATION SIZE AND DISTRIBUTION



#### 2024 SAFETY AND SECURITY

Number of reported crimes



#### ACCESS TO SERVICES



# 1.1 Demographics

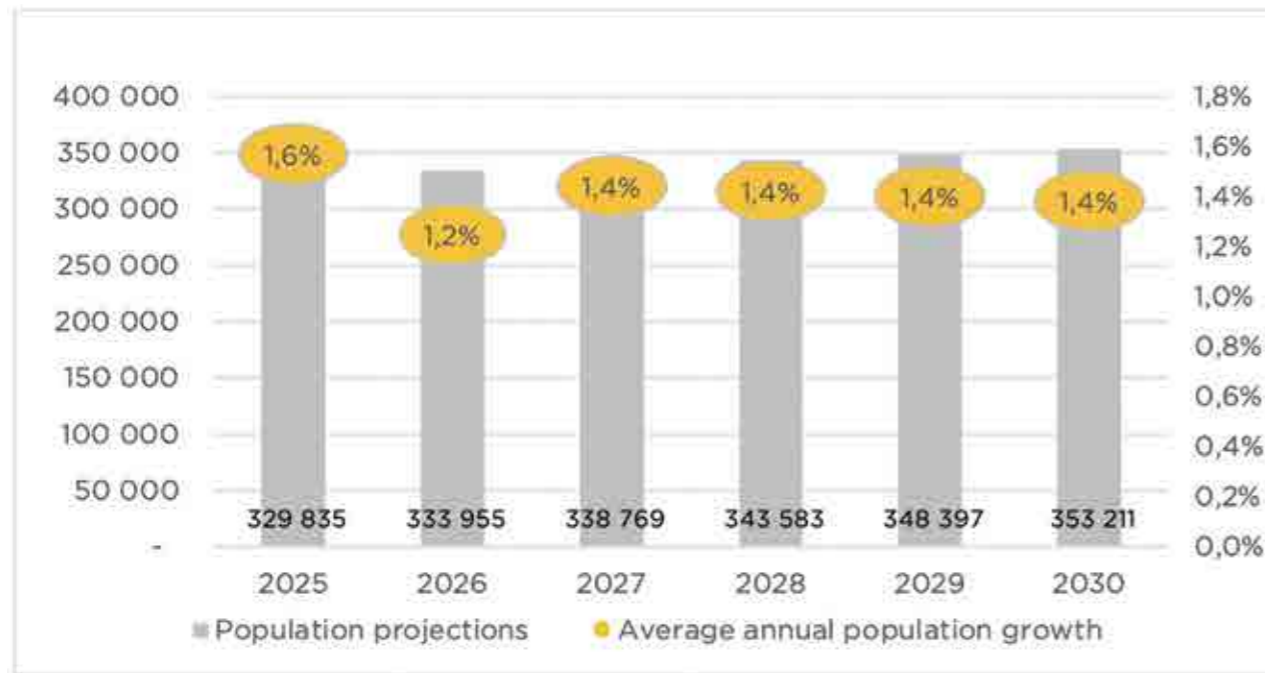
An understanding of population dynamics is critical, as it allows for effective municipal planning and the equitable provision of public services. Population size, household growth, age structure and migration patterns directly impact and influence the demand for infrastructure, housing, education, healthcare and social services.

The Overberg District (OD) is experiencing moderate overall growth but includes rapidly expanding areas. In such a region, monitoring the trends listed above enables policymakers to anticipate service delivery needs, allocate resources efficiently, and design interventions that promote both social wellbeing and economic resilience.

## 1.1.1 Population and household dynamics

In 2025, the OD was home to 329 835 individuals, constituting 99 160 households. With 4.3 per cent of the Provincial population, the District is one of the least-populated regions of the Western Cape. Projections in terms of MYPE 2025 indicate that the population will experience an average annual growth rate of 1.4 per cent during the 2025 to 2030 period.

**Figure 1.1.1:**  
**POPULATION PROJECTIONS AND GROWTH, Overberg District, 2025-2030**

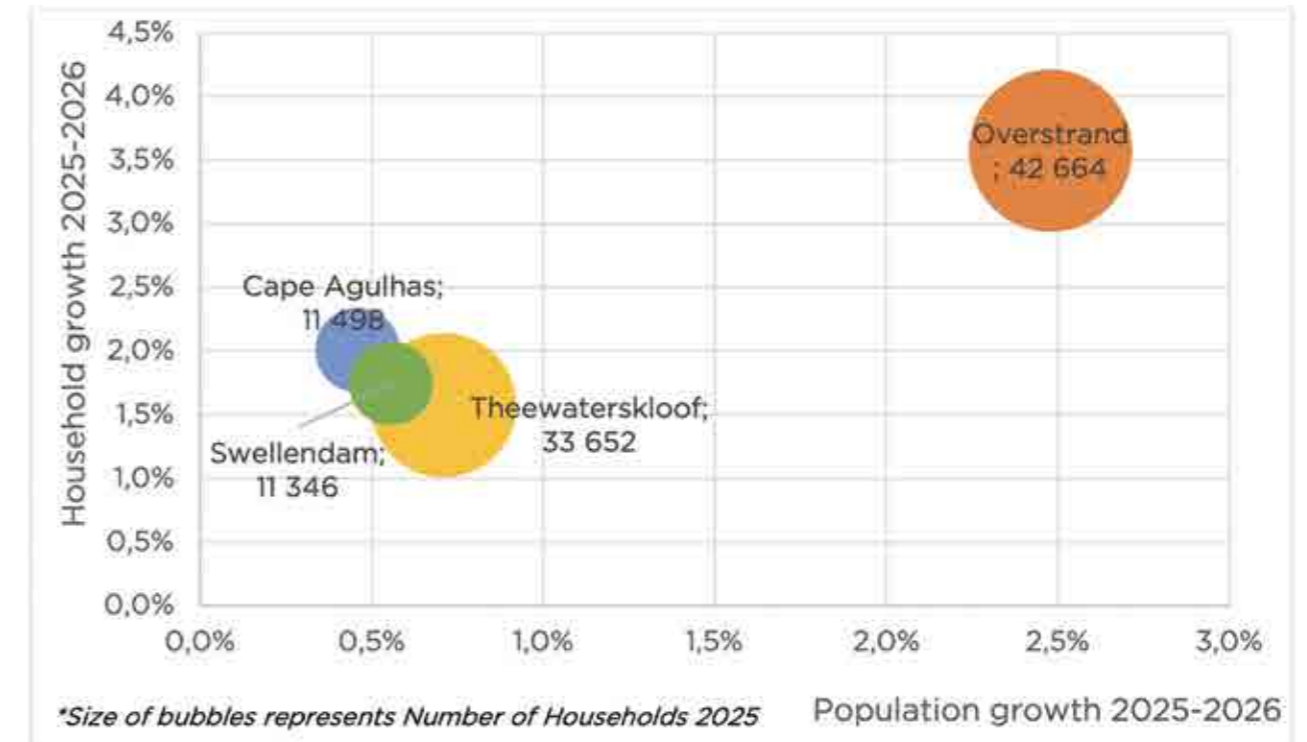


Source: MYPE 2025

Covering 12 240.8 km<sup>2</sup>, the OD had a population density of 26.9 people per km<sup>2</sup> in 2025. The District is characterised by expansive farmlands and a striking coastline that includes the southernmost tip of Africa. Its boundaries stretch from the Hottentots-Holland Mountains to the Breede River mouth and across to the Riviersonderend Mountains, with the Atlantic and Indian Oceans forming the southern edge of the region. Administratively, the OD comprises four local municipalities. The Theewaterskloof and Overstrand municipal areas accommodate the majority of the District's population.

Bredasdorp, located in the Cape Agulhas municipal area, serves as the OD's administrative centre. Surrounding this hub are several vibrant towns that contribute to the District's diversity. Grabouw is renowned for its orchards and vineyards, and Caledon for its mineral-rich hot springs. Hermanus, in the Overstrand municipal area, is considered South Africa's whale-watching capital, drawing both local and international visitors.

**Figure 1.1.2:**  
**POPULATION AND HOUSEHOLD GROWTH, Overberg District, 2025**

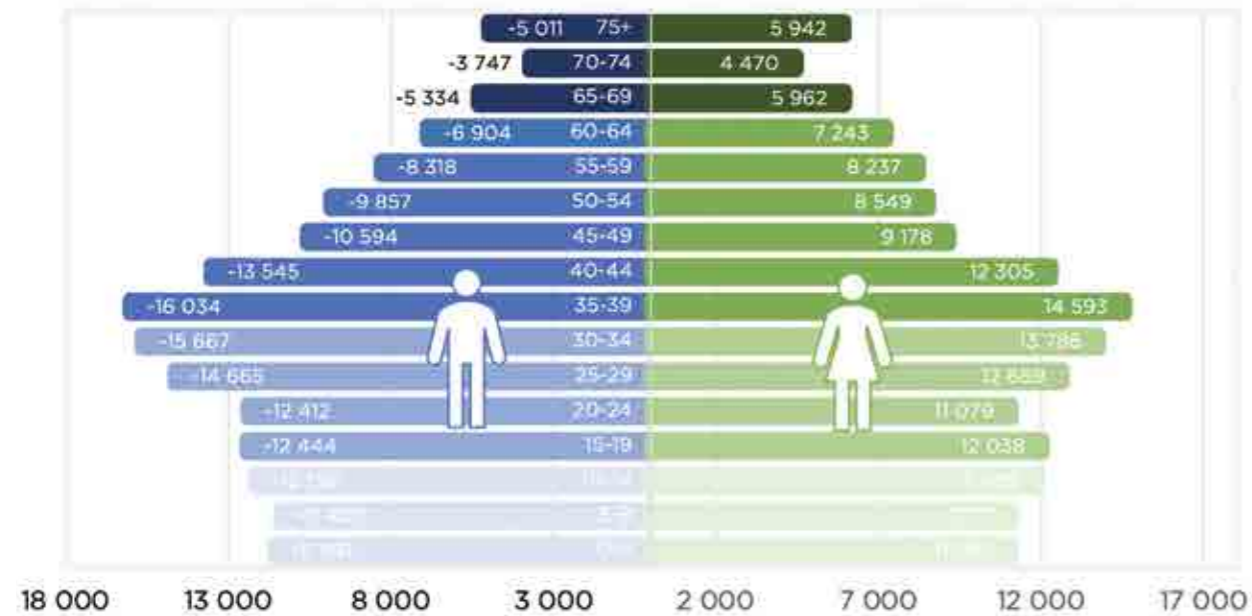


Source: MYPE, 2021 and MYPEPPU, 2025

The Overstrand is the fastest-growing municipal area of the OD. It recorded an average annual population increase of 2.6 per cent between 2025 and 2030, while growth in the other municipal areas remained below 1.0 per cent. Across the District, household growth is projected to outpace population growth, leading to smaller average household sizes and sustaining the demand for housing (particularly in high-growth areas). As a result, the number of households is expected to continue expanding faster than the overall population.

## 1.1.2 Gender, age and race dynamics

**Figure 1.1.3:**  
**POPULATION PYRAMID, Overberg District, 2025**



Source: MYPE, 2025

Further analysis of the demographic composition of the OD shows that in 2025, 69.8 per cent of residents fell in the economically active age group, i.e. the group comprising persons aged 15 to 64 years. The presence of a substantial working-age population is of particular significance for the district economy, as it provides a strong foundation for labour supply. Males accounted for 51.4 per cent of the population, largely due to a surplus in the 0 to 59 age range. The longer life expectancy of females boosted their numbers in older age groups (60 years and older age groups), increasing the overall female share of this (60 years and older) segment of the population.

Just over a fifth of the population – 21.0 per cent – was less than 14 years of age. The size of this youth contingent indicates that there will be a mounting demand for educational resources and employment prospects within the OD over the next 5 to 15 years. Additionally, a sizeable elderly population (9.2 per cent of the total) shows the extent to which this region, with its scenic expanses and coastal charm, is an attractive destination for retirement.

The insights derived from age distribution patterns are instrumental in municipal planning, particularly concerning the provision of housing and government services tailored to the diverse needs of distinct age groups. In-depth analyses of demographics at the municipal level are included in the municipal profiles to follow.

## 1.2 Health and wellness

South Africa's healthcare system comprises both public and private providers, forming a critical pillar of the nation's human capital and economic productivity. Public health facilities, supported by government funding, play a central role in ensuring equitable access to healthcare by the broader population, while the private sector caters to those with the means to afford additional services.

The public healthcare system operates on a referral model, providing primary care through clinics and escalating complex cases to district and regional hospitals. Access to high-quality healthcare not only improves wellbeing and life expectancy but also strengthens the labour force, reduces productivity losses and supports sustainable socioeconomic development.

The Western Cape, home to a dynamic and diverse population, continues to grapple with complex health and wellness challenges, which are amplified by persistent fiscal constraints and widening socioeconomic disparities. In this context, the delivery of responsive, high-quality health and wellness services is non-negotiable. It remains a Constitutional imperative and a cornerstone of inclusive, sustainable development.

### 1.2.1 Healthcare facilities and patient loads

In 2023, only 15.7 per cent of South Africans had access to a medical aid, underscoring the importance of public facilities in delivering essential primary healthcare services. There are currently 17 fixed primary healthcare clinics, a community day centre and a community health centre in the OD along with 22 mobile/satellite clinics and four district hospitals.

At the time of this report, residents of the District also had access to 23 antiretroviral therapy (ART) sites and 34 tuberculosis (TB) clinics, which enhance the availability of critical ART and TB services. The consistent rise in ART and TB patient registrations in recent years underscores the necessity of these services, despite a slight dip in ART numbers in 2024/25.

The availability of functioning ambulances enhances the reach of emergency medical services across OD municipal areas. In 2025, the district operated 25 provincial ambulances. Private service providers operated additional ambulances.

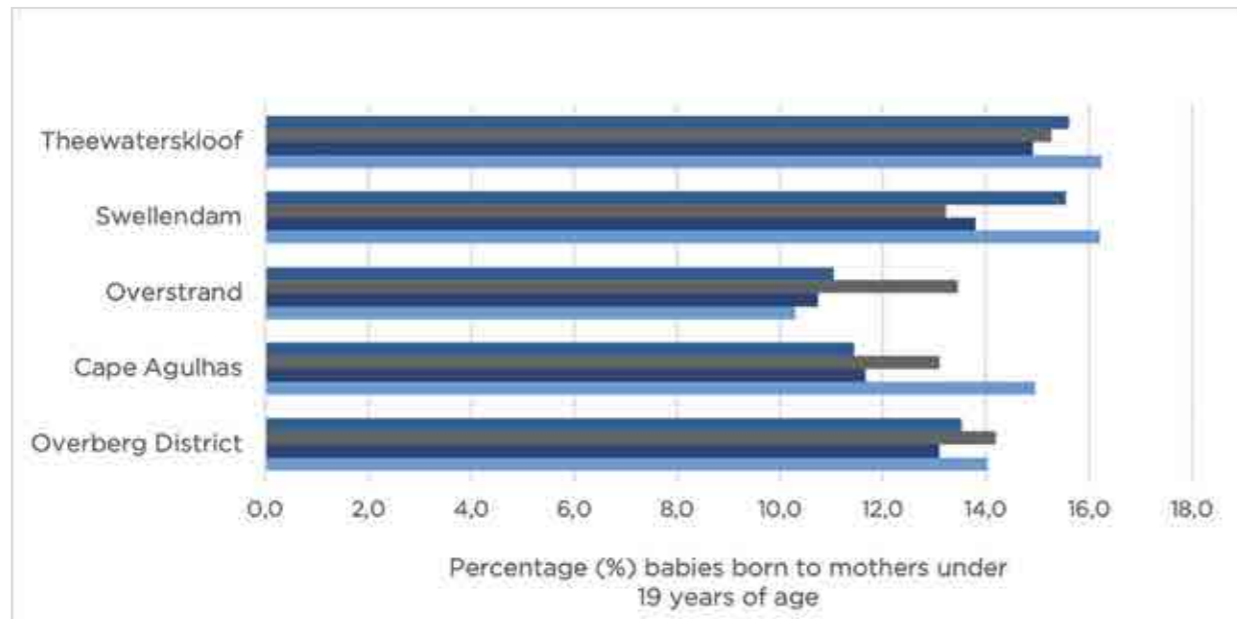
### 1.2.2 Maternal and child health

Maternal and child health is a critical aspect of public health, encompassing the wellbeing of women during pregnancy, childbirth and the postnatal period as well as the health and development of infants and young children. In South Africa, key issues affecting maternal and child health include high rates of teenage pregnancy, the prevalence of termination of pregnancy, and ongoing challenges related to low birth weight, child malnutrition and immunisation coverage. These factors not only influence health outcomes for mothers and children but also reflect broader social and economic dynamics that shape reproductive choices, nutrition and access to healthcare.

### 1.2.3 Teenage pregnancy and pregnancy termination

Within the OD, the incidence of teenage pregnancy declined from 2021/22 to 2024/25, falling from 603 deliveries (14.0 per cent of all deliveries) to 533 deliveries (13.5 per cent of the total). This downward trend was accompanied by a reduction in pregnancy terminations, which decreased from 495 in 2021/22 to 477 in 2024/25. These patterns underscore the need to strengthen family planning programmes and reproductive health support services within the OD, as unplanned pregnancies among adolescents have significant implications for both individual wellbeing and that of the broader society.

**Figure 1.2.1:**  
**DELIVERY RATE TO WOMEN 10 - 19 YEARS, Overberg District, 2021/22-2024/25**



Source: Western Cape Department of Health and Wellness, 2025

Teenage pregnancy is calculated as the percentage of babies born to mothers under the age of 19. Teenage pregnancy is almost always unplanned. Consequently, when young parents are placed in the position of having to care for a child, they can find themselves woefully unprepared for the challenges that this brings. This is especially the case if they do not have family members who can assist them or social support.

In 2024/25, the Theewaterskloof and Swellendam municipal areas had the highest rates of teenage pregnancy in the OD (15.6 per cent in each instance). Due to its larger population, Theewaterskloof accounted for nearly half of all births to teenagers in the District (252 births, or 47.3 per cent of the OD total), while Swellendam accounted for 77 births - 14.4 per cent of the district total. In 2024/25, the rates of teenage pregnancy in Theewaterskloof and Swellendam increased. However, Overstrand and Cape Agulhas recorded declines in such pregnancies.

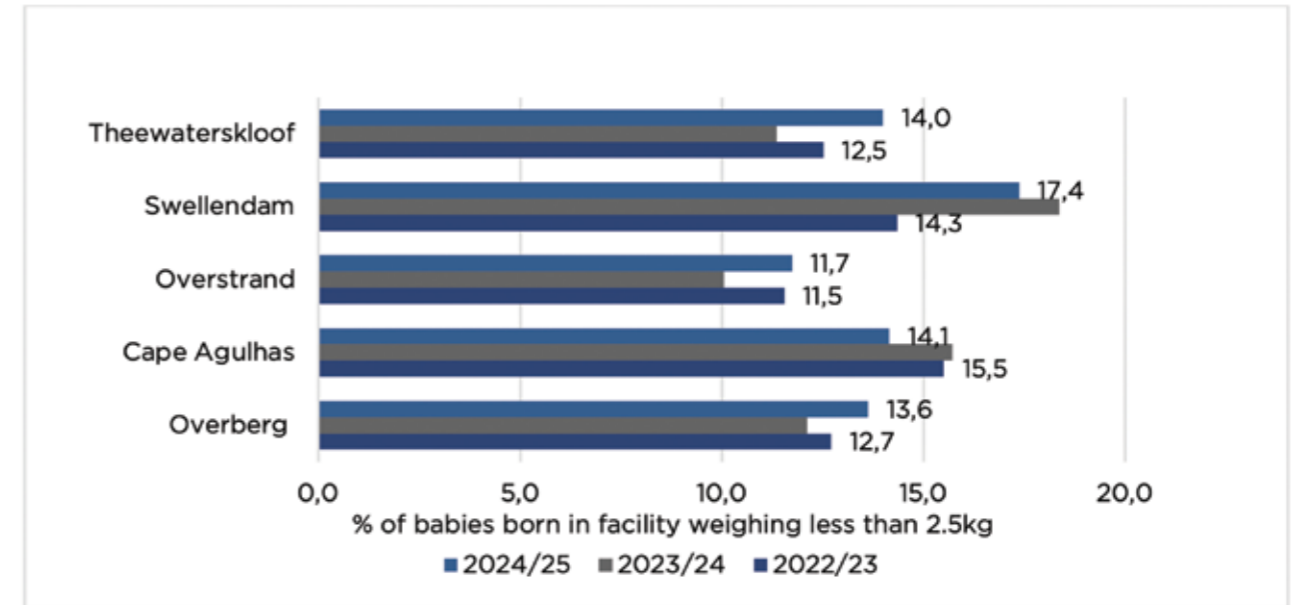
### 1.2.4 Low birth weight

The health and nutritional status of a mother greatly influences the growth and development of her baby during pregnancy and infancy. Birth weight is an indicator of both foetal growth and maternal wellbeing. If the mother is under-nourished, in poor health, very young or very old, there is a greater chance of pregnancy- or labour-related complications, including the baby being born with a low birth weight.

The incidence of low birth weight in the OD increased from 2023/24 to 2024/25, with the number of such births rising from 508 (12.1 per cent of all babies born in a facility) to 542 (13.6 per cent). The Swellendam municipal area is of particular concern regarding low birth weight. While the rate in this area improved to 17.4 per cent in 2024/25 after reaching a peak of 18.4 per cent in the previous year, it remained significantly higher than the District average for 2024/25: 13.6 per cent.

The low birth weight rate is the percentage of all babies who are born alive in a facility and weigh less than 2 500 g at birth. Low birth weight is associated with a range of short- and long-term difficulties.

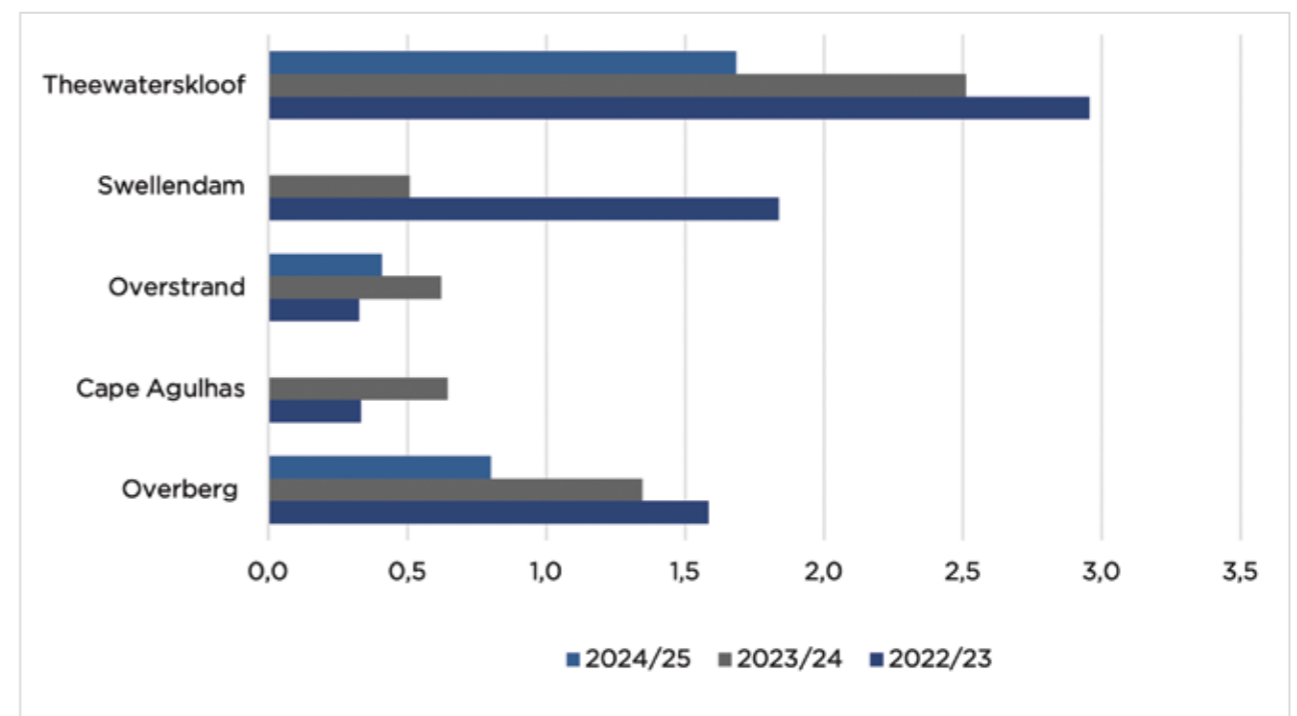
**Figure 1.2.2:**  
**LOW BIRTH WEIGHT, Overberg District, 2022/23-2024/25**



Source: Western Cape Department of Health and Wellness, 2025

### 1.2.5 Malnutrition

**Figure 1.2.3:**  
**SEVERE ACUTE MALNUTRITION, Overberg District, 2022/23-2024/25**



Source: Western Cape Department of Health and Wellness, 2025

The severe acute malnutrition rate is the number of malnourished children under five years of age per 100 000 people in a given year.

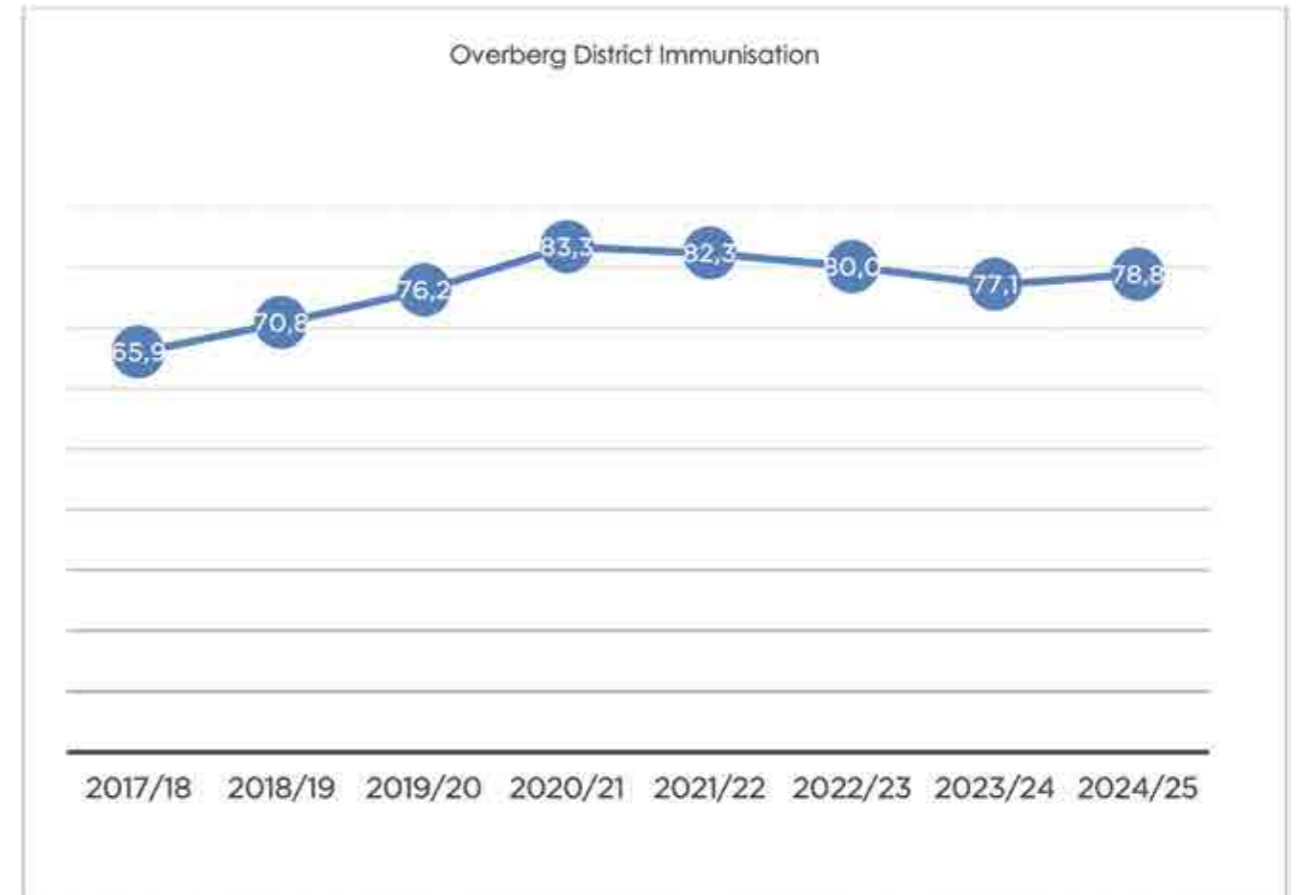
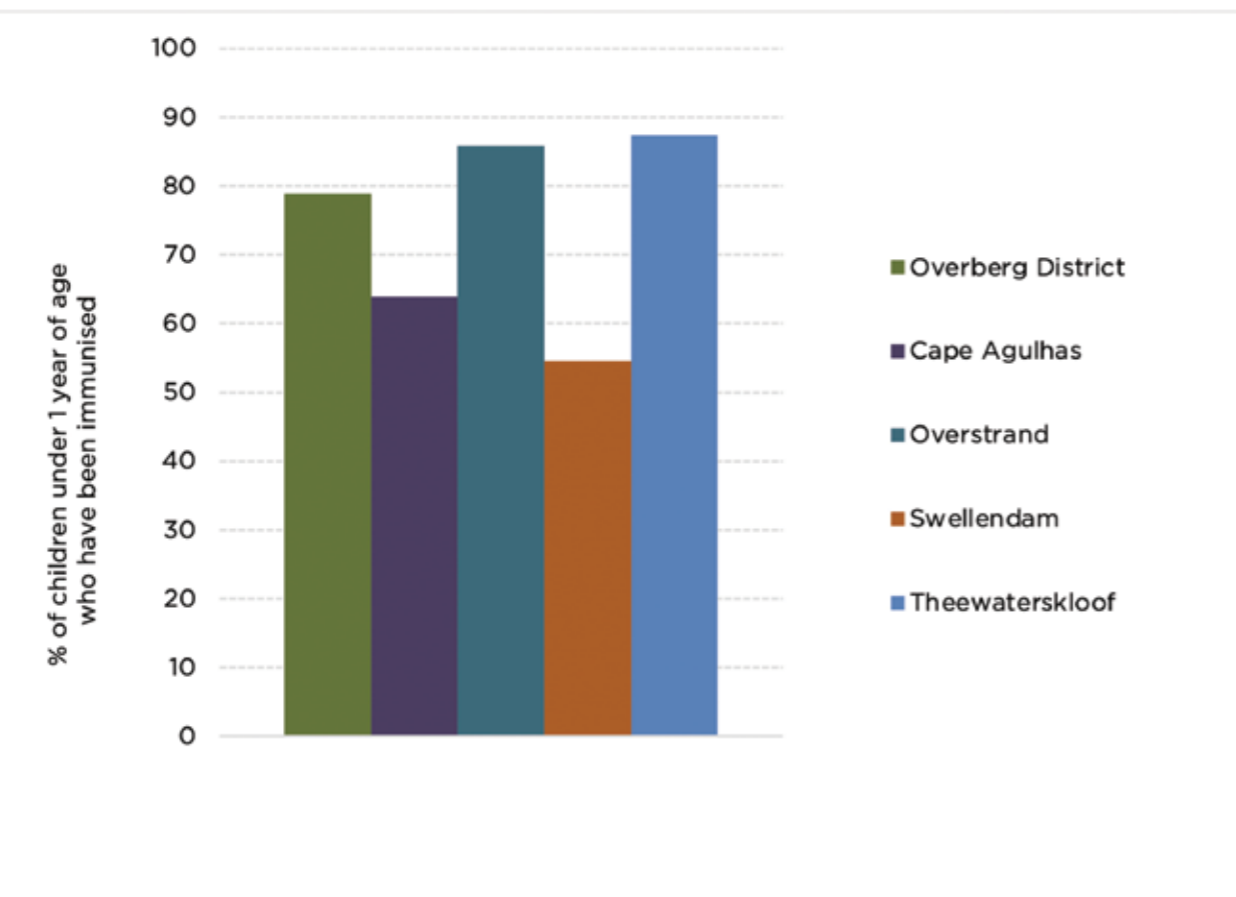
Malnutrition may refer to either under-nutrition (an individual not receiving adequate amounts of nutrients) or over-nutrition (an individual receiving excessive amounts of nutrients).

Concerns regarding low birth weight are reinforced by the prevalence of severe acute malnutrition among children under the age of five years.

The rate of severe acute malnutrition declined steadily between 2022/23 and 2024/25, reflecting gradual progress in child nutrition outcomes. While reductions in poverty levels have contributed to this improvement, notable challenges remain. Ensuring consistent household access to adequate and nutritious food continues to be a key priority, particularly in Theewaterskloof, where malnutrition rates remain comparatively high. Sustained socioeconomic and food security measures will therefore be critical to consolidating and extending the gains realised in recent years.

### 1.2.6 Immunisation

Figure 1.2.4: IMMUNISATION RATE, Overberg District, 2017/18–2024/25



Source: Western Cape Department of Health and Wellness, 2025

The immunisation rate is calculated as the number of children immunised per total number of children less than one year of age. Immunisation protects both adults and children against preventable infectious diseases. Low immunisation rates speak to the need for parents to understand the critical importance of immunisation.

In 2024/25, 4 491 children under the age of one in the OD were immunised. This translated to a coverage rate of 78.8 per cent, a decline from the high of 83.3 per cent recorded in 2020/21. The 2024/25 rate, which was below the National Department of Health’s target of 90.0 per cent, indicates that a greater proportion of young children are at risk of contracting preventable diseases. Targeted interventions are required in Swellendam and Cape Agulhas, where the lowest immunisation rates were observed in 2024/25. Swellendam achieved a rate of 54.4 per cent during this period, and Cape Agulhas, 63.9 per cent. None of the municipal areas of the District met the 90.0 per cent target in 2024/25. At 87.4 per cent, Theewaterskloof was the area that came closest to doing so.

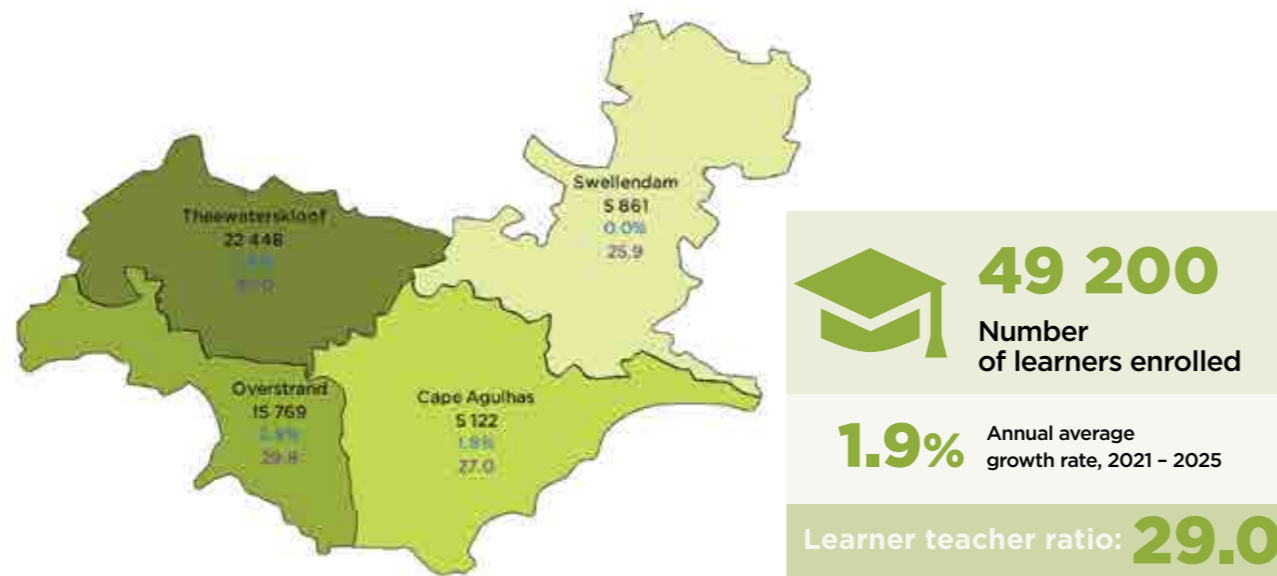
# 1.3 Education

## 1.3.1 Education resources

Education and skills development play a vital role in shaping the socioeconomic landscape of the OD. They empower the population and significantly impact the development and human resource capacity of the local economy. Access to education for children in the District is provided by the Western Cape Education Department.

There are currently 84 schools in the OD, of which 82.1 per cent operate as no-fee schools. This is a positive situation, given that in the 2021 General Household Survey, a substantial share of learners nationally (24.0 per cent) cited financial constraints as their primary reason for dropping out of school. Furthermore, 50 schools in the District have libraries. This is particularly important for the disadvantaged learners of the region, as libraries create an enriched learning environment that supports academic achievement, fosters a love of reading and prepares students for a lifetime of learning.

**Diagram 1.3.1: LEARNER ENROLMENT AND LEARNER-TEACHER RATIO, Overberg District, 2021-2025**



Source: Western Cape Education Department, 2025

A well-educated and productive population is central to improving overall quality of life. Between 2021 and 2025, the number of registered learners in the OD rose from 45 611 to 49 200, an increase of 3 589 pupils. This reflected strong growth in learner enrolment, which increased at an average annual rate of 1.9 per cent over the period in question. In 2025, Swellendam was the only municipal area of the OD to exhibit a marginally declining learner enrolment rate.

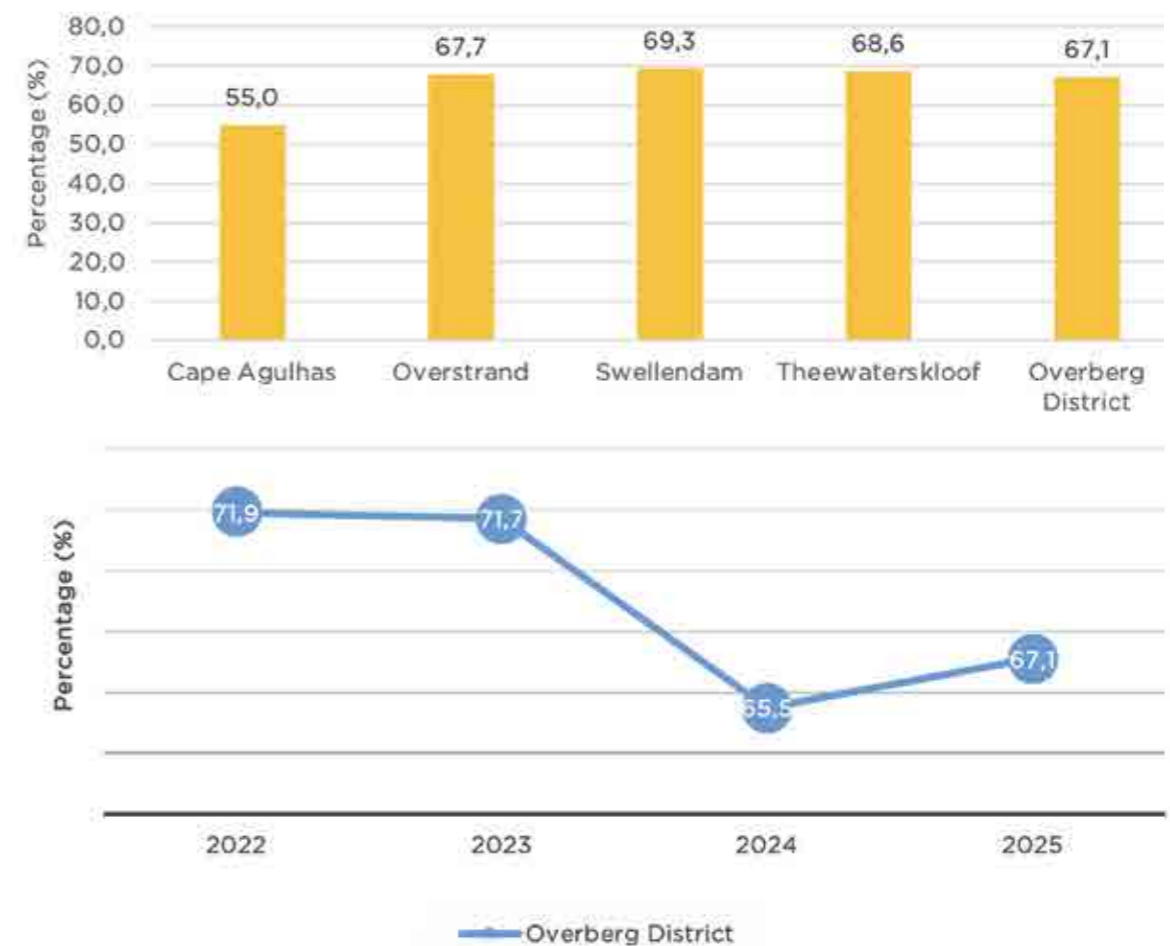
The learner-teacher ratio, an important indicator of education quality, fell from 29.6 in 2022 to 27.8 in 2024, showing that teaching capacity has improved and learning environments may be better supported. However, the ratio rose again (to 29.0) in 2025. Overall, learner-teacher ratios across the District remain within an acceptable range. That said, higher ratios in the Theewaterskloof and Overstrand municipal areas place additional pressure on educators, limiting the amount of attention that can be paid to individual pupils and potentially affecting learning outcomes. Larger class sizes also risk deepening educational inequalities, particularly where schools have fewer

resources. This highlights the continued need for investment in both educational infrastructure and teaching capacity, thereby ensuring equitable, high-quality learning throughout the district.

## 1.3.2 Retention rates

In 2025, the OD recorded a learner retention rate of 67.1 per cent, which was six percentage points less than the Provincial average of 73.1 per cent. It should be noted that the district-wide rate masked significant internal variation, with the Cape Agulhas municipal area reporting a retention rate of 55.0 per cent in 2025 (the lowest rate in the OD) and the Swellendam municipal area achieving a retention rate of 69.3 per cent (the highest in the district).

**Figure 1.3.1: GRADE 10 TO 12 LEARNER RETENTION RATE, Overberg District, 2022-2025**



Source: Western Cape Education Department, 2025

The learner retention rate of the OD declined from 2022 to 2024, although an improvement was observed in 2025. Further improvement is essential, not only to boost the District's economic potential (by creating a skilled workforce that attracts investment) but also to generate social benefits.

Several factors contribute to learners dropping out of school, including poverty, unemployment, teenage pregnancy, overcrowded classrooms and personal circumstances that hinder academic engagement. Addressing these factors requires a coordinated, community-driven approach that strengthens support systems and fosters an inclusive environment where all learners can succeed.

### 1.3.3 Education outcomes

**Figure 1.3.2:**  
**MATRIC PASS RATE, Overberg District, 2021-2024**



Source: Western Cape Education Department, 2025

While the OD had the lowest Grade 10 to 12 retention rate in 2025 of the five district municipalities in the Western Cape and the City of Cape Town Metropolitan Municipality, it recorded one of the highest matric pass rates in the Province: 88.2 per cent.

This marked an improvement on the 81.5 per cent achieved in 2021. All of the municipal areas in the OD recorded good matric pass rates in 2024, with Swellendam having the highest rate (95.0 per cent). Targeted interventions are essential in ensuring that higher retention is accompanied by successful matriculation across the District.

With a growing demand for skilled labour, matric certificates and higher education qualifications are increasingly important in lifting families out of poverty and driving local economic development. Encouragingly, census data from 2011 and 2022 shows a decline in the proportion of people over 20 in the OD who are without schooling (the share fell from 4.0 per cent to 2.9 per cent during this period). The data also indicates a modest increase in the proportion of those with higher education (up to 13.6 per cent from 11.2 per cent), signalling gradual progress towards a more educated and productive workforce.

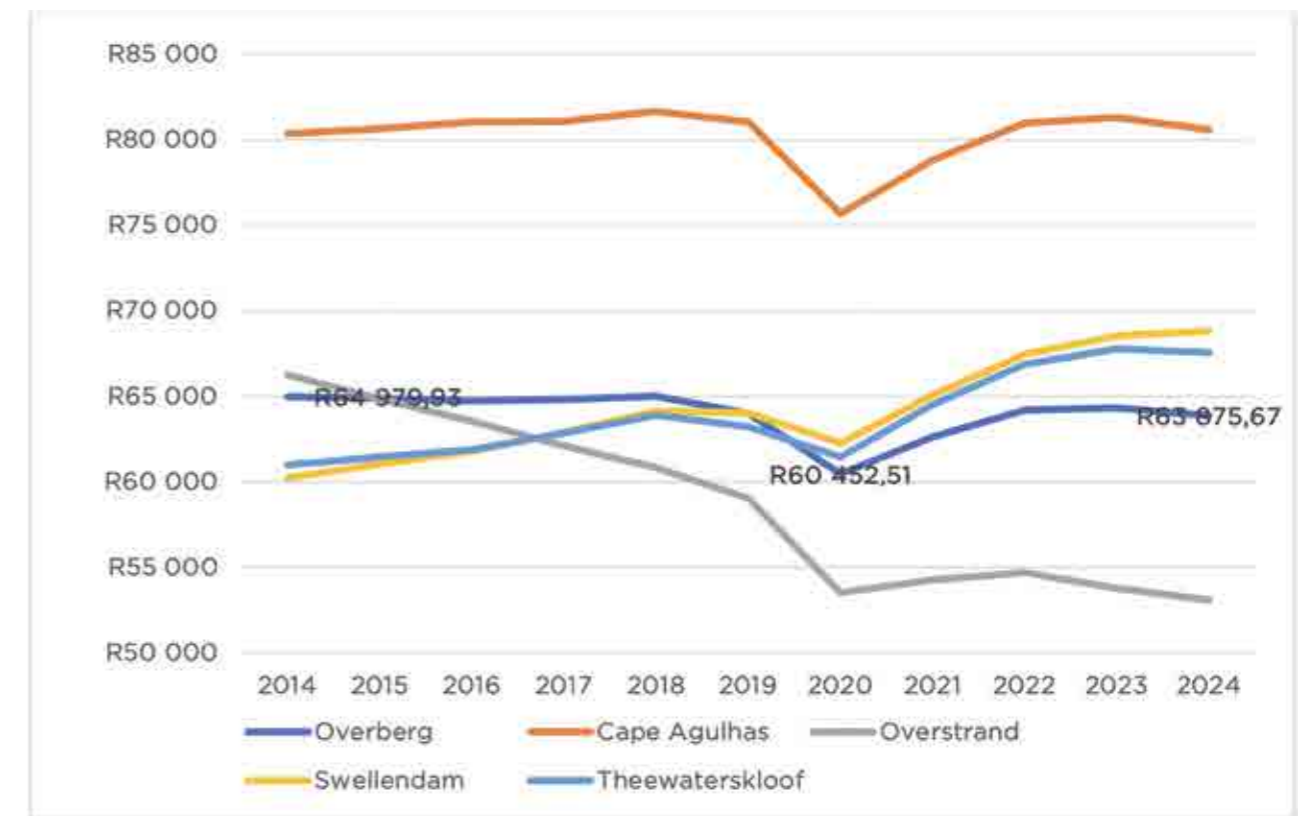
## 1.4 Poverty, Income & Inequality

In the OD, the story of income is one of contrasts: while some households experience rising prosperity, others face persistent financial strain. This analysis examines gross domestic product per region (GDPR) on a per capita basis to assess overall economic activity, and the Gini coefficient to determine the extent of income inequality. Consideration is also given to the matter of poverty, showing how economic deprivation intersects with broader income patterns and illustrating the inequalities that shape everyday life in the District.

### 1.4.1 Income inequality

Between 2014 and 2024, population growth outpaced economic growth in the OD, resulting in a small overall decline in GDPR per capita. This trend reflected a generally stagnant economy along with a minor deterioration in living standards and economic wellbeing within the district. GDPR per capita fell from R64 980 in 2014 to R60 453 in 2020 (the period of the COVID-19 pandemic) but recovered to R63 876 by 2024. Despite this recovery, the OD's GDPR per capita in 2024 remained well below the Western Cape total of R80 071, indicating scope for further economic expansion and productivity gains.

**Figure 1.4.1:**  
**GDPR PER CAPITA, Overberg District, 2014-2024**

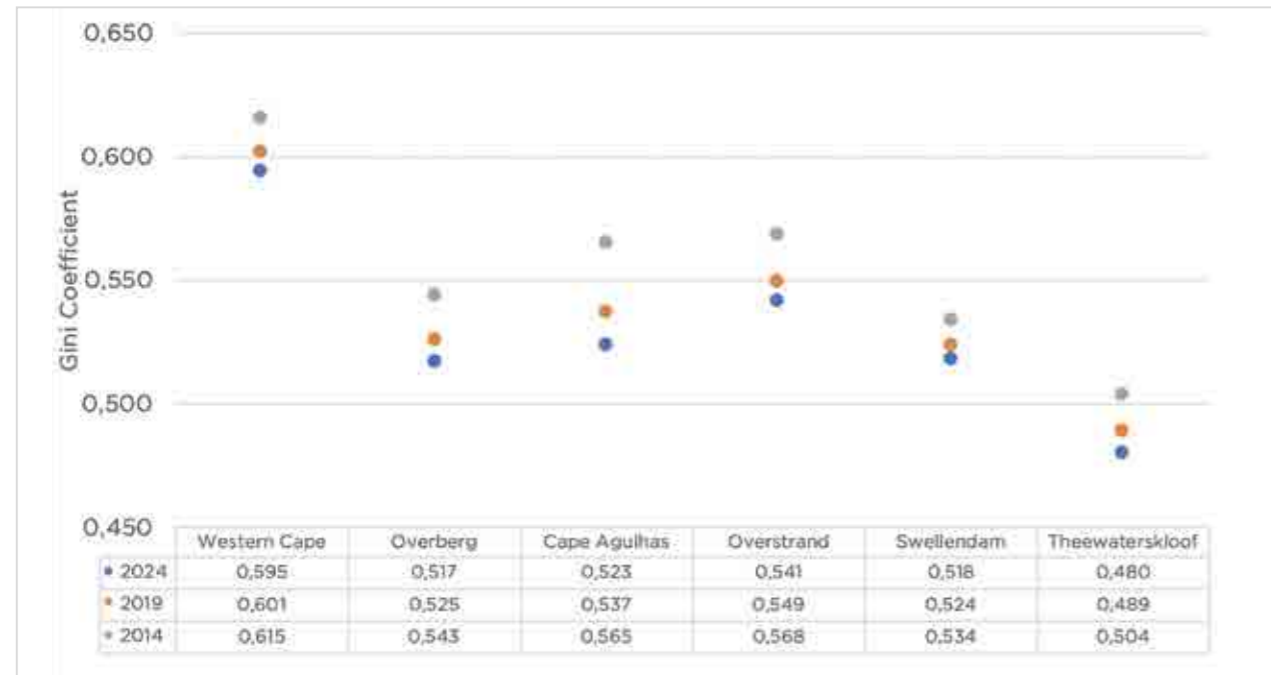


Source: Own calculations from Quantec (2025) and MYPEPPU 2025.2

The distribution of GDPR per capita across the OD is highly uneven. In 2024, Cape Agulhas recorded a per capita GDPR of R80 581, exceeding the Provincial average. However, after a decade of declining GDPR per capita, Overstrand, which has experienced significant population growth in recent years, recorded a per capita GDPR of R53 093 in 2024. These disparities mean that higher income levels are concentrated in a small segment of the population, leaving many residents facing financial hardship amid ongoing inflationary pressures and unemployment.

The level of inequality in South Africa is among the highest in the world as measured by the Gini coefficient. Inequality stems from unequal access to opportunities as well as from regional disparities, which manifest through skewed income distribution. The National Development Plan 2030 (NDP) has set a target for reducing income inequality in South Africa - namely, lowering the Gini coefficient from 0.700 (the figure recorded in 2010) to 0.600 by 2030.

**Figure 1.4.2:**  
**GINI COEFFICIENT, Overberg District, 2014–2024**



Source: Quantec, 2025

The Gini coefficient is a measure of income inequality. It is a number between 0 and 1, where 0 corresponds to perfect equality (everyone has the same income) and 1 corresponds to perfect inequality (one person has all the income, and everyone else has none). While the Gini coefficient is widely used, other metrics are also available to assess the gap between wealthy and poor, each providing a different perspective on the economic conditions of a society.

The OD has already achieved the NDP target for income inequality reduction, recording a Gini coefficient of 0.517 in 2024. This was lower than the Western Cape average of 0.595. Nonetheless, inequality in the District remains elevated by international standards. The OD ratio reflects the pronounced income gap between individuals employed in well-remunerated positions and lower-earning rural farm workers as well as residents of informal settlements across the region.

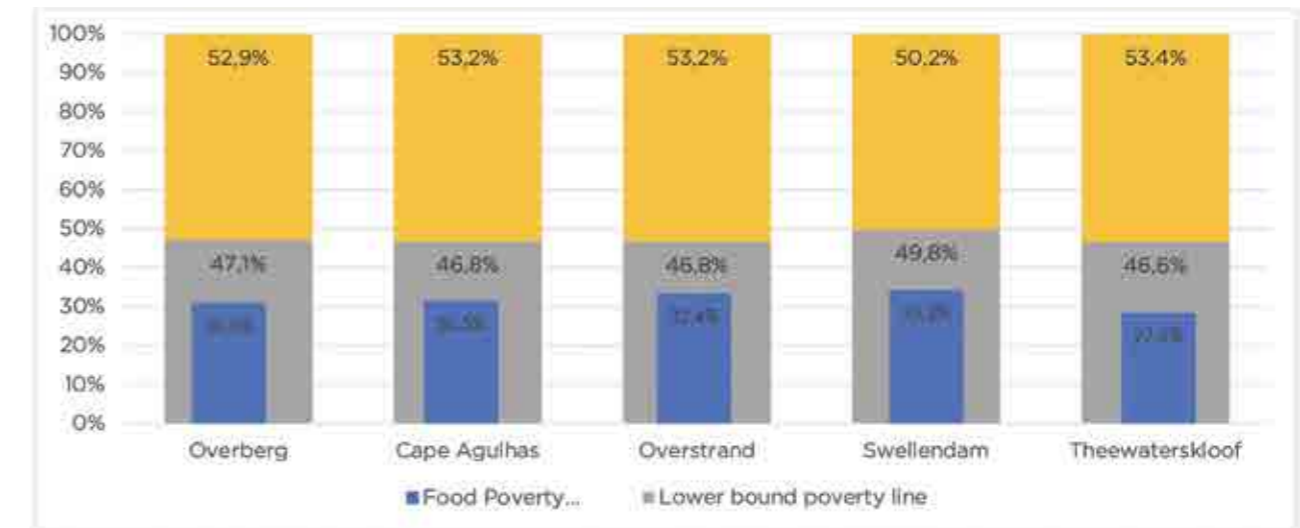
The trend regarding income inequality in the District has been consistently positive, with income inequality declining from 0.543 in 2014 to 0.517 in 2024. This steady decrease indicates a meaningful improvement in income distribution across the region over the past decade.

### 1.4.2 Poverty

In 2024, an estimated 47.1 per cent of the OD population lived below the lower-bound poverty line (LBPL). Of these residents, 30.0 per cent were unable to afford adequate food in terms of the food poverty line (FPL). A further 17.1 per cent were able to meet their food needs but could not cover the cost of basic non-food necessities.

Overall, poverty levels in the district have been declining since 2020, when 50.6 per cent of the population lived below the LBPL. While there was a marginal increase in the poverty level in 2023, when 47.2 per cent of the population was below the LBPL, it declined again in 2024 (to 47.1 per cent).

**Figure 1.4.3:**  
**POVERTY HEADCOUNT RATE, Overberg District, 2024**



Source: Quantec, 2025

While the share of the OD population living below the LBPL in 2024 was less than the provincial average (53.3 per cent), poverty in the District remains a significant concern. Within the OD, high poverty levels are particularly evident in Swellendam (49.8 per cent).

The numerous impacts of poverty – lower life expectancy, malnutrition, food insecurity, vulnerability to crime and substance abuse, limited educational attainment and inadequate living conditions – underscore the urgent need for sustained interventions. In alignment with the NDP’s goal of eradicating poverty by 2030, income support through social grants, municipal indigent support and free social services (such as those for healthcare and education) play a vital role in cushioning vulnerable households.

The non-poor segment of the OD population accounted for 52.9 per cent of residents in 2024, indicating that just over half of those living in the district can meet both basic and non-basic needs. However, the overall trend regarding poverty highlights the need for continued efforts in the drive to expand economic inclusion, enhance food security and move more households above the poverty threshold over time

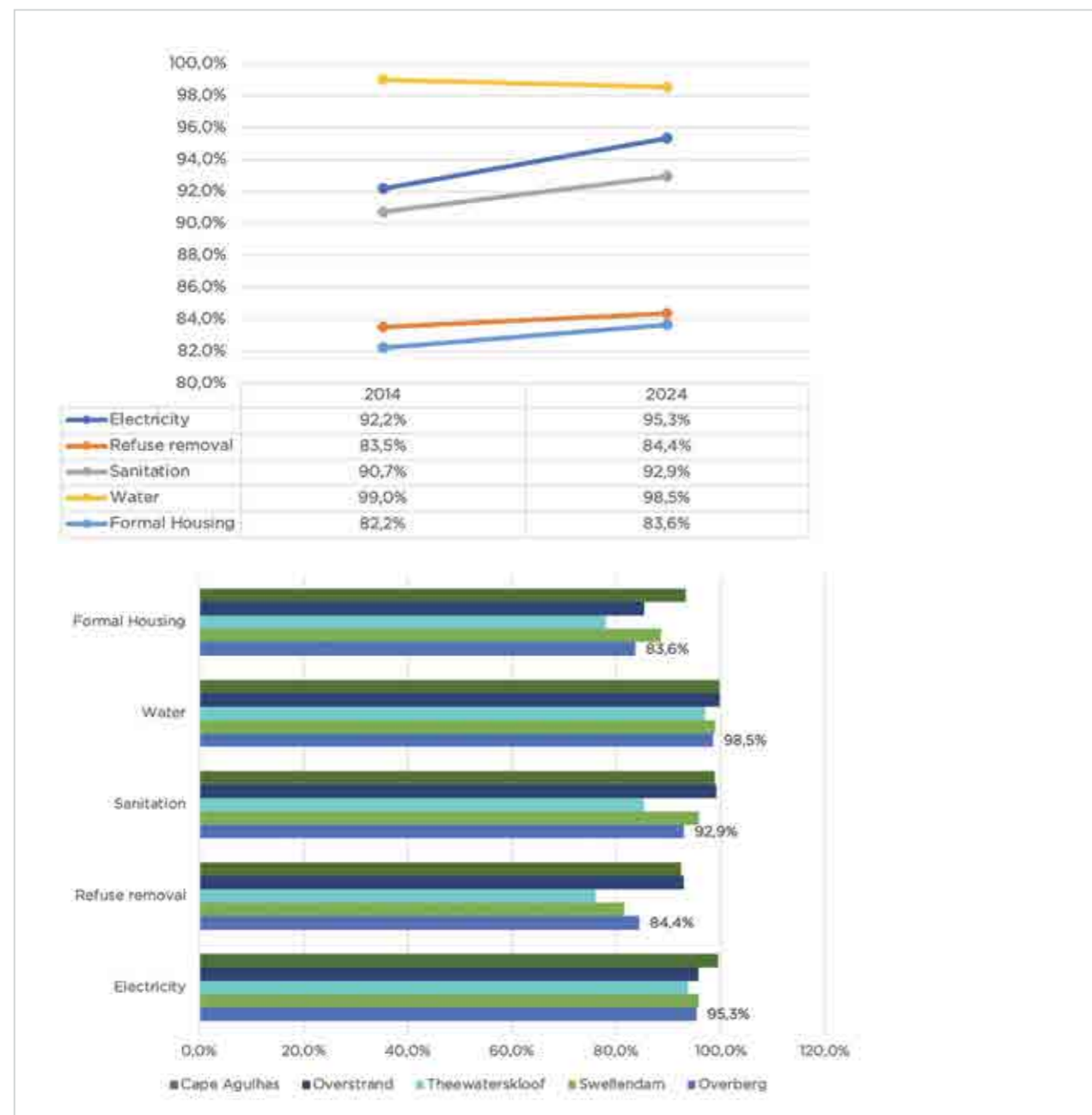
The national poverty lines were calculated using a cost-of-basic-needs approach that links welfare to the consumption of goods and services. The lines address both food and non-food components of household consumption expenditure.

- Food poverty line – R796 (in May 2024 prices) per person per month. This refers to the amount of money that an individual will need to afford the minimum required daily energy intake. This is also commonly referred to as the “extreme” poverty line.
- Lower-bound poverty line – R1 109 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose total expenditure is equal to the food poverty line.
- Upper-bound poverty line – R1 634 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose food expenditure is equal to the food poverty line.

## 1.5 Basic service delivery

Under the Constitution of the Republic of South Africa, every citizen has the right to adequate housing, and the state must employ reasonable legislative and other measures, within available resources, to progressively realise this right. Access to housing encompasses essential services such as the provision of clean water, basic sanitation, safe energy sources and waste removal, ensuring that households maintain a decent standard of living. This section considers the extent to which access to formal housing and basic services has been achieved in the OD.<sup>60</sup>

**Figure 1.5.1:**  
**ACCESS TO BASIC SERVICES, Overberg District, 2014-2024**



Source: Quantec, 2025

<sup>60</sup> While Census 2022 provides the most recent official data for housing types and access to basic services, this report uses Quantec’s modelled estimates for housing and services, as these estimates are regularly updated.

In 2024, there were approximately 96 639 households in the OD. Over the past decade, the district has demonstrated consistent progress in the provision of basic services, reflecting strengthened municipal capacity and sustained infrastructure investment. These improvements have occurred despite ongoing population growth and rising demand for housing and essential services.

Between 2014 and 2024, access to electricity increased from 92.2 per cent to 95.3 per cent, to sanitation from 90.7 per cent to 92.9 per cent, and to refuse removal from 83.5 per cent to 84.4 per cent. These gains signal enhanced service reliability and improved living standards across the region. Access to piped water was the only service for which a decline was registered: 99.0 per cent of households had such access in 2014; however, by 2024 this total had fallen slightly to 98.5 per cent. Access to formal housing increased moderately, rising from 82.2 per cent to 83.6 per cent over the period in question.

These trends suggest steady progress in ensuring an adequate supply of housing and residential development. However, persistent gaps remain – particularly in refuse removal and housing provision. The District has observed a concerning upward trend in the number of informal dwellings, which rose from 14.2 per cent (12 597 households) in 2021 to a prevalence of 15.4 per cent (14 352 households) in 2024. Informal housing in the Theewaterskloof municipal area (20.8 per cent in 2024) is particularly concerning, with the share of such housing being significantly higher compared to the District as a whole.

**TABLE 1.5.1: WESTERN CAPE HOUSING DEMAND DATABASE, Overberg District, 2022-2025**

MUNICIPALITY	Housing demand	% of total households	Annual average growth rate
	2025	2025	2022-2025
Cape Agulhas	3 756	32.7%	1.6%
Overstrand	16 246	38.1%	0.6%
Swellendam	3 959	34.9%	2.3%
Theewaterskloof	14 321	42.6%	3.4%
<b>Overberg</b>	<b>38 282</b>	<b>38.6%</b>	<b>1.9%</b>

Source: Western Cape Department of Infrastructure, 2025

The number of households in the OD on the Western Cape Housing Demand Database increased at an average annual rate of 1.9 per cent between 2022 and 2025. By 2025, more than a third of the District’s households (38 282 households) were registered on the database.

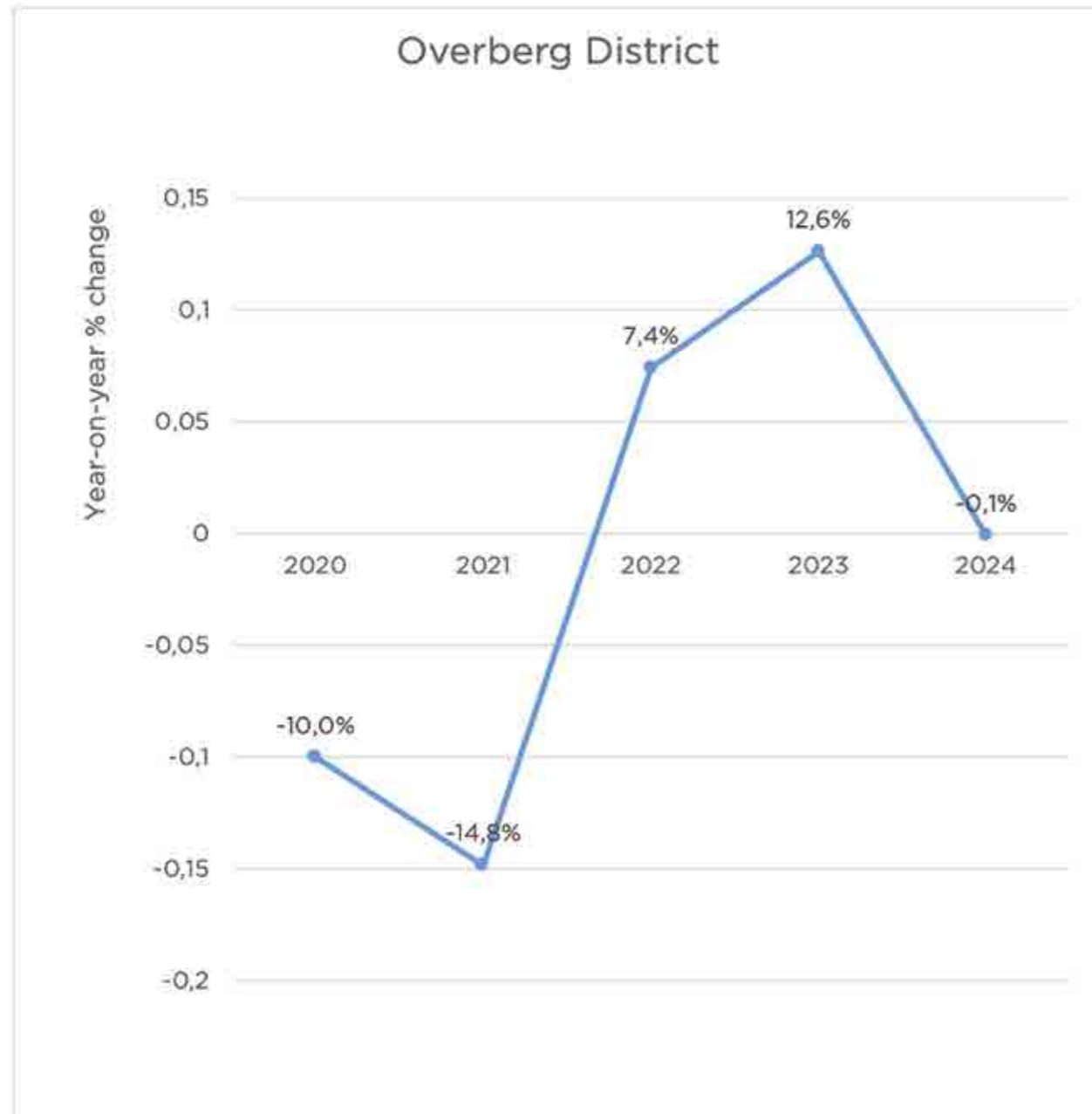
Within the region, the demand for state housing was highest in Theewaterskloof, where a large proportion of households (42.6 per cent) indicated the need for such assistance in 2025. The Overstrand municipal area recorded the second-highest proportion of households (38.1 per cent), highlighting the pressures on housing in areas of the District with larger populations.

The expansion of informal settlements, particularly since 2021, has further strained municipal resources, complicating efforts to extend infrastructure to peripheral and underserved areas. Nonetheless, the overall improvement in basic service indicators over the past decade reflects a reduction in historical backlogs and a positive trajectory in socioeconomic development across the OD. The growth of the housing waiting list underscores the need for expanded delivery mechanisms. Greater participation by the private sector, alongside targeted public investment, will be essential in meeting the evolving needs of vulnerable populations and ensuring inclusive urban development across the District.

## 1.6 Safety and Security

High levels of poverty and inequality in the Province are accompanied by elevated crime levels. Crime significantly undermines the region's socioeconomic environment by stifling growth, deterring investment, and eroding community safety and stability. These effects go far beyond the immediate trauma inflicted on victims.

**Figure 1.6.1:**  
**TRENDS IN SERIOUS CRIMES, Overberg District, 2020-2024**



Source: Quantec, 2025

<sup>110</sup> While Census 2022 provides the most recent official data for housing types and access to basic services, this report uses Quantec's modelled estimates in this regard. The latter are regularly updated.

The OD has experienced notable shifts in crime dynamics over the past five years, reflecting a complex interplay between socioeconomic conditions, law enforcement capacity and post-pandemic recovery pressures.

The total number of serious crimes in the District dropped from 2019 to 2024, falling from 20 828 cases to 19 296. This represented a net decrease of 7.4 per cent. However, the decline did not take the form of a steady reduction. Crime fell sharply (by 14.8 per cent) in 2021 – largely due to COVID-19 restrictions on movement and social activity – but subsequently rebounded as normal economic and social patterns resumed.

A moderate decline of 0.1 per cent between 2023 and 2024 suggests a stabilisation in crime levels, although continued vigilance and community safety interventions remain critical.

**TABLE 1.6.2: CRIME PER 100 000 PEOPLE, Overberg District, 2024**

CRIME CATEGORY	Overberg District	Theewaterskloof	Overstrand	Cape Agulhas	Swellendam
Murder	46	44	53	33	45
Sexual offences	103	67	114	141	146
Common assault	657	502	644	885	973
Malicious Damage to property	355	303	390	391	380
Burglary at residential premises	679	509	728	1 169	618
Commercial crime	349	173	566	318	289
Drug-related crime	1 481	934	2 030	1 990	1 105
Driving Under The Influence Of Alcohol Or Drugs	203	149	239	251	220

Source: Own calculations from Quantec (2025) and Mid-year population estimates (2025)

The OD is grappling with significant crime challenges, with certain municipalities being areas of particular concern. While rates across the District for violent crimes such as murder vary, the data clearly indicates that drug-related crimes and alcohol abuse constitute a severe and persistent problem. Furthermore, property crimes and common assault occur with great frequency, indicating a broader climate of social instability that affects the entire region. An analysis of crime across municipal areas of the OD shows that while the burden of crime is shared, its specific character differs from one locality to another.

Examining the 2024 crime statistics points to two areas of notable concern. The first pertains to drug-related crime, which was the most prevalent offence in every municipal area. In 2024, 2 030 cases of such crime were reported in Overstrand (upwards of 2 000 incidents per 100 000 residents), 1 105 in Swellendam (exceeding 1 000 incidents per 100 000 residents) and 1 990 incidents per 100 000 residents in Cape Agulhas. This suggests an entrenched problem with substance abuse that probably fuels other criminal activities.

Crimes against the person occur frequently. Cases of common assault were highest in Swellendam at 973 per 100 000 people in 2024, with a notable incidence of this crime also reported in Cape Agulhas (885 cases). In addition, the number of sexual offences is high, with Swellendam (146 cases per 100 000 residents) and Cape Agulhas (141 cases) recording the highest totals for such offences in 2024. This points to serious concerns related to interpersonal violence and gender-based violence.

Property-related crimes such as burglary at residential premises and malicious damage to property continue to reinforce perceptions of insecurity and contribute to household vulnerability. Cape Agulhas and Overstrand recorded the highest burglary rates in 2024 (1 169 and 728 cases per 100 000 residents, respectively), while the two areas also led regarding malicious damage to property (391 and 390 cases per 100 000 residents, respectively).

Sexual offences remain a major social concern, with the OD recording 103 cases per 100 000 people in 2024. This is consistent with South Africa's position among the five countries with the highest number of reported rape cases globally. Swellendam and Cape Agulhas (146 and 141 cases per 100 000 residents, respectively) exhibited particularly elevated rates of sexual offence, underscoring the urgent need for survivor support initiatives and intensified prevention of gender-based violence.

Commercial crime, involving theft, fraud or dishonesty committed against businesses, also presents a growing challenge. Between 2022 and 2024, the number of cases of commercial crime rose from 282 to 349 per 100 000 people, with Overstrand (566 cases) recording the highest incidence of this offence. Such crimes directly affect business confidence and disproportionately impact small, medium and micro enterprises. If unaddressed, they risk triggering a cycle of economic stagnation, job losses and further social vulnerability.

Serious crime undermines both individual wellbeing and economic potential. It deters investment, limits tourism and business activity, and increases public expenditure on policing, healthcare and social welfare. At a household level, exposure to persistent crime generates trauma, weakens trust in institutions, and drives the outmigration of skilled individuals seeking safer environments. While the District has achieved moderate progress in reducing serious crime since 2019, persistently high rates of drug-related and interpersonal violence highlight the need for integrated, cross-sectoral strategies. Strengthened community policing, substance abuse prevention and collaborative social development initiatives are essential in fostering safer, more cohesive and economically resilient communities across the OD.

## 1.7 Conclusion

The demographic, social and economic profile of the OD shows that this region is characterised by both significant progress and persistent challenges. The demographic trends of the District – including moderate population growth along with the presence of a substantial economically active cohort and a youth population requiring future opportunities – set the stage for both potential and pressure. While the OD benefits from a favourable age structure and a declining Gini coefficient, indicating progress in curbing inequality, these positive indicators are counterbalanced by stagnant GDP per capita and a poverty rate affecting nearly half the population. This underscores that economic growth has not been sufficient to lift all households and that service delivery and social welfare interventions therefore remain vital.

This socioeconomic environment directly shapes key outcomes in health and education. The District's healthcare system faces challenges ranging from the persistence of communicable diseases like TB and HIV to stubbornly high rates of teenage pregnancy, low birth weight (in certain municipalities) and declining immunisation coverage. For its part, the education sector presents the paradox of a high matric pass rate coexisting with a learner retention rate that is the worst in the Province. This suggests that while those who remain in the system perform well, a significant number of learners are being left behind – a pattern that exacerbates the cycle of poverty and limits the development of a skilled workforce.

The most tangible manifestation of these interconnected pressures is seen in the demand for affordable housing and basic services. The increase in informal dwellings, particularly in Theewaterskloof, and a long and growing housing, waiting list are matters of growing concern. Although the District has made commendable strides in expanding access to electricity and sanitation, the high demand for housing highlights the strain that population growth and urbanisation place on municipal infrastructure.

The creation of safe and secure communities is of paramount importance. Crime statistics paint a concerning picture of a region grappling with drug-related crime, interpersonal violence and property crimes. These issues not only cause immediate trauma but also stifle economic potential by deterring investment and tourism. The high rates of common assault and sexual offences point to underlying social fractures that require more than just a law-enforcement response. Addressing these issues demands integrated social programmes focused on youth development, substance-abuse prevention and gender-based violence interventions.

In conclusion, the path forward for the OD requires a holistic and integrated development strategy. Success hinges on breaking the intergenerational cycle of poverty by investing in human capital and stimulating inclusive economic growth that creates jobs and raises living standards. Addressing the housing backlog, safeguarding service delivery gains and fostering community safety are not isolated goals. Rather, they are inextricably linked to the broader objective of building a resilient, equitable and prosperous region for all inhabitants.



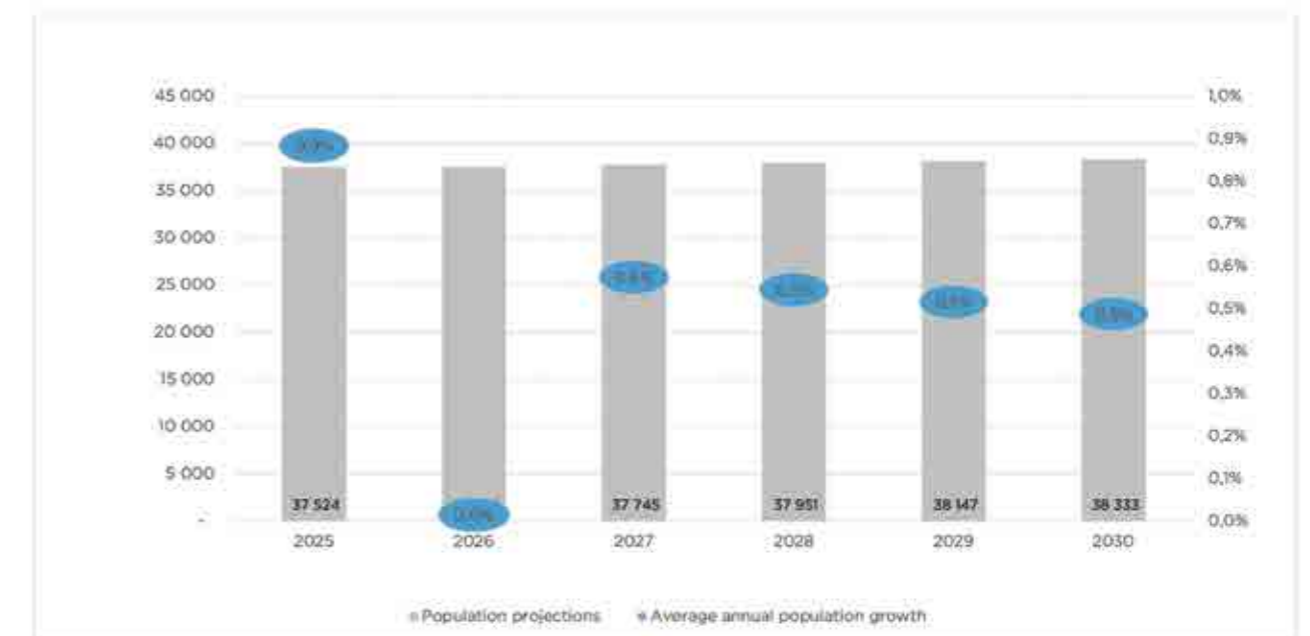
## 2.1.1 Demographics

Understanding population dynamics is critical for effective municipal planning and the equitable provision of public services. Population size, household growth, age structure, and migration patterns directly influence the demand for infrastructure, housing, education, healthcare, and social services. Monitoring these trends enables policymakers to anticipate service needs, allocate resources efficiently, and design interventions that promote both social wellbeing and economic resilience.

### Population and household growth

Bredasdorp, located in the Cape Agulhas municipal area, serves as the administrative centre of the Overberg District (OD). In 2025, Cape Agulhas had the smallest population of the four municipal areas that constitute the OD, an estimated 37 524 residents. Average population growth in Cape Agulhas remains modest, with an average annual growth of only 0.4 per cent expected between 2025 and 2030.

**Figure 2.1.1:**  
POPULATION GROWTH, Cape Agulhas, 2025 - 2030



Source: Department of Social Development, Western Cape Provincial Population Unit (PPU), 2025

With an estimated 11 498 households in 2025, the Cape Agulhas municipal area exhibited an average household size of 3.3 persons in that year. The expansion of households is forecast to surpass the growth of the overall population.

It is noteworthy that the number of households recorded during Census 2022 significantly exceeds the estimates used in the Mid-year population estimates (MYPE), signifying a higher-than-projected rise in households from 2011 to 2022. This divergence has implications for the provision of municipal services and the requisite infrastructure.

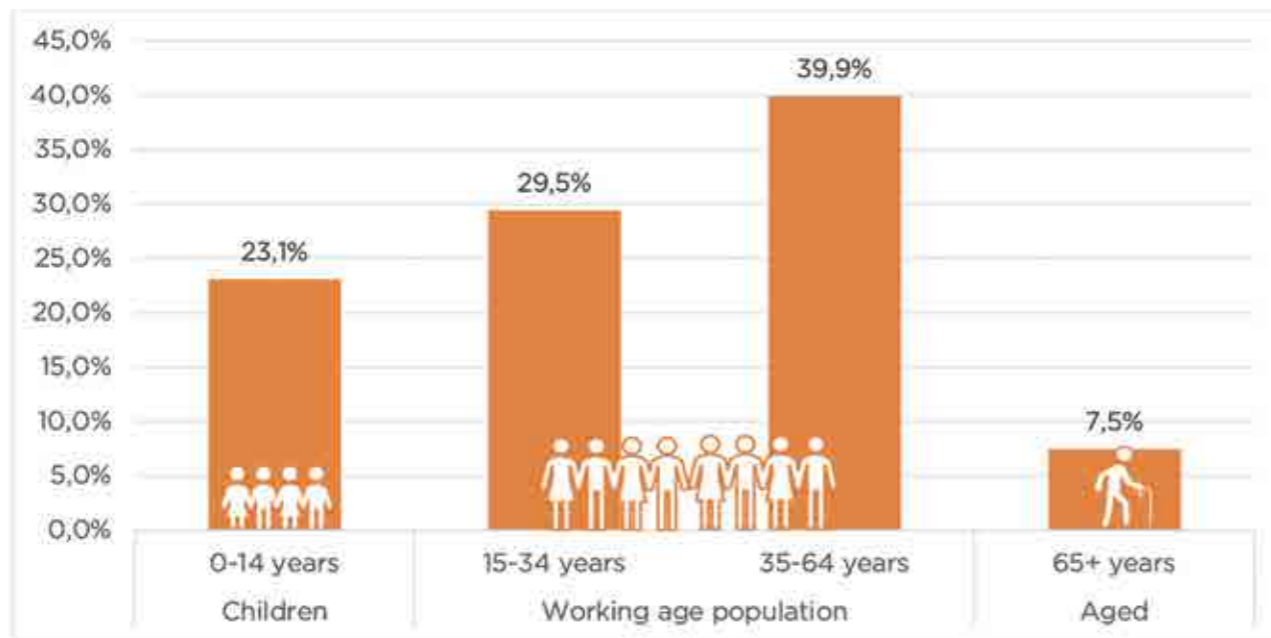
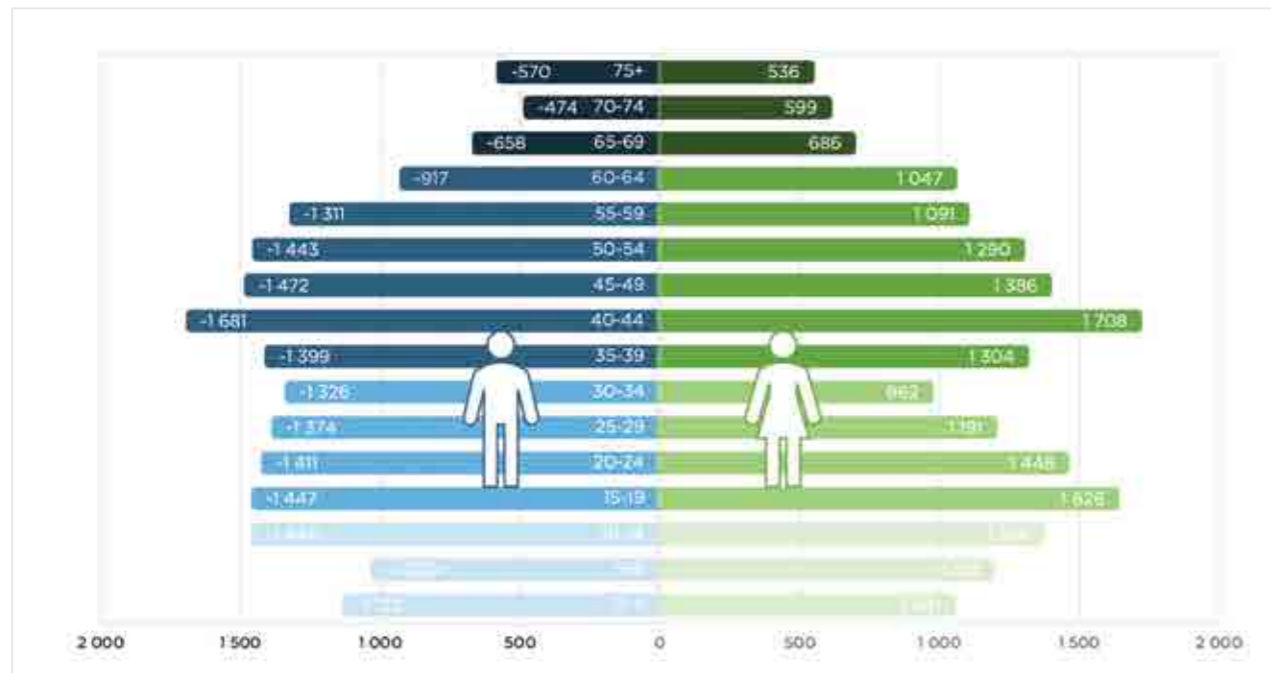
# 2.1 CAPE AGULHAS

## SAFETY AND WELL-BEING

This section delves into the social trends that shape the identity of the Cape Agulhas municipal area. Population dynamics, income, housing needs and essential services are reviewed with a nuanced examination of healthcare, education and crime metrics. Overall, it provides a comprehensive view of community wellbeing and future prospects, showing the interplay of social and economic undercurrents in the municipal area.

## Gender, Age and Race Dynamics

**Figure 2.1.2**  
POPULATION PYRAMID, Cape Agulhas, 2025



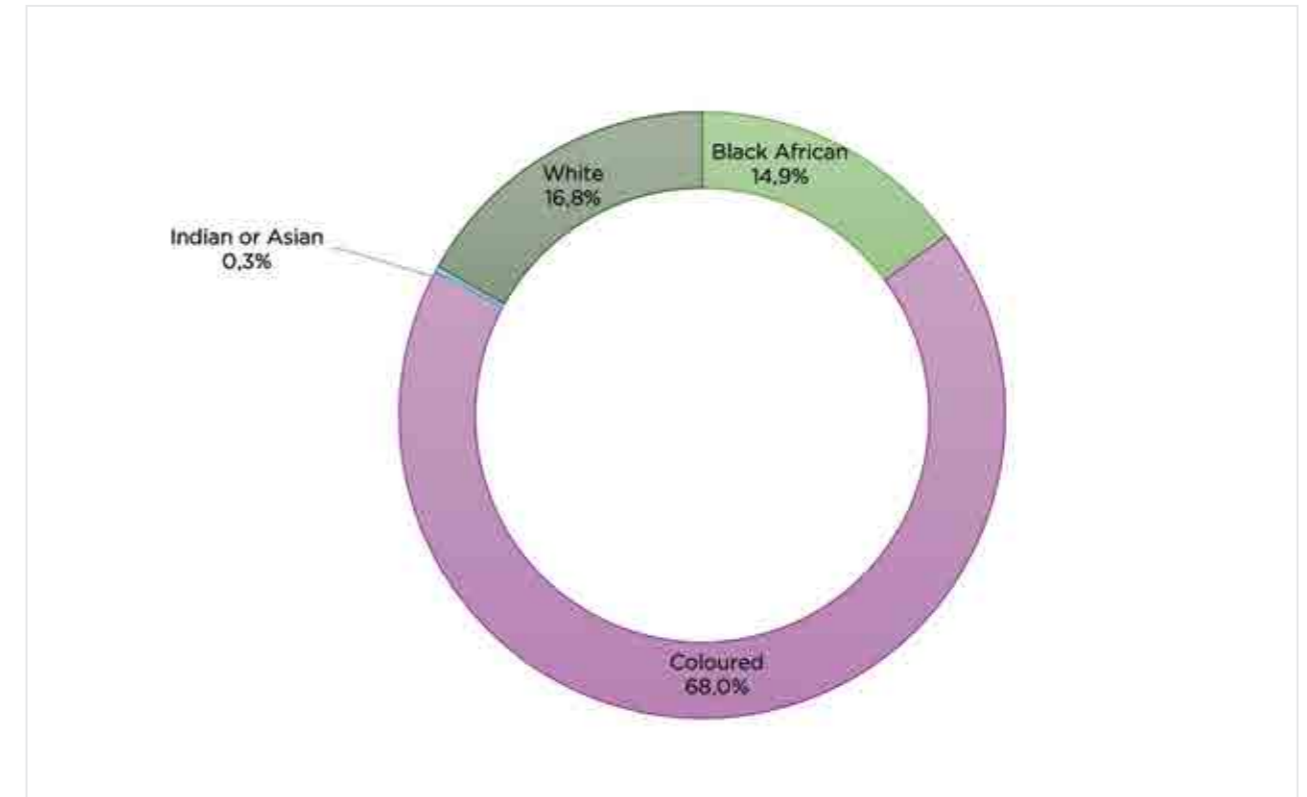
Source: Department of Social Development, Western Cape Provincial Population Unit (PPU), 2025

A closer look at the gender makeup of Cape Agulhas reveals that in 2025, there was a marginally greater representation of males compared to females. In addition, there was a large proportion of people in the working-age category (71.5 per cent) along with smaller groups of children (19.1 per cent) and older adults (9.4 per cent). The growth of the working-age population has contributed to a decline in the dependency ratio.

The dependency ratio measures the number of dependents (children and older adults) relative to the working-age population. In Cape Agulhas, the ratio dropped to 39.8 in 2025, indicating

that fewer dependents rely on each working-age adult. This is generally a positive demographic signal, suggesting that a larger share of the population is economically active. However, it also highlights the need for sufficient employment opportunities and skills development to absorb and sustain the growing working-age population.

**Figure 2.1.3:**  
RACIAL COMPOSITION, Cape Agulhas, 2024



Source: Quantec, 2025

Examining the population's racial composition provides valuable insight into the social and historical landscape of Cape Agulhas. The area remains predominantly composed of coloured residents (68.0 per cent in 2024), with whites (16.8 per cent) and black Africans (14.9 per cent) accounting for smaller but significant portions of the population. This distribution highlights the continued need to promote inclusivity and social cohesion, thereby ensuring all population groups have equitable access to opportunities and resources. In this context, fostering social unity and reducing structural disparities are essential steps towards building a more integrated and equitable local society.

The above demographic information highlights the evolving composition and distribution of the Cape Agulhas population, also revealing opportunities and pressures concerning municipal service delivery. A growing working-age population, coupled with substantial youth and elderly cohorts, underscores the need for targeted education, employment, healthcare and social support services. Likewise, household size shifts and density patterns directly affect housing, sanitation and urban planning. Integrating these population trends into strategic planning is essential for ensuring that the municipal area can sustainably support its residents while maintaining economic vitality and social equity.

## 2.1.2 Health and wellness

South Africa's healthcare system is a mix of public and private providers, and its health facilities are essential to ensuring access to healthcare services for the country's diverse population. Government plays a pivotal role in providing healthcare services through the public sector, while the private sector offers additional options for those who can afford it. The public healthcare system follows a referral system, where patients receive primary care at clinics and are referred to district or provincial hospitals for more specialised care when needed.

### Access to Health Facilities

In the Cape Agulhas municipal area, there are three fixed primary healthcare facilities, located in Bredasdorp, Struisbaai and Napier, and four mobile/satellite clinics. In addition, there are four antiretroviral therapy (ART) and seven tuberculosis (TB) clinics/treatment sites as well as a district hospital.

As an integral part of the healthcare system, Emergency Medical Services (EMS) can significantly impact survival and recovery in crisis situations. EMS encompasses a range of services, personnel and resources to allow for immediate medical assistance, transportation to healthcare facilities, and pre-hospital care of individuals facing health emergencies. In this context, operational ambulances are a significant component of EMS resources. In 2024/25, Cape Agulhas had three ambulances servicing the area (a figure that was unchanged compared to the previous year), which translated to 0.7 ambulances per 10 000 people. This figure includes only Provincial ambulances, not the vehicles of private service providers.

### Maternal and Child Health

Maternal health is a critical aspect of public health, encompassing the wellbeing of women during pregnancy, childbirth and the postnatal period. In South Africa, key issues influencing maternal health include high rates of teenage pregnancy, the prevalence of termination of pregnancy and ongoing challenges related to maternal mortality. These factors affect the health outcomes of women and infants and reflect broader social and economic dynamics that shape access to healthcare and reproductive choices.

#### Teenage pregnancy

The teenage pregnancy rate in Cape Agulhas has fluctuated. Most recently, a slight decline was recorded: between 2023/24 and 2024/25, decreased from 13.1 per cent to 11.4 per cent. This is based on a total of 47 births to teenagers in the Cape Agulhas municipal area.

Teenage pregnancy is calculated as the percentage of babies born to mothers under the age of 19 in a given year.

Teenage pregnancy is almost always unplanned. Consequently, when young parents are placed in the position of having to care for a child, they can find themselves woefully unprepared for the challenges that this brings. This is especially the case if they do not have family members who can assist them or social support.

**Figure 2.1.3:**  
DELIVERY RATE TO WOMEN UNDER 19 YEARS, Cape Agulhas, 2019/20 – 2024/25



Source: Western Cape Department of Health and Wellness, 2025

While this suggests a degree of progress, the figures remain high and may point to challenges in sexual and reproductive health education, access to contraceptives, and broader socioeconomic factors that impact early childbearing. The persistence of teenage pregnancy may also be linked to the demand for termination of pregnancy services, making termination of pregnancy services a critical area in understanding maternal health challenges in Cape Agulhas.

#### Termination of Pregnancy Rate

The termination of pregnancy rate declined to 0.3 per cent in 2024/25, with the total number of terminations decreasing from 41 in 2023/24 to 36. However, this decline does not reveal the underlying factors influencing the demand for termination of pregnancy services. These may include barriers to safe termination services such as limited availability or social stigma. Understanding these dynamics is essential, as restricted access to safe termination services can increase the risk of unsafe procedures and contribute to broader maternal health challenges within the community.

The termination of pregnancy rate is calculated as the number of women who undergo terminations as a proportion of females aged 15 to 44 years in a given year. Government hospitals designated private doctors and gynaecologists, and non-profit providers offer safe and legal termination of pregnancy. To have a free abortion, the request must be made at a primary healthcare clinic, where the pregnancy will be confirmed, counselling provided, an appointment made, and a referral letter be given to a facility where the procedure can be performed.

**TABLE 2.1.1: TERMINATION OF PREGNANCY RATE, Cape Agulhas, 2019/20 – 2024/25**

MUNICIPALITY	Termination of Pregnancy Rate (%)					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	0.6	0.7	0.6	0.6	0.5	0.6
Cape Agulhas	0.3	0.3	0.3	0.4	0.4	0.3

Source: Western Cape Department of Health and Wellness, 2025

### Maternal Mortality Rate

In the Cape Agulhas region, no maternal deaths were reported which may stem from local health facilities not offering services for such high-risk cases. Within the broader OD, however, the maternal mortality rate (MMR) increased significantly from 2023/24 to 2024/25, rising from 47.9 to 71.9 deaths per 100 000 live births. An increase was observed in the Theewaterskloof area, where the number of maternal deaths rose from 2 to 3 deaths for the 2023/24 to 2024/25 period.

The maternal mortality rate is the number of maternal deaths per 100 000 live births in public health facilities in a given year.

Maternal death is death that occurs in the course of a pregnancy, during childbirth or the puerperium, or within 42 days of termination of pregnancy. This is irrespective of the duration and site of pregnancy and irrespective of the cause of death (obstetric or non-obstetric).

**TABLE 2.1.2: MATERNAL DEATHS PER 100 000 LIVE BIRTHS, Cape Agulhas, 2019/20 – 2024/25**

MUNICIPALITY	Maternal Mortality Ratio					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	0.0	20.5	0.0	0.0	47.9	71.9
Cape Agulhas	0.0	0.0	0.0	0.0	0.0	0.0

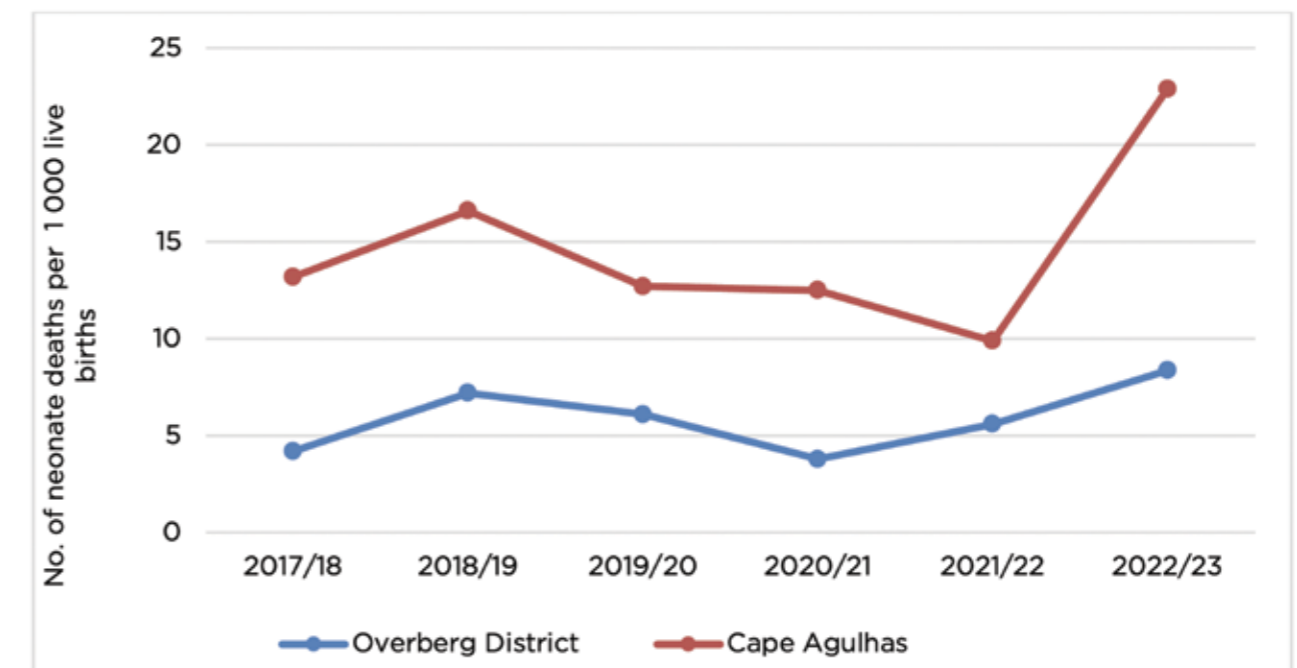
Source: Western Cape Department of Health and Wellness, 2025

### Neonatal Mortality Rate

The neonatal mortality rate registered a significant improvement in 2023/24, but deteriorated (increased) in 2024/25, rising to 12.2 deaths per 1 000 live births. This translated into a total number of 5 deaths, up from 2 in the previous year.

The neonatal mortality rate is the number of neonates that die before reaching 28 days of age per 1 000 live births in a given year.

The first 28 days of life (i.e. the neonatal period) constitute the most vulnerable time for a child's survival. The Province set a target for 2019 of 6.0 neonatal deaths per 1 000 live births.

**Figure 2.1.5:****NEONATAL MORTALITY RATE, Cape Agulhas, 2019/20–2024/25**

Source: Western Cape Department of Health, 2025

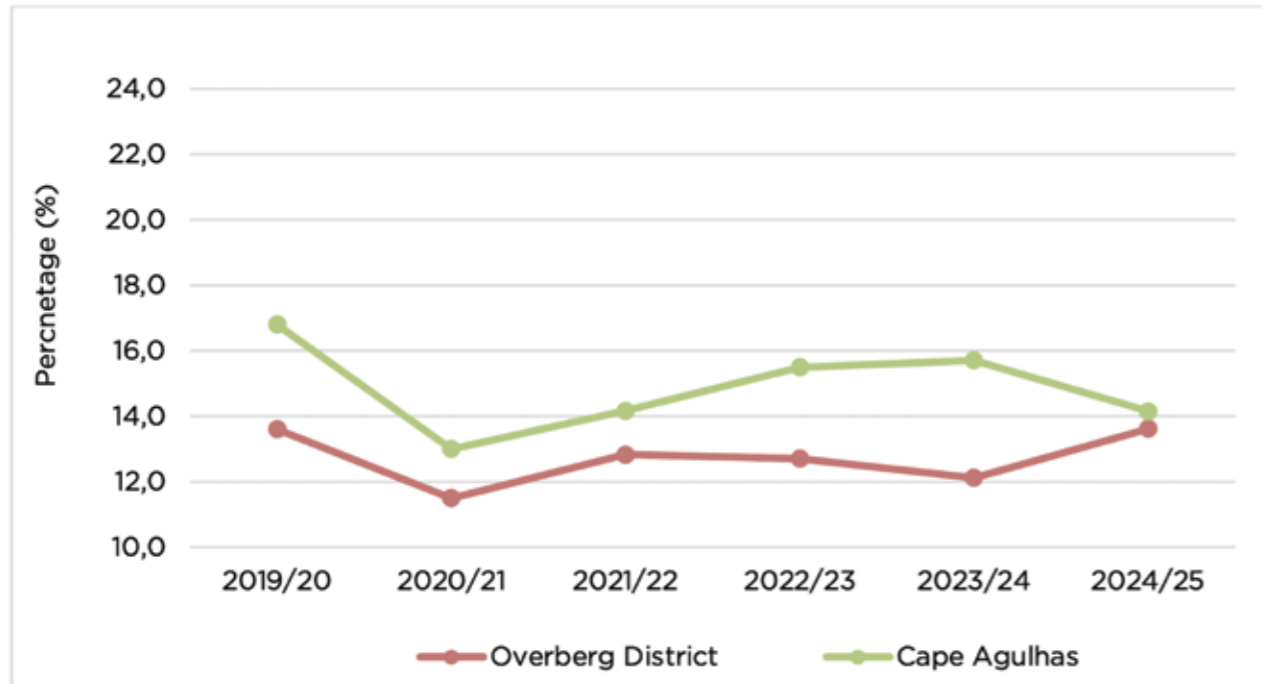
### Low Birth Weight

A mother's health and nutritional status greatly affects the growth and development of her baby during pregnancy and infancy. Birth weight is an indicator of both foetal growth and maternal wellbeing. If the mother is undernourished, in poor health, very young or very old, there is a greater chance of pregnancy- or labour-related complications, including the baby being born with a low birth weight. The percentage of babies born with a low birth weight in Cape Agulhas decreased from 15.7 per cent in 2022/23 to 14.1 per cent in 2023/24.

The low birth weight rate is the percentage of all babies, in a given year, who are born alive in a facility and weigh less than 2 500 g at birth.

Low birth weight is associated with a range of short- and long-term difficulties.

**Figure 2.1.6:**  
**LOW BIRTH WEIGHT, Cape Agulhas, 2019/20–2024/25**



Source: Western Cape Department of Health and Wellness, 2025

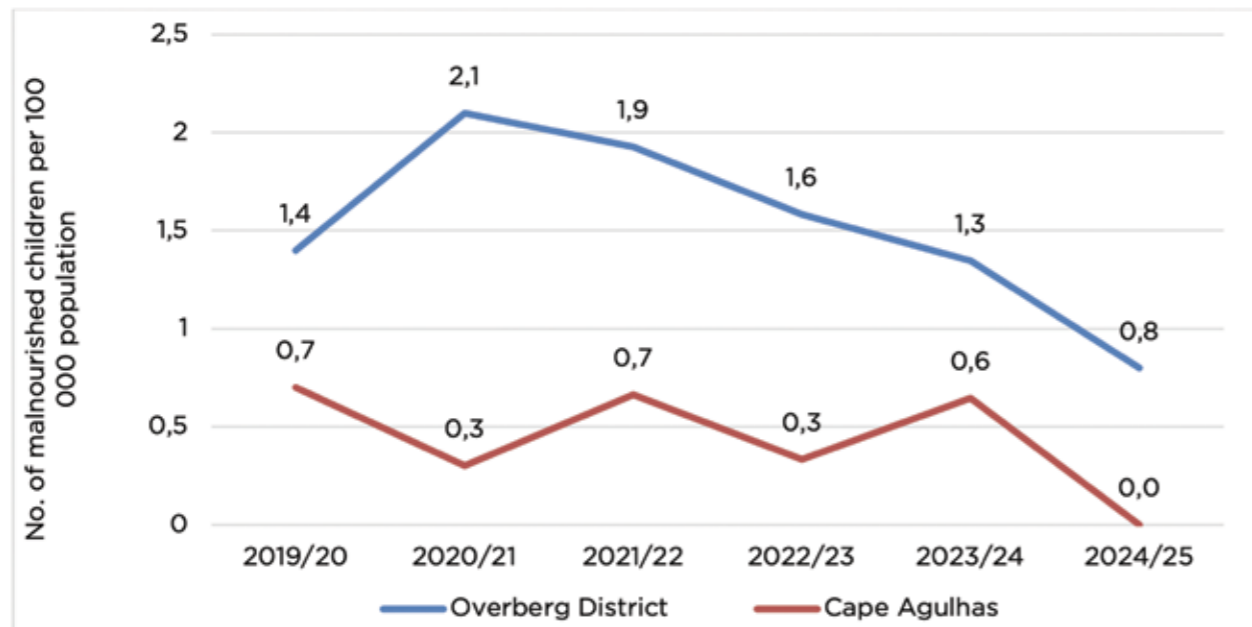
**Malnutrition**

Only two cases of severe acute malnutrition were reported in Cape Agulhas in 2023/24, which translated to a rate of 0.6 malnourished children per 100 000 persons. In the OD overall, 22 cases were reported in 2024/25, translating to a rate of 0.8 per 100 000 persons.

The severe acute malnutrition rate is the number of malnourished children under five years of age per 100 000 people in a given year.

Malnutrition may refer to either under-nutrition (an individual not receiving adequate amounts of nutrients) or over-nutrition (an individual receiving excessive amounts of nutrients).

**Figure 2.1.7:**  
**MALNUTRITION, Cape Agulhas, 2019/20–2024/25**



Source: Western Cape Department of Health and Wellness, 2025

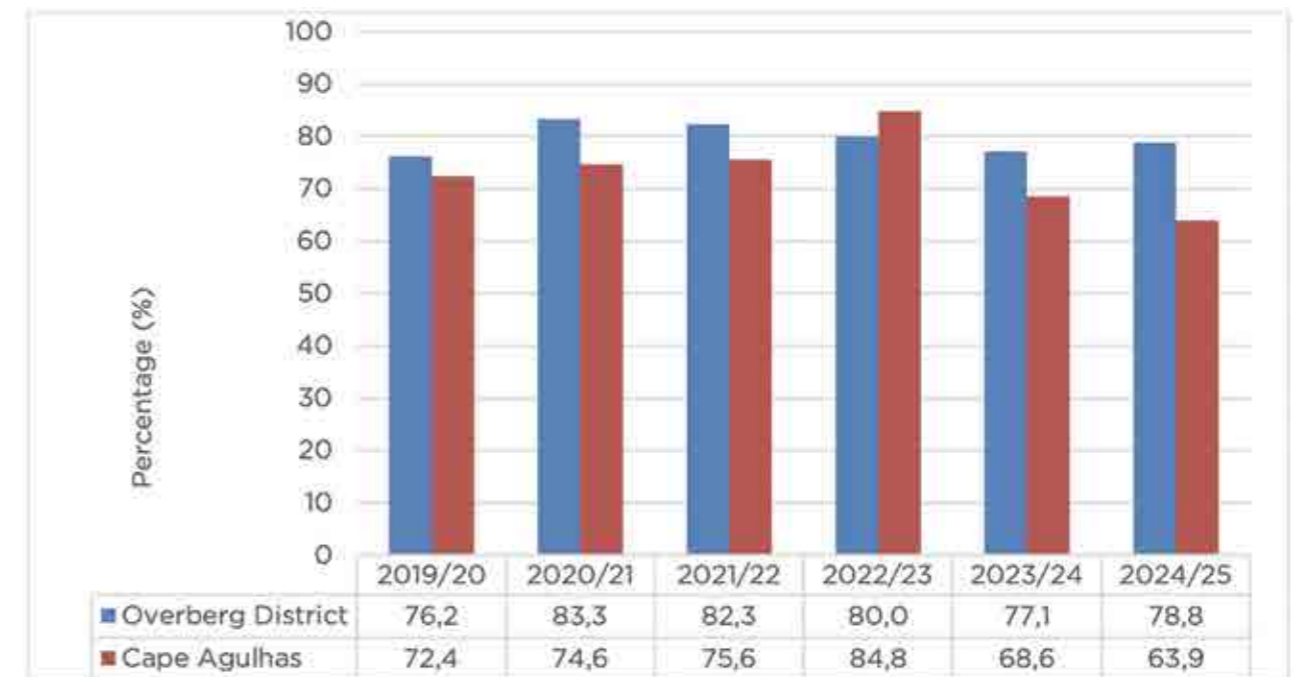
**Immunisation**

The immunisation rate of the Cape Agulhas municipal area fell sharply from 2022/23 to 2023/24, dropping from 84.8 per cent to 68.6 per cent. This trend continued in 2024/25, with immunisation reaching a low of 63.9 per cent – a figure significantly below the District average of 78.8 per cent.

The immunisation rate is the number of children immunised, in a given year, per total number of children less than one year of age.

Immunisation protects both adults and children against preventable infectious diseases. Low immunisation rates speak to the need for parents to understand the critical importance of immunisation.

**Figure 2.1.8:**  
**IMMUNISATION RATE, Cape Agulhas, 2019/20–2024/25**



Source: Western Cape Department of Health and Wellness, 2025

## Burden of Disease

### HIV and AIDS

**TABLE 2.1.3: TOTAL REGISTERED PATIENTS ON ART, Cape Agulhas, 2019/20 – 2024/25**

MUNICIPALITY	Total registered patients receiving ART					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Overberg District</b>	<b>13 712</b>	<b>13 490</b>	<b>14 686</b>	<b>15 119</b>	<b>15 872</b>	<b>14 733</b>
Cape Agulhas	951	964	1 081	1 120	1 118	1 001

Source: Western Cape Department of Health and Wellness, 2025

In 2023/24, there was a slight drop in the number of patients enrolled in ART in Cape Agulhas. This figure fell from 1 120 to 1 118, a decrease of two patients. The patient total decreased further in 2024/25 to 1 001, marking a loss of 17 ART recipients and raising questions as to the reasons for the decline.

Similarly, there has been a fall in the number of new patients commencing ART, with 79 new patients in 2023/24 compared to 97 in the preceding year. In 2024/25, the number of new patients declined to 50.

### Tuberculosis (TB)

**TABLE 2.1.4: TOTAL REGISTERED TB PATIENTS, Cape Agulhas, 2019/20 – 2024/25**

MUNICIPALITY	Number of TB patients registered on treatment					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Overberg District</b>	<b>1 927</b>	<b>1 768</b>	<b>1 852</b>	<b>2 000</b>	<b>2 297</b>	<b>2 307</b>
Cape Agulhas	239	191	194	223	268	267

Source: Western Cape Department of Health and Wellness, 2025

The number of TB patients registered for treatment in Cape Agulhas grew considerably from 2022/23 to 2023/24, rising from 223 to 268. In this context, the reduction in the number of treatment sites in 2023/24 from seven to five raised concerns about potential adverse impacts regarding quality of care and accessibility of treatment. However, in 2024/25, the number of treatment sites was again increased to seven, even as patient numbers remained steady.

## 2.1.3 Education

### Education resources

Schooling is a cornerstone of individual development and societal progress. It provides the foundation for personal empowerment by equipping learners with the knowledge and skills needed to participate meaningfully in their communities. In shaping future generations, education influences both immediate outcomes and long-term prospects, nurturing individual potential and enabling contributions to social and economic development.

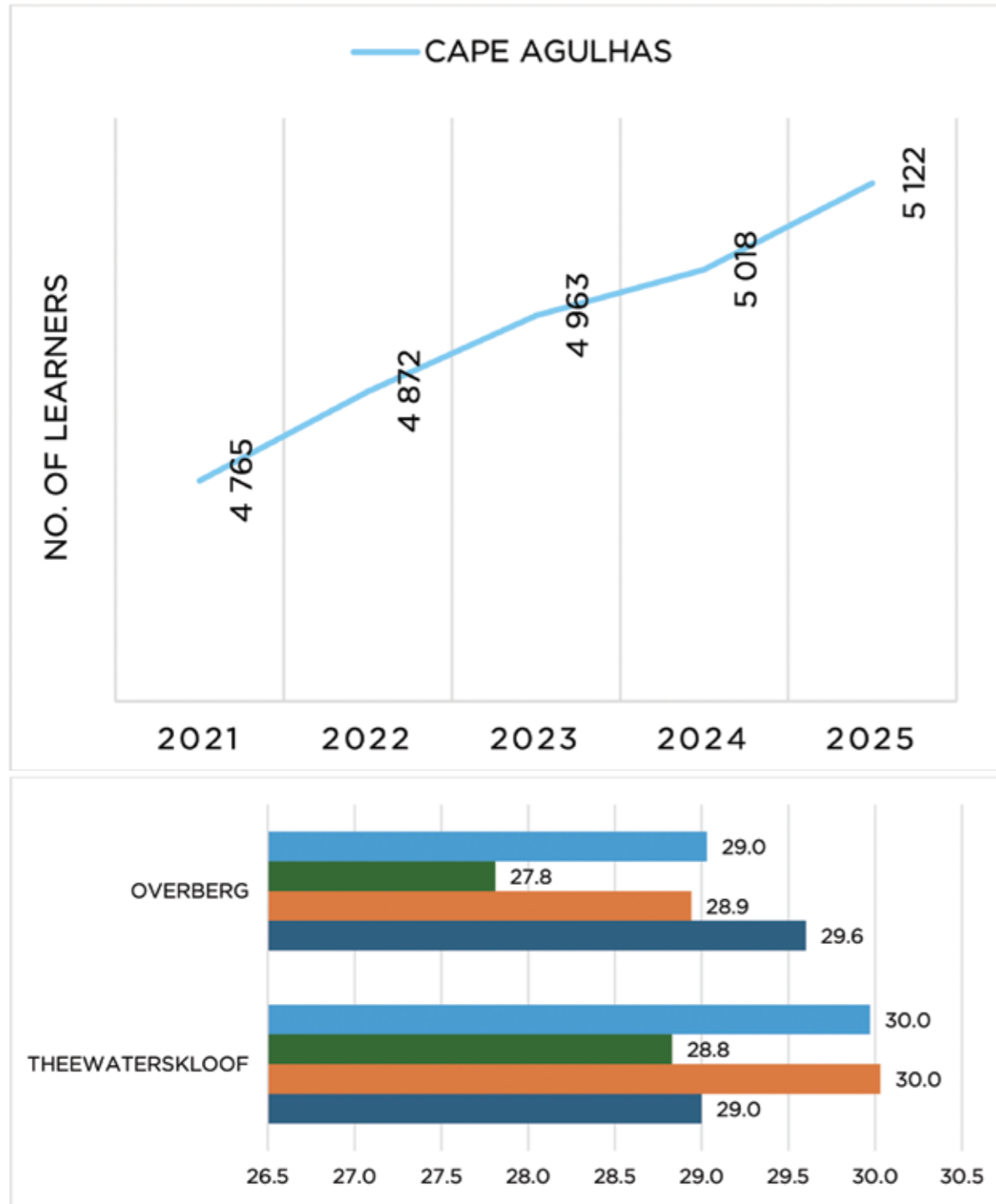
In 2025, the Cape Agulhas municipal area had 10 schools, 8 of which were no-fee schools. The No-Fee Schools Policy abolishes school fees in the poorest 40.0 per cent of schools nationally and compensates these schools through increased per-learner funding from the national budget. The number of schools with libraries increased to five, signalling progress in ensuring resource availability, although disparities remain.

Learner enrolment in Cape Agulhas reached 5 122 in 2025, up from 5 018 in 2024, continuing the steady growth observed since 2021. However, rising enrolment also brings challenges, particularly in terms of infrastructure, teaching resources and the ability to maintain consistent standards of educational quality.

The learner-teacher ratio, an enabler of education quality, improved from 27.8 in 2022 to 26.0 in 2024 but slipped slightly to 27.0 in 2025. While still within an acceptable range, higher ratios can place pressure on teachers, limiting individual attention and potentially undermining learning outcomes. Larger class sizes also risk reinforcing educational inequalities, as schools with fewer resources may struggle to maintain teaching standards. This underscores the importance of sustained investment in both infrastructure and teaching capacity to ensure equitable, high-quality education.



**Figure 2.1.9:**  
LEARNER ENROLMENT AND LEARNER-TEACHER RATIO, Cape Agulhas, 2021-2025



Source: Western Cape Department of Education, 2025

### Retention rates

Despite the positive trajectory in enrolment, learner retention in the region remains a serious concern. The Grade 10 to 12 retention rate deteriorated significantly to 58.3 per cent in 2024 and even further (to 55.0 per cent) in 2025, indicative of an increased drop-out rate. A similar trend was observed in the District as a whole in 2024. However, the OD rate for 2025 rate improved slightly, rising 67.1 per cent, which was considerably better than the percentage recorded in Cape Agulhas.

**Figure 2.1.10:**  
GRADE 10-12 LEARNER RETENTION RATE, Cape Agulhas, 2022-2025



Source: Western Cape Education Department, 2025

Contributing factors to low retention include economic hardships such as unemployment and poverty, social challenges like teenage pregnancy, overcrowded classrooms, and individual circumstances that make it difficult for learners to remain engaged with their studies. Tackling the drop-out crisis requires a coordinated, community-driven response that strengthens support systems for learners and creates an inclusive environment where all students have the opportunity to succeed.

### Education outcomes

**Figure 2.1.11:**  
MATRIC PASS RATE, Cape Agulhas, 2021-2024



Source: Western Cape Department of Education, 2025

The Cape Agulhas matric pass rate improved to 89.3 per cent in 2024 following a dip in 2023 to 84.3 per cent. The 2024 pass rate is in line with a general average around the 90.0 per cent mark in 2022 and 2021. While a higher pass rate typically signals positive academic outcomes, the retention rate reveals a more nuanced reality. Many learners exit the system before reaching Grade 12, meaning the matric pass rate reflects only the performance of those who remain enrolled. The exclusion of struggling learners can inflate the performance of the system, underscoring the importance of considering retention rates when assessing educational outcomes holistically.

## 2.1.4 Poverty, income & inequality

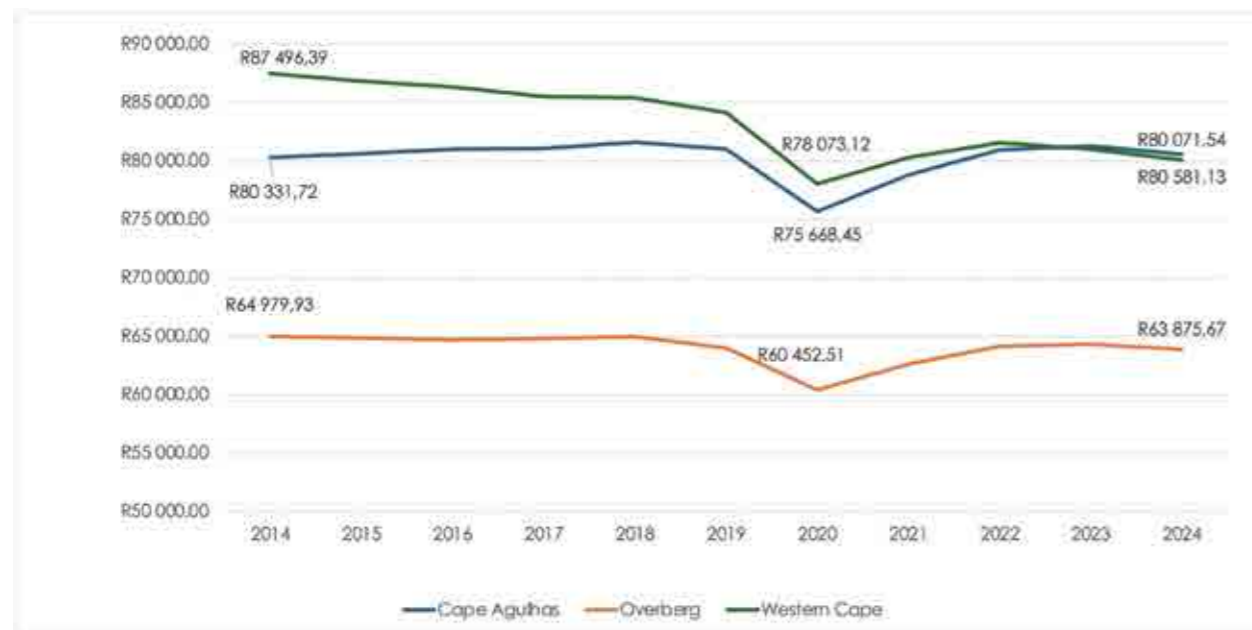
In the Cape Agulhas municipal area, income patterns reveal significant disparities: while some households experience rising prosperity, others face persistent financial strain. To understand these dynamics, this section examines gross domestic product per region (GDPR) per capita as a measure of overall economic activity, and the Gini coefficient to determine the extent of income inequality. A review of tax data from the South African Revenue Service (SARS) provides insight into median incomes, patterns of income distribution, and the number of contributors to the tax system. Finally, the section considers poverty, showing how financial hardship connects with broader income patterns and illustrating the inequalities that shape everyday life in Cape Agulhas.

### Income inequality

The GDPR per capita of Cape Agulhas increased modestly between 2014 and 2024, indicating limited progress in improving overall living standards and economic wellbeing. Output per person stood at R80 332 in 2014, declining to R75 668 in 2020 during the economic disruptions caused by the COVID-19 pandemic. A recovery to R80 581 was recorded in 2024. While this increase suggests a degree of economic resilience, the slow growth in per capita GDPR over the last decade has facilitated only limited improvements in income levels.

The per capita GDPR of Cape Agulhas consistently exceeded the OD average during the 2014 to 2024 period, reflecting a relatively strong local economic performance. However, it has generally remained below the Western Cape average, signalling that the area still lags behind the more developed economies of the Province. It was thus notable that in 2024, per person output in Cape Agulhas slightly surpassed the Provincial average (R80 072), suggesting a narrowing of regional disparities. This reflects the gradual strengthening of the local economy, also highlighting the potential for sustained growth within the municipal area.

**Figure 2.1.12:**  
GDPR PER CAPITA, Cape Agulhas, 2014-2024

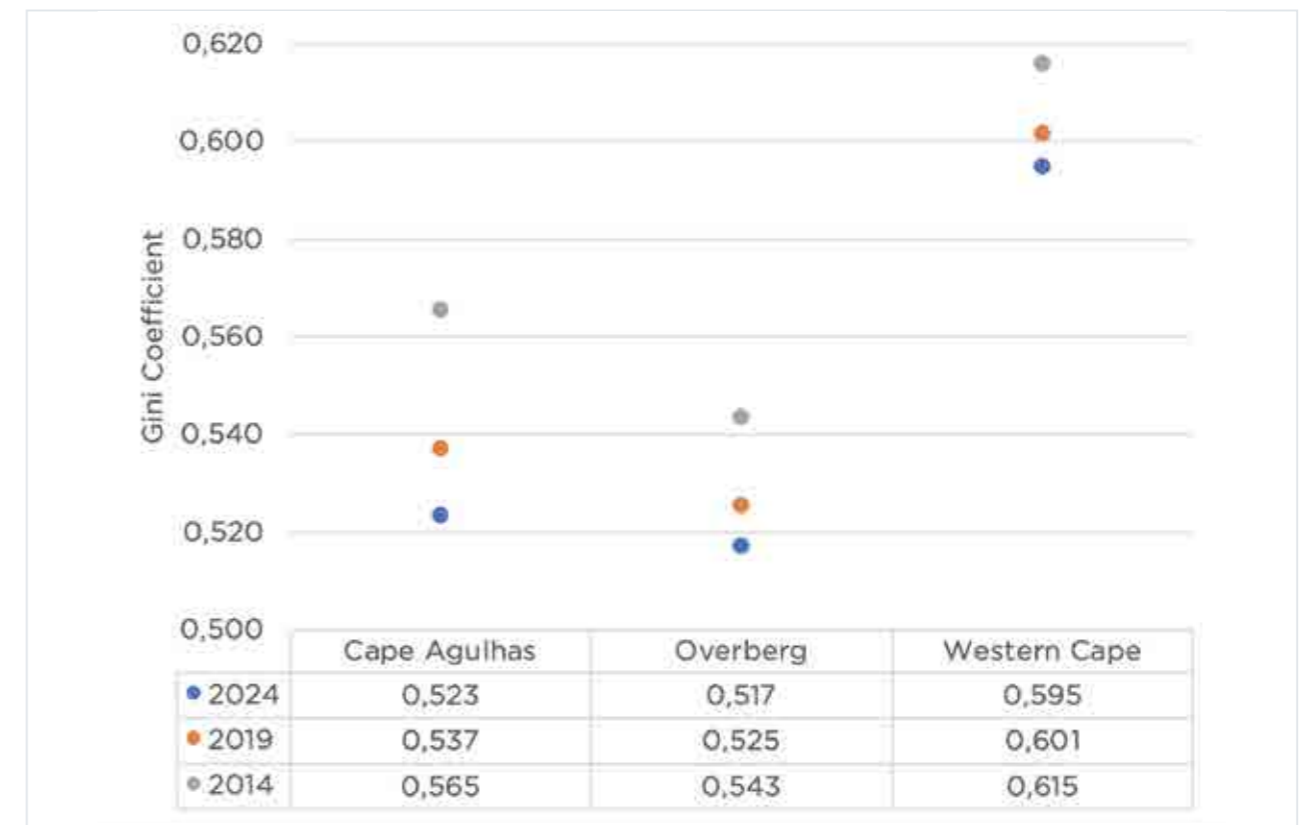


Source: Own calculations, MYPE and Quantec 2025

It is imperative to acknowledge that the distribution of GDPR per capita within Cape Agulhas is not uniform. Disparities persist, with some segments of the population experiencing relative affluence while others face financial hardship within an economic climate marked by inflation, high interest rates and persistent unemployment.

South Africa has one of the highest levels of inequality worldwide as measured by the Gini index. Inequality manifests itself through a skewed income distribution, unequal access to opportunities, and regional disparities. The National Development Plan 2030 (NDP) has set a target for reducing income inequality in South Africa, namely lowering the Gini coefficient from 0.700 (the figure recorded in 2010) to 0.600 by 2030.

**Figure 2.1.13:**  
GINI COEFFICIENT, Cape Agulhas, 2014-2024



Source: Quantec, 2025

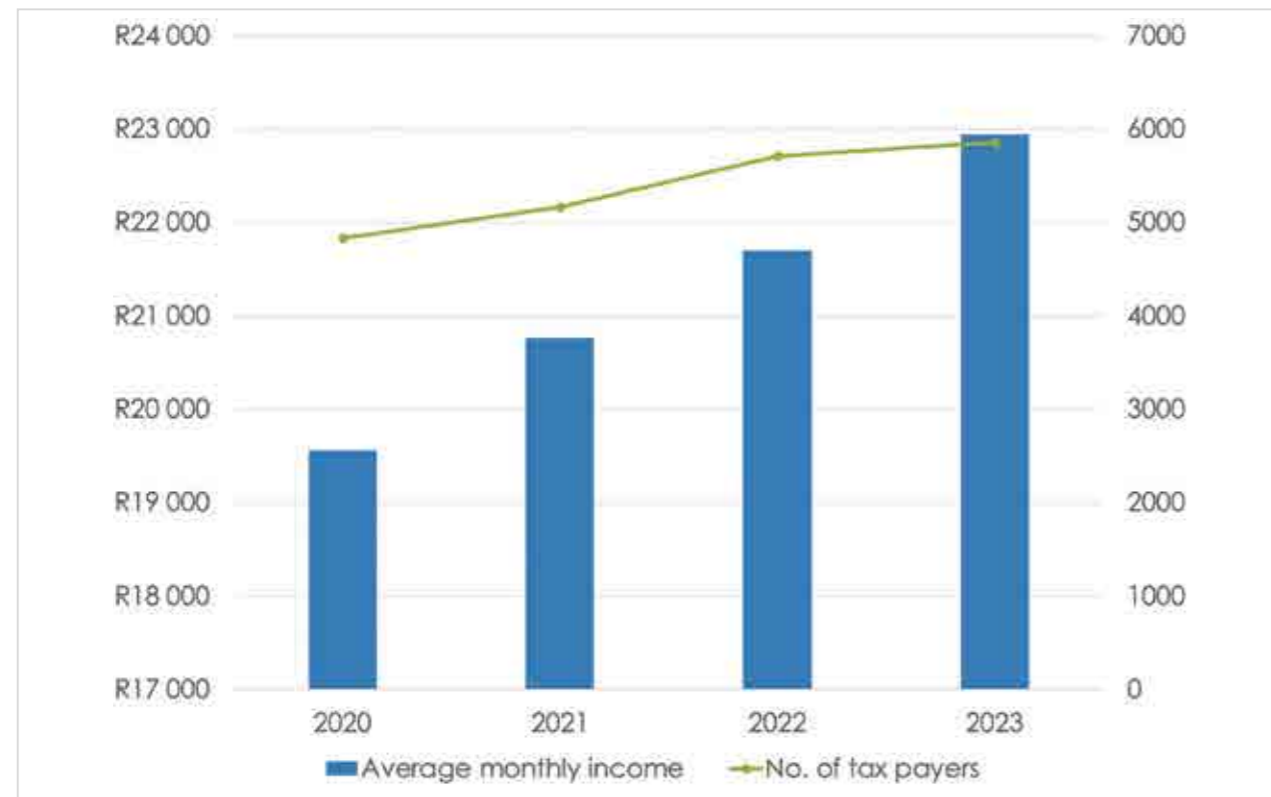
The Gini coefficient is a measure of income inequality. It is a number between 0 and 1, where 0 corresponds to perfect equality (everyone has the same income) and 1 corresponds to perfect inequality (one person has all the income, and everyone else has none). While the Gini coefficient is widely used, other metrics are also available to assess the gap between wealthy and poor, each providing a different perspective on the economic conditions of a society.

Cape Agulhas has surpassed the NDP goal, recording a Gini coefficient of 0.523 in 2024. While this represents an improvement, the ratio of the municipal area is still high (a coefficient above 0.450 is generally considered to indicate significant inequality in an area). The coefficient of 0.523 reflects the sharp contrast between individuals employed in well-remunerated positions, or living in relatively affluent households, and those earning far less – particularly rural and farm workers, who often face limited opportunities, lower wages and greater economic vulnerability.

### Income patterns

An examination of income distribution provides important insights into how earnings are allocated across households. This section explores median income, wage distribution, average taxable income and the number of tax contributors, highlighting the patterns that drive economic disparities within Cape Agulhas. A closer look at SARS income tax data reveals how inequality translates into everyday realities.

**Figure 2.1.14:**  
**INDIVIDUAL TAXPAYERS AND TAXABLE INCOME, Cape Agulhas, 2020-2023**



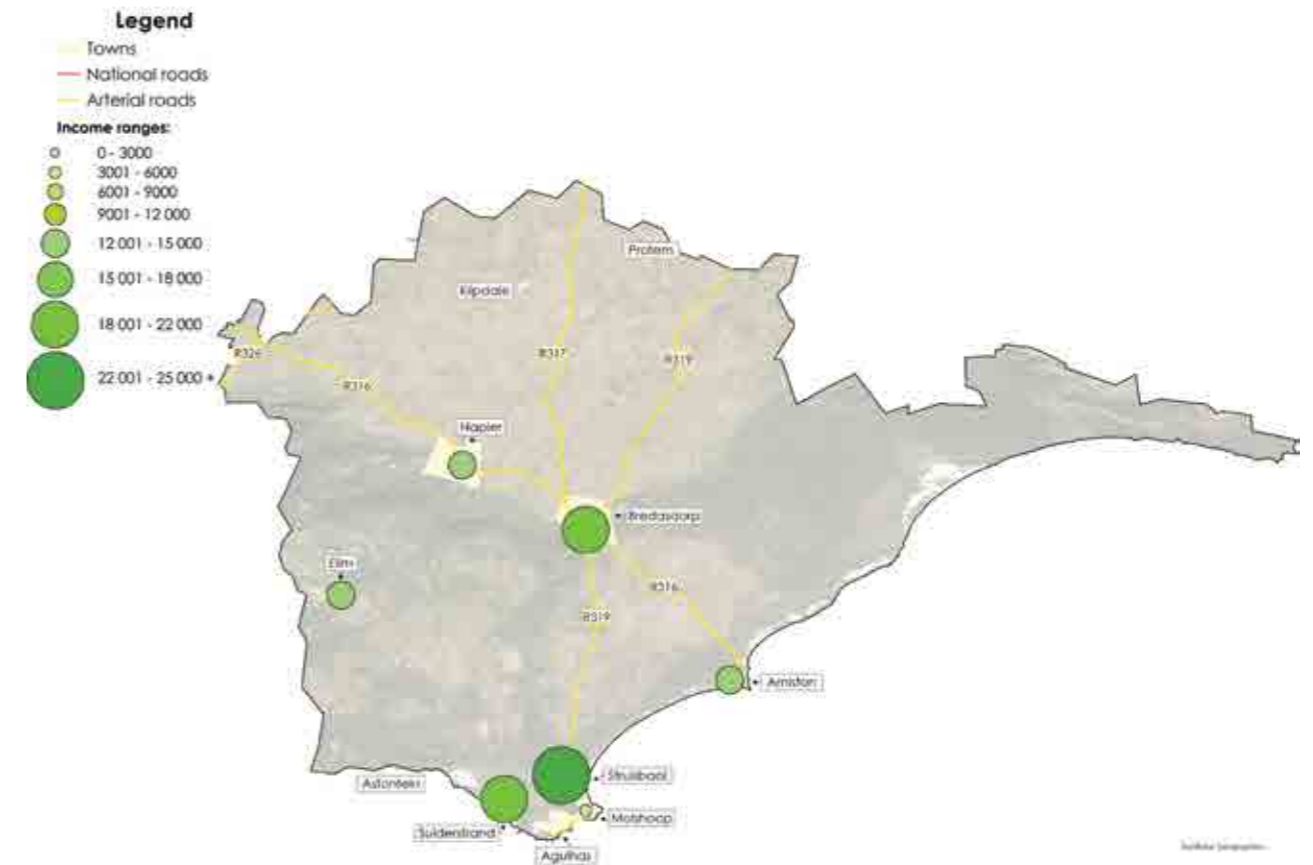
Source: Quantec, National Treasury, 2025

In 2023, Cape Agulhas had 5 858 registered taxpayers. This marked an increase from the 4 835 recorded in 2020 and represented an average annual growth rate of 6.6 per cent. Average monthly income increased steadily during this period as did the number of registered taxpayers. This suggests that more people are earning a formal income due to an increase in the number of jobs – or that tax compliance is improving. It also indicates that the community’s overall earning power is increasing.

The rise in income was noticeably steeper than the rise in the number of taxpayers. This shows that the growth did not only stem from new workers entering the system. A large part of it appears to have come from pay raises for those already employed.

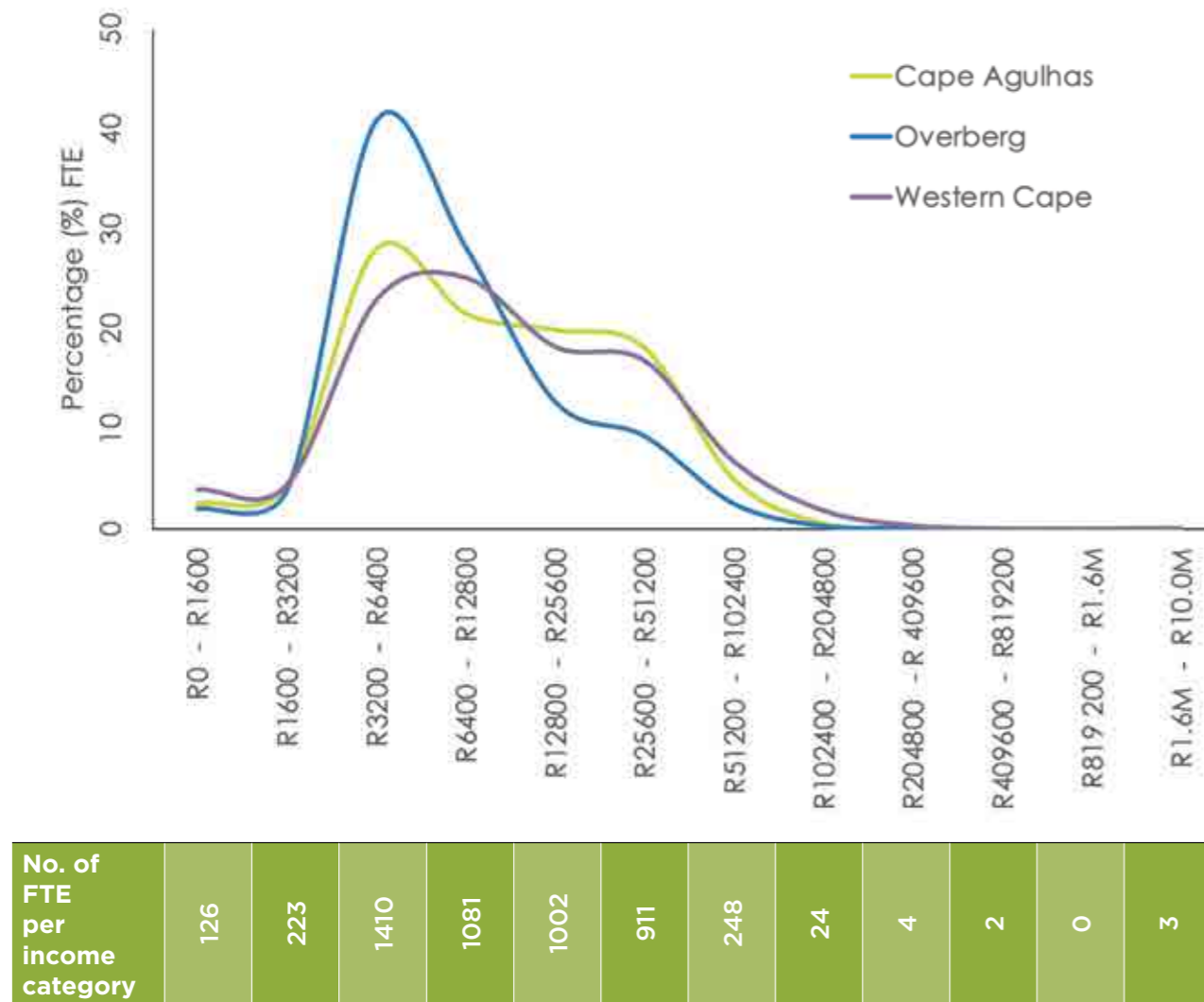
It is important to note that the trends described above are a reflection of statistical averages, which can hide important details about how income is distributed. The positive gains could be heavily concentrated among top earners rather than broadly spread across households. Thus, while the data points to a strengthening local economy, it does not reveal whether this wealth gap is actually narrowing. A snapshot of the wage distribution for 2024 can be seen below.

**MAP 2.1.1: AVERAGE MONTHLY INCOME PER TOWN, Cape Agulhas, 2024**



Source: Western Cape Department of the Premier, 2025

**Figure 2.1.15:**  
**WAGE DISTRIBUTION, Cape Agulhas, 2024**



Source: Spatial Tax Data, 2025

The wage distribution in Cape Agulhas shows a workforce largely concentrated in the low- to middle-income brackets. However, the pattern differs somewhat in the broader District. While the OD reflects a sharper clustering in the lower income brackets (R3 200 to R6 400 and R6 400 to R12 800), Cape Agulhas has a comparatively flatter distribution, with a greater share of workers positioned in the middle to upper-middle ranges (R12 800 to R25 600 and R25 600 to R51 200). This suggests that Cape Agulhas, as the administrative centre, benefits from a relatively diversified labour market. This probably stems from the presence in the area of public sector employment and service-based activities, which provide jobs that attract slightly higher wages. The limited number of higher-paying positions indicates that upward mobility remains constrained.

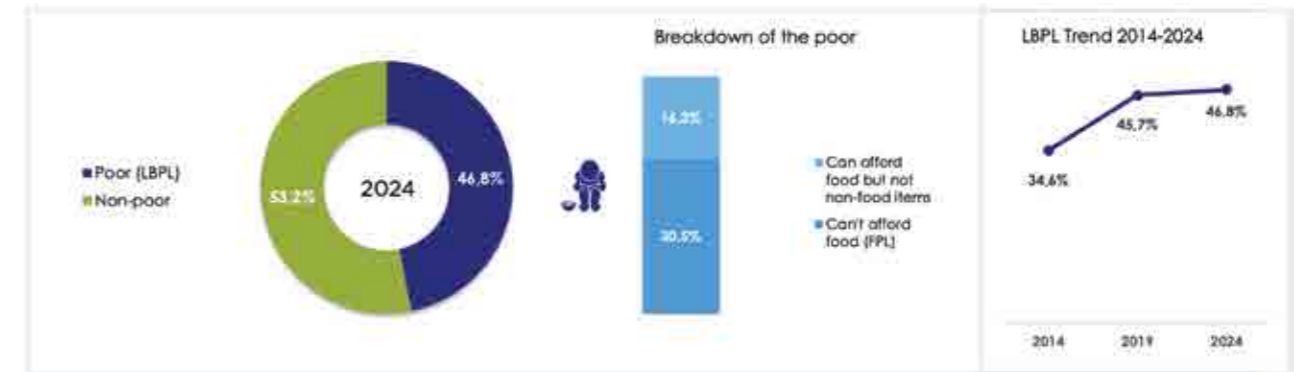
Within the municipal area, average monthly incomes are higher in the main town of Struisbaai (R25 980), followed by Bredasdorp (R18 794) and Suidstrand (R18 333). The rural towns and fishing/farming communities of Arniston (R14 880), Napier (R13 973), Elim (R13 707) and Molshoop (R5 625) have noteworthy earning differentials.

## Poverty

Poverty remains a key challenge, with a significant proportion of the population living below the lower-bound poverty line (LBPL). The poverty headcount ratio measures the proportion of the population that does not earn enough to afford basic food and selected non-food items. The LBPL, specifically, represents the income threshold below which individuals cannot secure adequate levels of both food and essential non-food needs. As of May 2024, this threshold is set at R1 109 per person per month.

In 2024, 46.8 per cent of the Cape Agulhas population lived below the lower-bound poverty line (LBPL), indicating that nearly half of residents could not afford basic food and essential non-food items. There has been a clear upward trend over the past decade, with the proportion of the population below the LBPL rising from 34.6 per cent in 2014 to 45.7 per cent in 2019. This highlights a growing vulnerability among households. Of those living below the LBPL in 2024, a substantial 30.5 per cent were unable to afford even basic food, underscoring the persistence of food insecurity.

**Figure 2.1.16:**  
**POVERTY HEADCOUNT RATE, Cape Agulhas, 2014-2024**



Source: Quantec, 2025

The national poverty lines were constructed using the cost-of-basic-needs approach which links welfare to the consumption of goods and services. The lines contain both food and non-food components of household consumption expenditure. • Food poverty line – R796 (in May 2024 prices) per person per month. This refers to the amount of money that an individual will need to afford the minimum required daily energy intake. This is also commonly referred to as the “extreme” poverty line; • Lower-bound poverty line – R1 109 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose total expenditure is equal to the food poverty line; and • Upper-bound poverty line – R1 634 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose food expenditure is equal to the food poverty line.

Although Cape Agulhas recorded a marginally lower poverty rate than that of the District (47.1 per cent) in 2024, the situation in the municipal area remains concerning, as a substantial number of households continue to face the severe impacts of poverty. These include reduced life expectancy, malnutrition, food insecurity, increased vulnerability to crime and substance abuse, limited educational opportunities, and inadequate living conditions. In response to these challenges, the NDP has set the ambitious target of eradicating poverty by 2030.

## 2.1.5 Basic Service Delivery

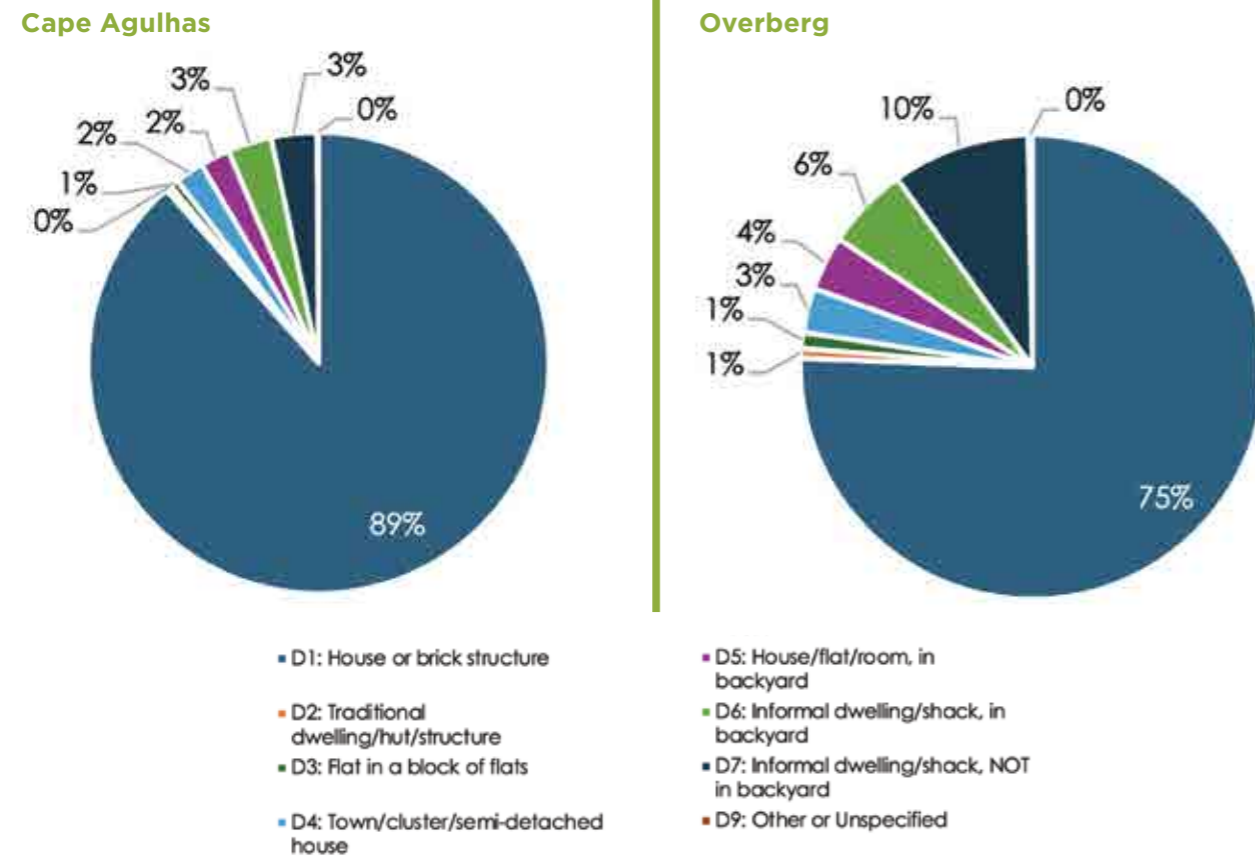
The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) guarantees every citizen the right to access adequate housing, and the state must employ reasonable legislative and other measures, within available resources, to progressively realise this right. Access to housing encompasses the provision of essential services such as clean water, basic sanitation, safe energy sources and waste removal, ensuring households maintain a decent standard of living.

This section considers the extent to which these goals have been achieved. It draws on the most recent official statistics (as supplied by Census 2022), MYPEPPU 2025.2 and up-to-date estimates provided by Quantec Research. Information on indigent households was obtained from the Department of Local Government.

### Housing and household services

Of the 11 269 households residing in the Cape Agulhas municipal area in 2024, a noteworthy 93.3 per cent had access to formal housing. This surpassed the rate observed in the broader OD, which stood at 83.6 per cent.

**Figure 2.1.17:**  
HOUSING TYPES, Cape Agulhas, 2024

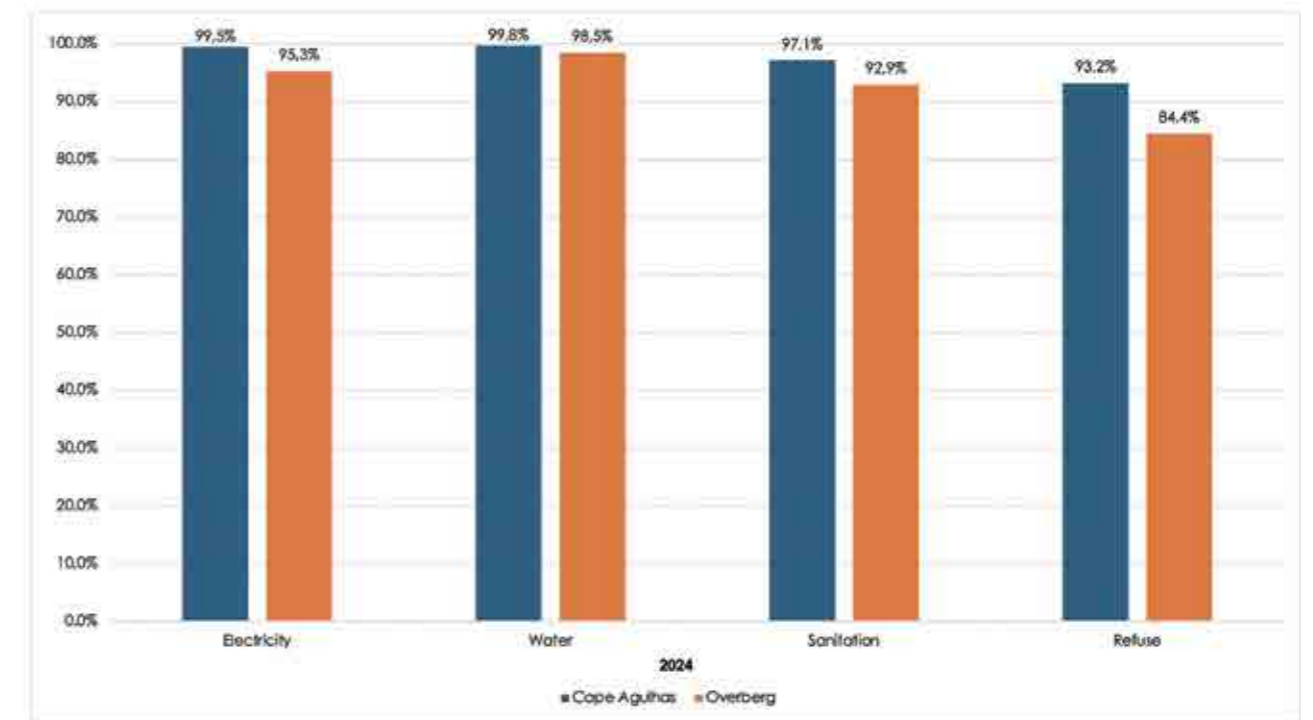


Source: Quantec, 2025

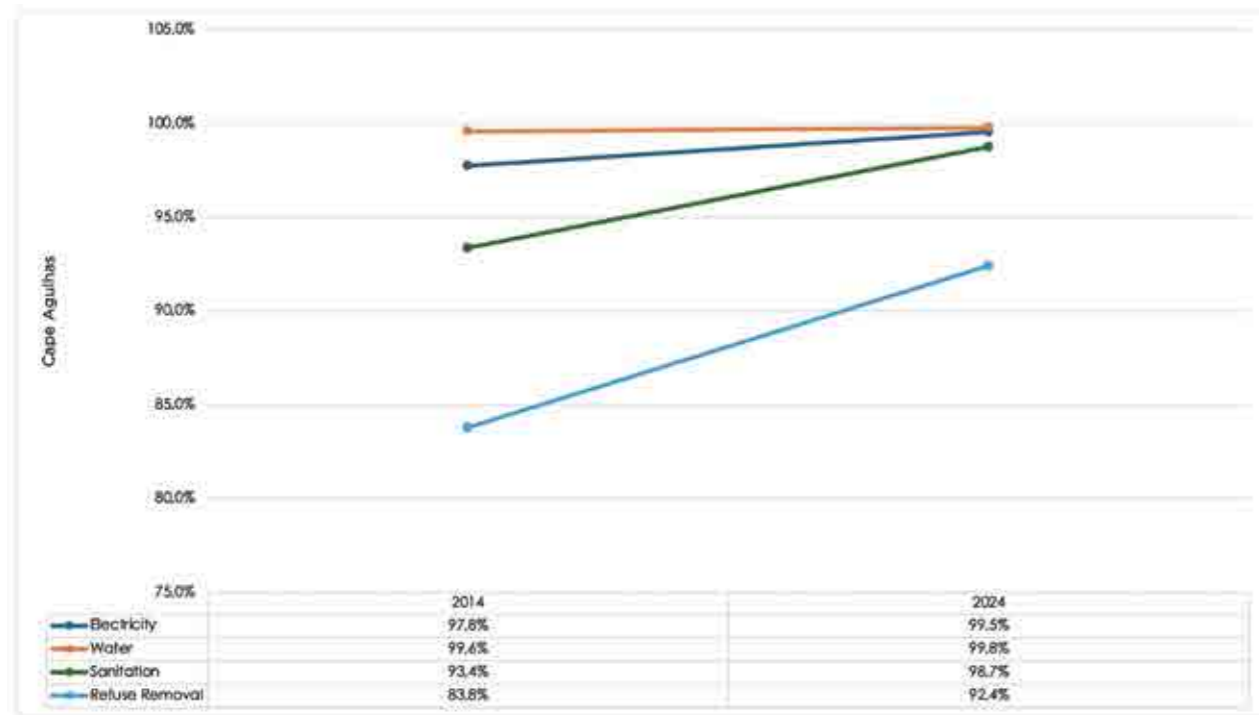
In 2024, Cape Agulhas demonstrated a relatively low prevalence of informal dwellings, which accounted for only 6.3 per cent of the total. This was in contrast to the District prevalence of 15.4 per cent. Both the municipal area and the District have seen an increase in the proportion of informal housing, with the prevalence in Cape Agulhas growing from 5.5 per cent to 6.3 per cent between 2023 and 2024. This upward trend, though modest, suggests that pressure on affordable housing is intensifying, driven by factors such as population growth and the limited availability of affordable housing stock.

In 2025, a total of 3 756 households were registered on the Western Cape Housing Demand Database, up from 3 582 in 2022. This represented an average annual increase of 1.6 per cent, underscoring the need for expanded housing provision by the public and private sectors.

**Figure 2.1.18:**  
ACCESS TO BASIC SERVICES, Cape Agulhas, 2024



Source: Quantec, 2025



Source: Quantec, 2025

The Cape Agulhas municipal area exhibits notably greater access to most basic services than it does to formal housing.

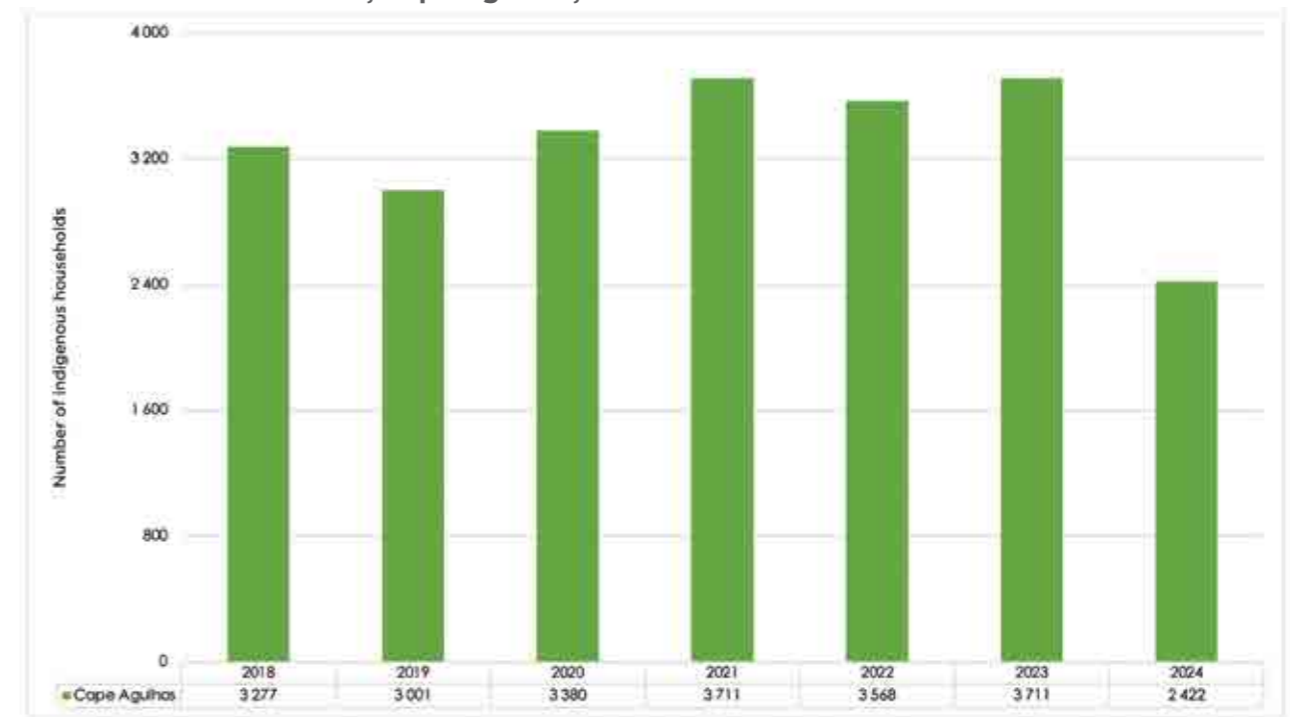
In 2024, access to piped water stood at 99.8 per cent of households, such access ranging from having a source within a dwelling or yard to use of a public, communal or neighbour’s tap.

Similarly, 98.7 per cent of households had access to flush/chemical toilets or a pit latrine with ventilation, a slight increase from 98.6 per cent in 2023. Electricity for lighting was available to 99.5 per cent of households, reflecting an improvement from 99.3 per cent in the previous year. Regular refuse removal by local authorities was reported to be 92.4 per cent of households, marginally up from 92.3 per cent in 2023.

Access to all four basic service categories has improved over the past decade. This reflects reduced service delivery backlogs even with population growth, contributing positively to residents’ overall quality of life and public wellbeing. Overall, these figures demonstrate consistently strong service provision in Cape Agulhas, outperforming the District averages across all categories.

### Free basic services

Figure 2.1.19: INDIGENT HOUSEHOLDS, Cape Agulhas, 2018 - 2024



Source: Department of Local Government, 2025

In the context of free basic services, municipalities offer a suite of essential services to households facing financial vulnerability and challenges in affording such services. These households are categorised as indigent. In Cape Agulhas, the number of indigent households receiving free basic services increased considerably between 2018 and 2023. Adverse economic conditions had exerted additional pressure on household income, thereby amplifying the demand for free basic services. There was a slight dip in the number in 2022, but in 2023, it rose back to the 2021 level.

In 2024 there was a significant reduction in the number of indigent households, which fell from 3 711 to 2 422. This may have been a consequence of improved economic resilience among households and additional earning opportunities. While the reduction suggests a positive shift, it also raises questions about whether vulnerable households are being adequately captured in the indigent register. This highlights the importance of ongoing monitoring to ensure that those most in need continue to benefit from essential services.

### 2.1.6 Safety and security

Crime plays a significant role in shaping the social and economic environment of Cape Agulhas. Its impact extends beyond the trauma and loss inflicted on individual victims, encompassing broader social and economic consequences – not least hampering economic growth and discouraging investment. These effects weaken community safety, reduce overall wellbeing and impact regional stability.

**Figure 2.1.20:**  
**CRIMES PER 100 000 PEOPLE, Cape Agulhas, 2022 - 2024**

CRIME CATEGORY	Actual Numbers			Trend	Crime per 100 000 Population	
	2022	2023	2024		Cape Agulhas	Overberg
Murder	11	10	12	↔	33	46
Sexual offences	48	53	53	↔	141	103
Drug-related crime	494	584	740	↑	1990	1481
Driving under the influence	45	61	93	↑	251	203
Burglary at residential premises	397	461	435	↑	1169	679
Common assault	296	349	329	↑	885	657
Malicious damage to property	145	154	146	↔	391	355
Commercial crime	98	96	118	↑	318	349

Source: Own calculations from Quantec (2025) and MYPEPPU (2025.2) data

Overall, crime trends in Cape Agulhas between 2022 and 2024 were mixed, with rates for certain categories stabilising even as others recorded notable increases. While serious violent crimes such as murder and sexual offences remained relatively stable over the three-year period, drug-related offences, driving under the influence (DUI) and commercial crime rose considerably. From 2022 to 2024, there was a significant increase in cases of drug-related crime, which rose from 494 to 740. The rate for this form of crime stood at 1 990 incidents per 100 000 people in 2024, which was significantly higher than the OD average of 1 481, indicating growing substance-related challenges. The municipal area has also seen a stark increase in DUI cases. Reported incidents rose from 45 in 2022 to 93 in 2024, more than doubling within this two-year period. The DUI rate for Cape Agulhas in 2024 was recorded at 251 incidents per 100 000 population, considerably above the District average of 203 incidents per 100 000 residents.

Although the trends regarding sexual offences and common assault were mixed from 2022 to 2024, the rates for both categories of crime remain comparatively high when compared to District averages. This suggests that interpersonal and gender-based violence continue to pose significant challenges within Cape Agulhas. This points to underlying social issues, including substance abuse and domestic conflict.

A similar pattern is evident with property-related crimes, particularly burglary at residential premises and malicious damage to property. The burglary rate in Cape Agulhas (1169 incidence per 100 000 residents) is well above the District's 679, indicating persistent threats to household security and potential links to socioeconomic hardship. While the incidence of malicious damage to property has remained relatively stable, the continued prevalence of this crime signals frustration-related or retaliatory behaviour.

Commercial crime increased from 98 cases in 2022 to 118 in 2024, reflecting heightened exposure to financial and digital fraud within the local economy. This upward trend may be linked to the growing use of online financial platforms and electronic transactions, which can create new opportunities for fraudulent practices if digital literacy and security measures are limited. The rise in commercial crime also suggests increasing economic strain on households and businesses,

where financial pressures can lead to both opportunistic and organised forms of crime. While the number of cases remains moderate compared to those of other crime categories, the implications are significant and can be particularly damaging in a smaller local economy such as Cape Agulhas. Therefore, strengthening financial oversight, promoting awareness of digital security and improving investigative capacity are essential to safeguarding local enterprises and maintaining trust in the economic environment.

## 2.1.7 Concluding Remarks

The demographic and socioeconomic profile of Cape Agulhas reflects both stability and emerging pressures that require proactive planning. Population growth remains modest, yet the expansion in the number of households and a rising working-age population signal a shifting demographic structure that will drive the demand for housing and municipal services. These trends underscore the need for sustained investment in infrastructure, spatial planning and inclusive economic development to ensure that the municipality remains adaptable to evolving needs. The area's demographic balance, with a strong labour force base, offers opportunities for economic growth, but only if supported by job creation and skills development.

Health indicators present a mixed picture. There is encouraging progress in maternal outcomes and malnutrition reduction alongside concerning declines in immunisation coverage and fluctuations in neonatal mortality. The persistence of teenage pregnancy and the decline in new ART enrolments may point to gaps in preventative health education and service uptake. These may require strengthening community-level healthcare and awareness as well as ensuring equitable access to preventative and curative services. Health improvements are foundational to sustainable human development, impacting productivity, educational outcomes and overall social stability.

Education outcomes in Cape Agulhas reveal both progress and persistent vulnerabilities. The steady rise in enrolment and high matric pass rates reflect a functional education system. However, the sharp deterioration in Grade 10 to 12 learner retention highlights a serious concern. High drop-out levels limit individual potential and constrain the broader development prospects of the municipal area. They also heighten young people's vulnerability to social challenges such as teenage pregnancy, substance abuse and crime, reinforcing cycles of poverty and social instability. Addressing the drop-out crisis requires a collaborative, community-based approach that fosters a supportive and inclusive environment for all learners.

Overall, while Cape Agulhas performs comparatively well in basic service delivery and housing access, persistent poverty, inequality and rising crime continue to undermine social stability. A strong service delivery base provides a solid platform for inclusive growth, but addressing the deeper structural issues of unemployment, income disparity and social vulnerability remains essential. By integrating demographic insights, social indicators and crime trend analysis into municipal planning, Cape Agulhas can strengthen its developmental trajectory. Ideally, this will foster an equitable, safe and resilient community capable of supporting long-term human and economic development.

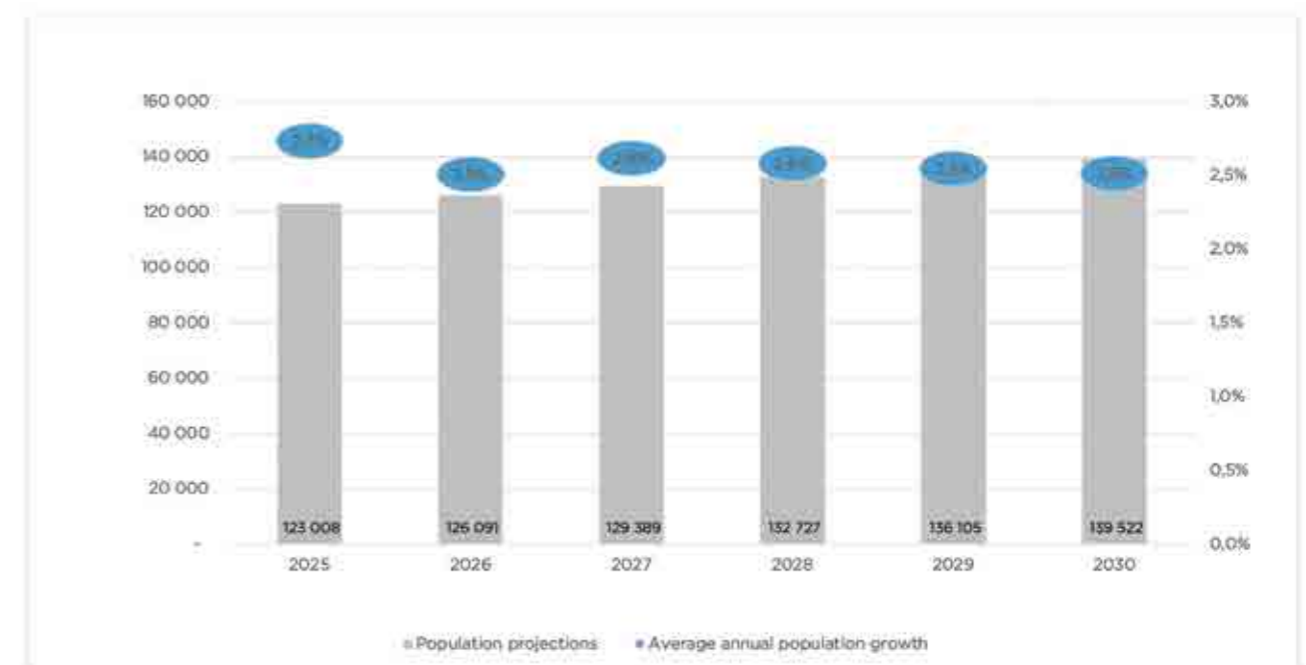
## 2.2.1 Demographics

Effective municipal planning and the equitable delivery of public services depend on a thorough understanding of population dynamics. Key factors such as population size, household growth, age structure and migration patterns directly determine the demand for essential services like infrastructure, housing, education and healthcare. By monitoring these trends, policymakers can proactively anticipate needs, optimise resource allocation, and develop strategies that enhance social wellbeing and economic resilience.

### Population and household growth

Within the Overberg District (OD), the Overstrand municipal area emerges as a dynamic growth centre. Home to an estimated 123 008 residents in 2025, it continues to expand at a steady pace, with projections indicating an average annual growth rate of 2.6 per cent between 2025 and 2030.

**Figure 2.2.1:**  
POPULATION GROWTH, Overstrand, 2025 - 2030



Source: Department of Social Development, Western Cape Provincial Population Unit (PPU), 2025

In 2025 there were an estimated 42 664 households in Overstrand, which recorded an average household size of 2.9 persons. It is noteworthy that the number of households recorded during Census 2022 significantly exceeds the estimates utilised in the Mid-year population estimates (MYPE), signifying a higher-than-projected rise in households over the interval of 2011 to 2022. The divergence, which is evident when comparing the MYPE and census figures, has implications for the provision of municipal services and the requisite infrastructure.

1708 KM<sup>2</sup> |  
13.9% of the  
of the Overberg

Hermanus

OVERSTRAND

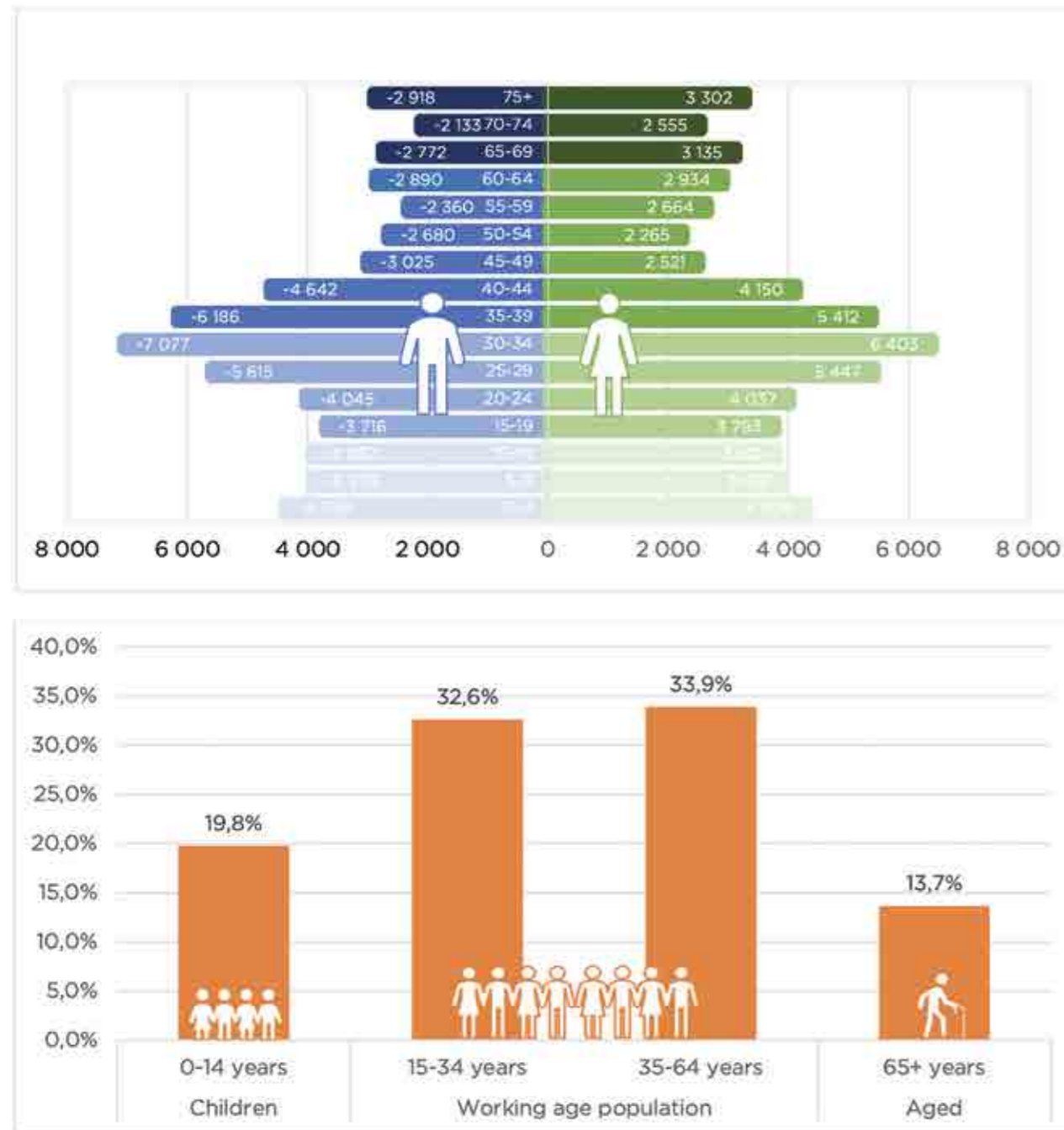
## 2.2 OVERSTRAND

### SAFETY AND WELL-BEING

This section delves into the social trends that shape the identity of the Overstrand municipal area. Population dynamics, income, housing needs and essential services are reviewed with a nuanced examination of healthcare, education and crime metrics. Overall, it provides a comprehensive view of community wellbeing and future prospects, showing the interplay of social and economic undercurrents in the municipal area.

## Gender, Age and Race Dynamics

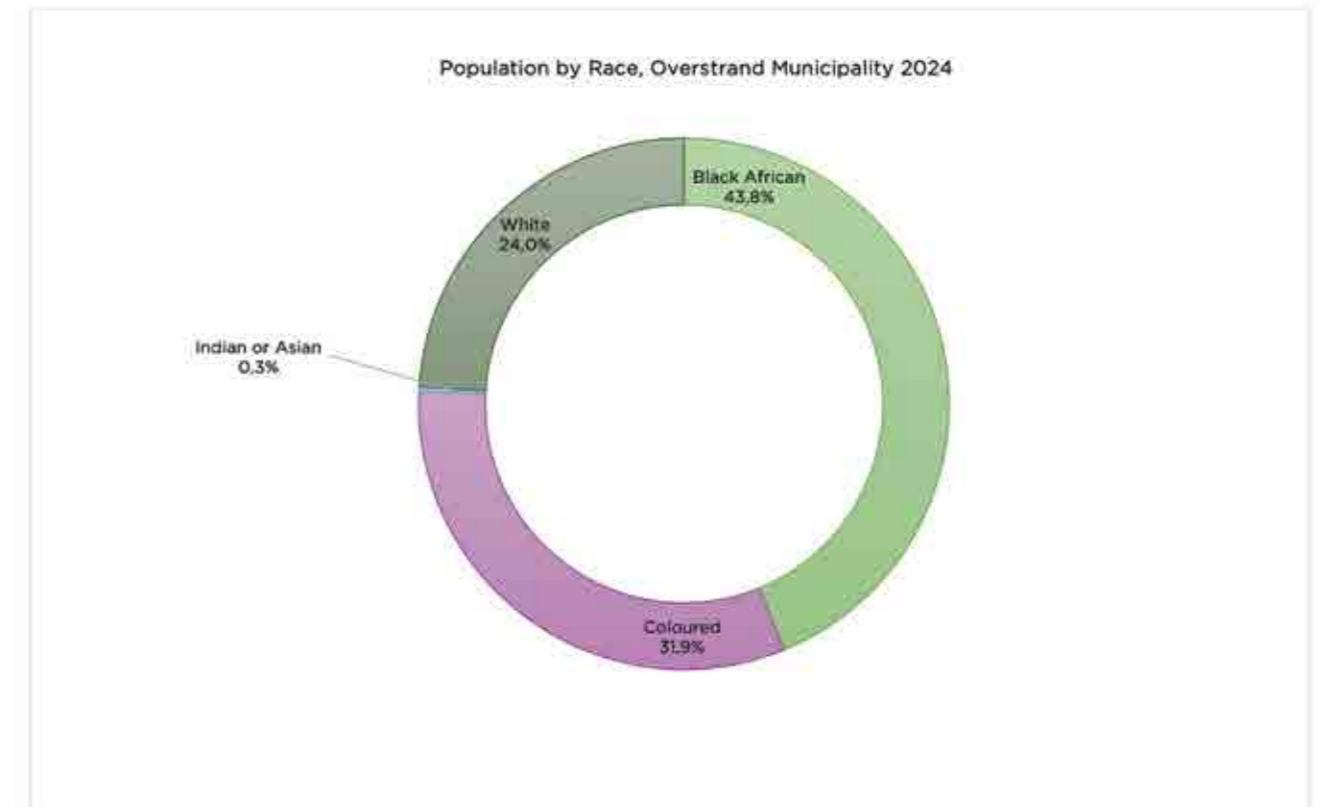
**Figure 2.2.2**  
**POPULATION PYRAMID, Overstrand, 2025**



Source: Department of Social Development, Western Cape Provincial Population Unit (PPU), 2025

Overstrand’s demographic composition indicates a slight male majority. The population is predominantly of working age, with 66.6 per cent of residents falling into the 15 to 65 years age bracket in 2025, while children (19.8 per cent) and older adults (13.7 per cent) formed smaller segments of the total. Overstrand has a notable concentration of elderly residents, with a proportion significantly higher than the District average of 9.2 per cent. This highlights its established attractiveness as a favoured retirement destination.

**Figure 2.2.3:**  
**RACIAL COMPOSITION, Overstrand, 2024**



Source: Quantec, 2025

Examining the population’s racial composition provides insight into the social and historical landscape of Overstrand. The area is predominantly composed of Black African (43.8 per cent in 2024), with coloured (31.9 per cent) and white residents (24.0 per cent) forming smaller but significant portions of the population. This distribution highlights the continued need to promote inclusivity and ensure equitable access to opportunities for all. In this context, reducing structural disparities is essential for building a more integrated and equitable local society.

As the District’s primary growth centre, its expanding population and rising number of households present significant implications for infrastructure and service delivery. This growth is shaped by a predominantly working-age populace, while a notable concentration of elderly residents reinforces the area’s status as a retirement destination. Furthermore, the area’s diverse racial composition underscores the importance of ongoing efforts to foster social inclusivity, address structural disparities, and ensure equitable access to resources for all community members as Overstrand continues to develop.

## 2.2.2 Health and wellness

South Africa's dual-sector healthcare system, comprising both public and private providers, is fundamental to serving its diverse population. The government is the primary actor in the public sector, which operates on a referral model: patients access primary care at local clinics and are escalated to higher-level hospitals for specialised treatment, while the private sector caters to those with the means to afford its services.

### Access to Health Facilities

In the Overstrand municipal area, there is a total of five fixed primary healthcare facilities, located in Hermanus (two), Zwelihle, Onrus and Gansbaai. In addition, there are four mobile/satellite clinics, five antiretroviral therapy (ART) clinics/treatment sites, six tuberculosis (TB) clinics/treatment sites and a district hospital (situated in Hermanus).

As an integral part of the healthcare system, Emergency Medical Services (EMS) can significantly impact survival and recovery in crisis situations. EMS encompasses a range of services, personnel and resources to allow for immediate medical assistance, transportation to healthcare facilities, and pre-hospital care of individuals facing health emergencies. In this context, operational ambulances are a significant component of EMS resources. In 2024/25, Overstrand had a total of five ambulances servicing the area (unchanged compared to the previous year), which translated into 0.4 ambulances per 10 000 people. This figure includes only provincial ambulances, not the vehicles of private service providers.

### Maternal and Child Health

Maternal health is a critical aspect of public health, encompassing the wellbeing of women during pregnancy, childbirth and the postnatal period. In South Africa, key issues affecting maternal health include high rates of teenage pregnancy, the prevalence of termination of pregnancy and ongoing challenges related to maternal mortality. These factors impact the health outcomes of women and infants and reflect broader social and economic dynamics that shape access to healthcare and reproductive choices.

#### Teenage pregnancy

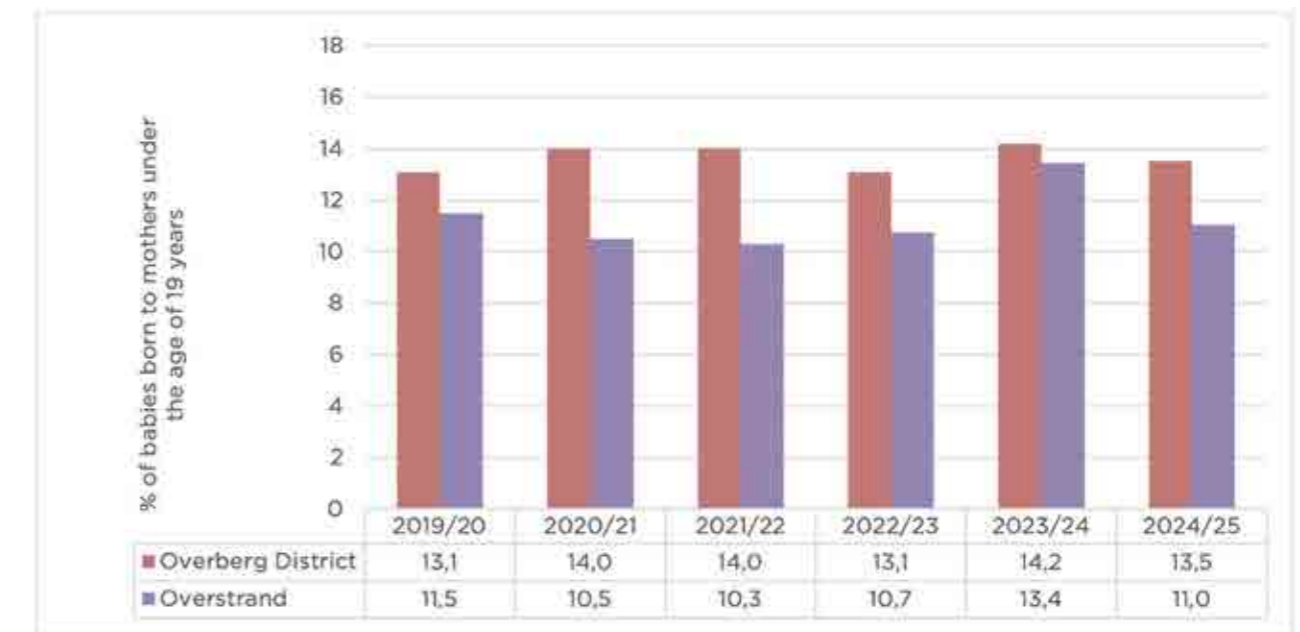
The teenage pregnancy rate in Overstrand has fluctuated; most recently, a slight decline was recorded: between 2023/24 and 2024/25, the proportion of deliveries to women aged under 19 years decreased from 13.4 per cent to 11.0 per cent. This is based on a total of 157 births to teenagers in the Overstrand municipal area.

Teenage pregnancy is calculated as the percentage of babies born to mothers under the age of 19 in a given year.

Teenage pregnancy is almost always unplanned. Consequently, when young parents are placed in the position of having to care for a child, they can find themselves woefully unprepared for the challenges that this brings. This is especially the case if they do not have family members who can assist them or social support.

Figure 2.2.4:

DELIVERY RATE TO WOMEN UNDER 19 YEARS, Overstrand, 2019/20 – 2024/25



Source: Western Cape Department of Health and Wellness, 2025

The sustained high incidence of adolescent pregnancy probably indicates deficiencies in sexual and reproductive health education, barriers to contraceptive access, and underlying socioeconomic drivers. This persistence is also linked to demand for pregnancy terminations, highlighting a critical maternal health challenge.

#### Termination of Pregnancy Rate

The termination of pregnancy rate is calculated as the number of women who undergo terminations as a proportion of females aged 15 to 44 years in a given year.

Government hospitals designated private doctors and gynaecologists, and non-profit providers offer safe and legal termination of pregnancy. To obtain a free abortion, the request must be made at a primary healthcare clinic. At the clinic, the pregnancy will be confirmed, counselling provided, an appointment made with a facility where the procedure can be performed, and a referral letter provided for this facility.

The termination of pregnancy rate fluctuated between 2019/20 and 2024/25, reaching approximately 0.6 per cent in 2024/25. This represents 177 terminations, up from 154 the previous year. Underlying factors for this increase may include a combination of improved healthcare registration and reduced stigma leading to higher service uptake.

Understanding these dynamics is essential, as restricted access to safe termination services can increase the risk of unsafe procedures and contribute to broader maternal health challenges within the community.

**TABLE 2.2.1: TERMINATION OF PREGNANCY RATE, Overstrand, 2019/20 – 2024/25**

MUNICIPALITY	Termination of Pregnancy Rate (%)					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	0.6	0.7	0.6	0.6	0.5	0.6
Overstrand	0.7	0.9	0.6	0.7	0.5	0.6

Source: Western Cape Department of Health and Wellness, 2025

**Maternal Mortality Rate**

In the Overstrand municipal area, no maternal deaths were reported for the period shown (2019/20 to 2024/25), which probably reflects local health facilities not offering services for such high-risk cases. Within the broader OD, however, the maternal mortality rate (MMR) increased significantly from 2023/24 to 2024/25, rising from 47.9 to 71.9 deaths per 100 000 live births. Within the District, an increase was indicated and observed in the Theewaterskloof area, where the number of maternal deaths rose from 2 to 3.

The maternal mortality rate is the number of maternal deaths per 100 000 live births in public health facilities in a given year.

Maternal death is death that occurs in the course of a pregnancy, during childbirth or the puerperium, or within 42 days of termination of pregnancy. This is irrespective of the duration and site of pregnancy and irrespective of the cause of death (obstetric or non-obstetric).

**TABLE 2.2.2: MATERNAL DEATHS PER 100 000 LIVE BIRTHS, Overstrand, 2019/20 – 2024/25**

MUNICIPALITY	Maternal Mortality Ratio					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	0.0	20.5	0.0	0.0	47.9	71.9
Overstrand	0.0	0.0	0.0	0.0	0.0	0.0

Source: Western Cape Department of Health and Wellness, 2025

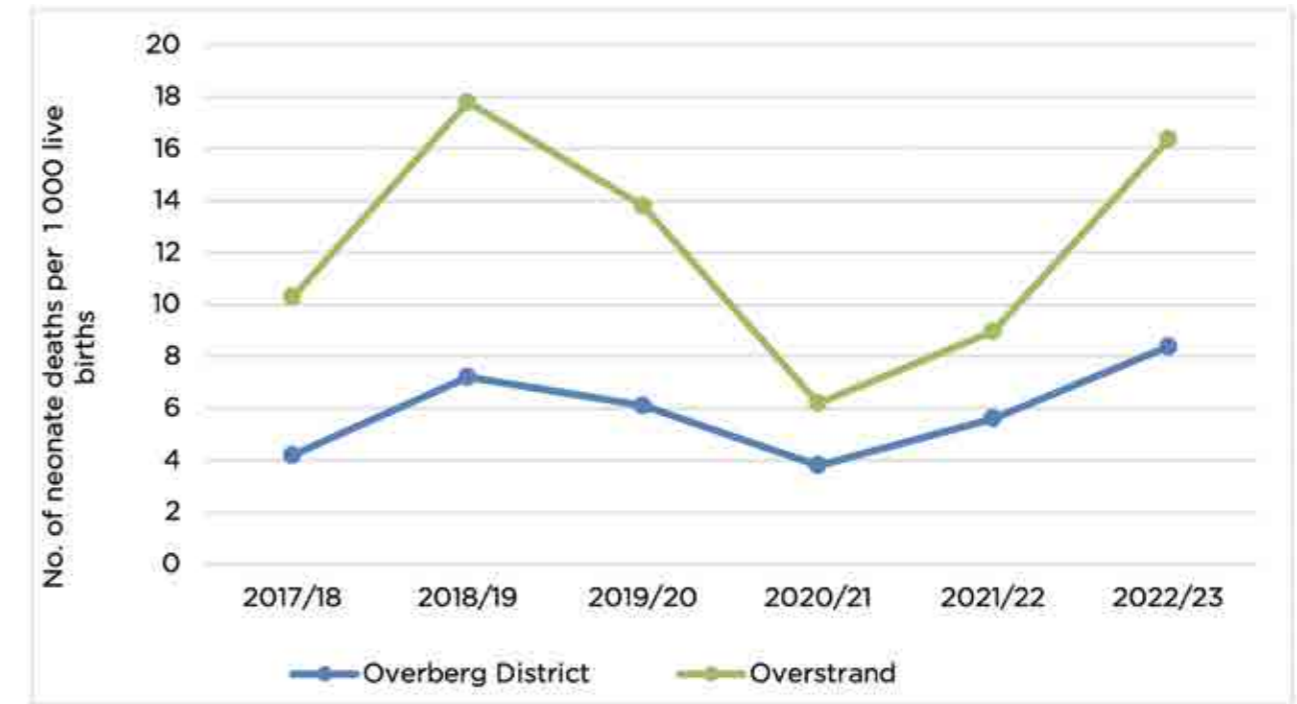
**Neonatal Mortality Rate**

Neonatal mortality fluctuated from 2019/20 to 2024/25 in both Overstrand and the OD. After the rate spiked in 2022/23, it improved in 2023/24 in the municipal area and the District. However, this was followed by increases in 2024/25, when neonatal mortality rose to 6.3 deaths per 1 000 live births in Overstrand and 7.0 deaths per 1 000 live births in the OD.

The neonatal mortality rate is the number of neonates that die before reaching 28 days of age per 1 000 live births in a given year.

The first 28 days of life (i.e. the neonatal period) constitute the most vulnerable time for a child’s survival. The Province set a target for 2019 of 6.0 neonatal deaths per 1 000 live births.

**Figure 2.2.5: NEONATAL MORTALITY RATE, Overstrand, 2019/20–2024/25**



Source: Western Cape Department of Health, 2025

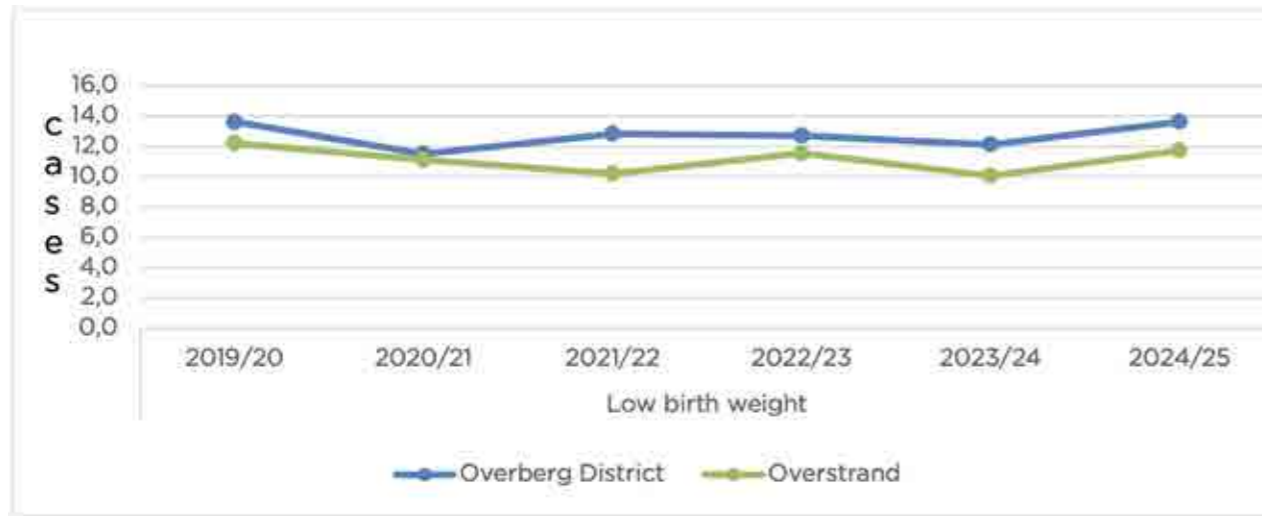
**Low Birth Weight**

The health and nutritional status of a mother greatly influence the growth and development of her baby during pregnancy and infancy. Birth weight is an indicator of both foetal growth and maternal wellbeing. If the mother is undernourished, in poor health, very young or very old, there is a greater chance of pregnancy- or labour-related complications, including the baby being born with a low birth weight. From 2023/24 to 2024/25, Overstrand experienced an increase in the number of babies born with a low birth weight in a facility, which rose from 157 to 169. This translated to an increase in the low birth weight rate from 10.0 per cent to 11.7 per cent.

The low birth weight rate is the percentage of all babies, in a given year, who are born alive in a facility and weigh less than 2 500 g at birth.

Low birth weight is associated with a range of short- and long-term difficulties.

**Figure 2.2.6:**  
LOW BIRTH WEIGHT, Overstrand, 2019/20–2024/25



Source: Western Cape Department of Health and Wellness, 2025

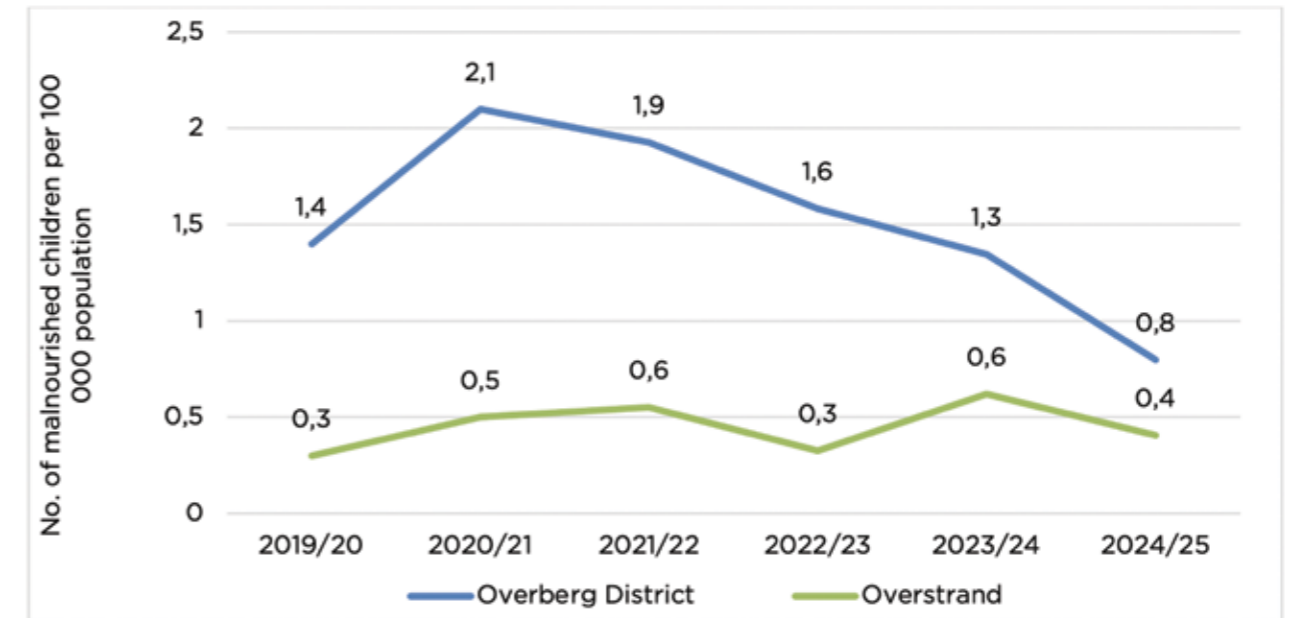
### Malnutrition

The 2024/25 period saw fluctuations in severe acute malnutrition. Overstrand reported 4 cases of such malnutrition (a rate of 0.4 cases per 100 000 residents), which was lower than the District average of 22 cases (0.8 per 100 000). All cases outside of Overstrand occurred in Theewaterskloof, highlighting significant and ongoing challenges with household food access and the need for sustained socioeconomic support.

The severe acute malnutrition rate is the number of malnourished children under five years of age per 100 000 people in a given year.

Malnutrition may refer to either under-nutrition (an individual not receiving adequate amounts of nutrients) or over-nutrition (an individual receiving excessive amounts of nutrients).

**Figure 2.2.7:**  
MALNUTRITION, Overstrand, 2019/20–2024/25



Source: Western Cape Department of Health and Wellness, 2025

### Immunisation

Overstrand’s immunisation coverage showed significant volatility from 2017/18 to 2024/25. Overall, however, there was a substantial net improvement, culminating in a rate of 85.9 per cent (the highest rate to be recorded since 2021/22). Throughout this period, the performance of Overstrand generally exceeded the broader OD average.

While immunisation programmes in Overstrand can achieve high coverage, they may lack the sustainability seen in areas that have more stable rates of vaccination. The rises and falls in Overstrand’s coverage suggest that service delivery or community engagement might be driven by periodic, intensive campaigns rather than a consistently robust system. This pattern risks creating pockets of susceptibility in the population between peaks. The goal must be to build a more resilient and predictable immunisation programme that minimises volatility and protects the gains made, ensuring consistent protection for the community.

The immunisation rate is the number of children immunised, in a given year, per total number of children less than one year of age.

Immunisation protects both adults and children against preventable infectious diseases. Low immunisation rates speak to the need for parents to understand the critical importance of immunisation.

**Figure 2.2.8:**  
IMMUNISATION RATE, Overstrand, 2019/20–2024/25



Source: Western Cape Department of Health and Wellness, 2025

## Burden of disease

### HIV and AIDS

**TABLE 2.2.3: TOTAL REGISTERED PATIENTS ON ART, Overstrand, 2019/20 – 2024/25**

MUNICIPALITY	Total registered patients receiving ART					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	13 712	13 490	14 686	15 119	15 872	14 733
Overstrand	6 000	5 997	6 038	6 245	6 660	7 047

Source: Western Cape Department of Health and Wellness, 2025

Overstrand has seen steady growth in the number of registered patients on ART since 2020/21, now accounting for almost half of the total in the OD. Since 2021/22, the area has also seen an increase in new patients enrolled in ART.

This upward trend suggests an improvement in both HIV testing coverage and treatment accessibility as well as a continued burden of new infections within the community. While the growing patient numbers may reflect the success of awareness and linkage-to-care programmes, they also highlight the need for sustained investment in community education. It should further be noted that the increasing ART caseload places additional demand on facilities and personnel, underscoring the importance of strengthening capacity and ensuring consistent adherence support to maintain viral suppression and reduce transmission rates across the municipal area.

### Tuberculosis (TB)

**TABLE 2.2.4: TOTAL REGISTERED TB PATIENTS, Overstrand, 2019/20 – 2024/25**

MUNICIPALITY	Number of TB patients registered on treatment					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	1 927	1 768	1 852	2 000	2 297	2 307
Overstrand	482	434	578	665	650	648

Source: Western Cape Department of Health and Wellness, 2025

Overstrand has consistently accounted for a significant portion of TB patients on treatment in the OD, recording about a quarter of the District’s total cases in 2024/25. The number of registered patients declined from 482 in 2019/20 to 434 in 2020/21, probably due to COVID-19 disruptions that affected healthcare access and reporting. This was followed by a sharp increase in 2022/23, when the number rose to 665 patients – well above the 2019/20 level. The upward trajectory suggests improved case detection and treatment access or a rise in TB incidence. In 2023/24 and 2024/25 patient numbers stabilised at about 650, indicating a plateau after the earlier growth.

These trends highlight the importance of maintaining adequate healthcare capacity in Overstrand. While the stabilisation in TB patients registered on treatment in recent years may reflect better control measures or adherence to treatment, a continued focus on public health education, community outreach and monitoring is essential to sustaining progress. The data underscores the need for targeted interventions to prevent new infections and ensure ongoing treatment support.

## 2.2.3 Education

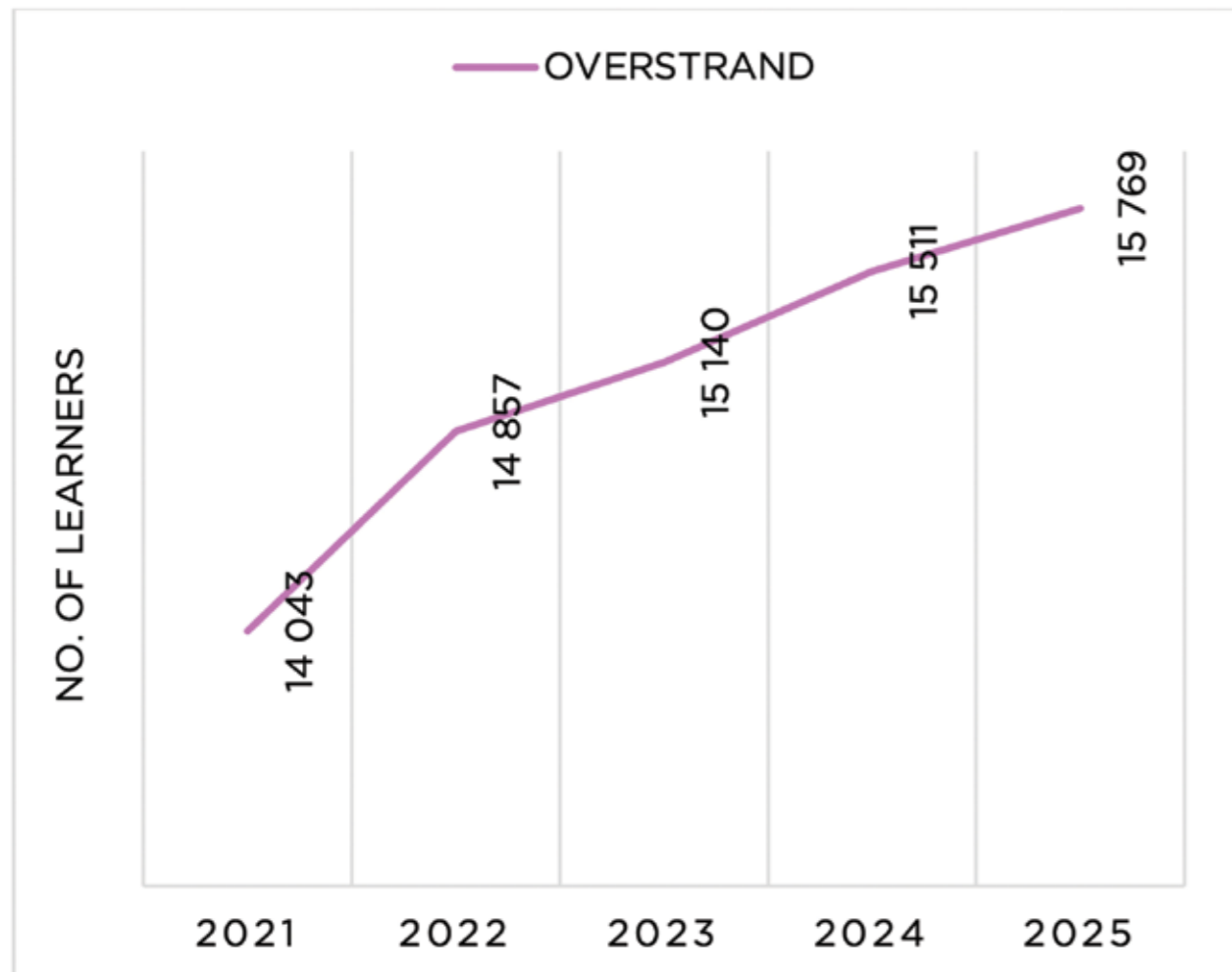
### Education resources

Schooling is fundamental to both personal empowerment and societal advancement. Equipping learners with essential knowledge and skills enables meaningful community participation and shapes future generations. Overall, education nurtures individual potential and fuels long-term social and economic development.

Learner enrolment in the Overstrand municipal area reached 15 769 in 2025, up from 15 511 in 2024, continuing the steady growth observed since 2021. However, rising enrolment also brings challenges, particularly in terms of infrastructure, teaching resources and the ability to maintain consistent standards of educational quality.

The opening of Fisherhaven Academy in Hermanus in 2024 brought the total number of schools in Overstrand to 18. This number remained unchanged in 2025. Of these 18 schools, 72.0 per cent are classified as no-fee schools. The No-Fee Schools Policy abolishes school fees in the poorest 40.0 per cent of schools nationally and compensates such schools through increased per-learner funding from the national budget. The policy currently applies to 13 of the 18 schools in Overstrand, demonstrating efforts to reduce financial barriers to access. Encouragingly, the addition of Fisherhaven Academy increased the number of schools with libraries from 12 to 14, signalling improved resource availability despite lingering disparities.

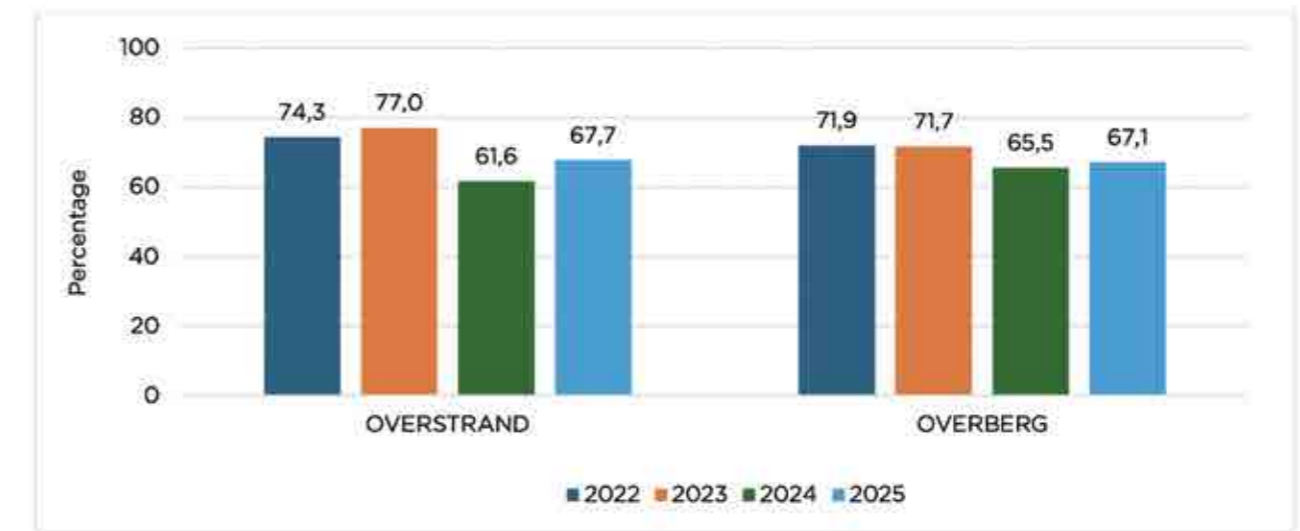
**Figure 2.2.9:**  
**LEARNER ENROLMENT AND LEARNER-TEACHER RATIO, Overstrand, 2022-2025**



The learner-teacher ratio, an enabler of education quality, improved from 29.5 in 2023 to 27.9 in 2024, probably due to Fisherhaven Academy starting operations. However, the ratio fell to 29.8 in 2025. This may indicate that rising learner enrolment is outpacing the recruitment of additional teachers or reflect staff turnover. The reversal suggests growing pressure on classroom capacity and teaching resources, which could affect the attention given to individual learners and overall educational outcomes if not addressed.

**Retention rates**

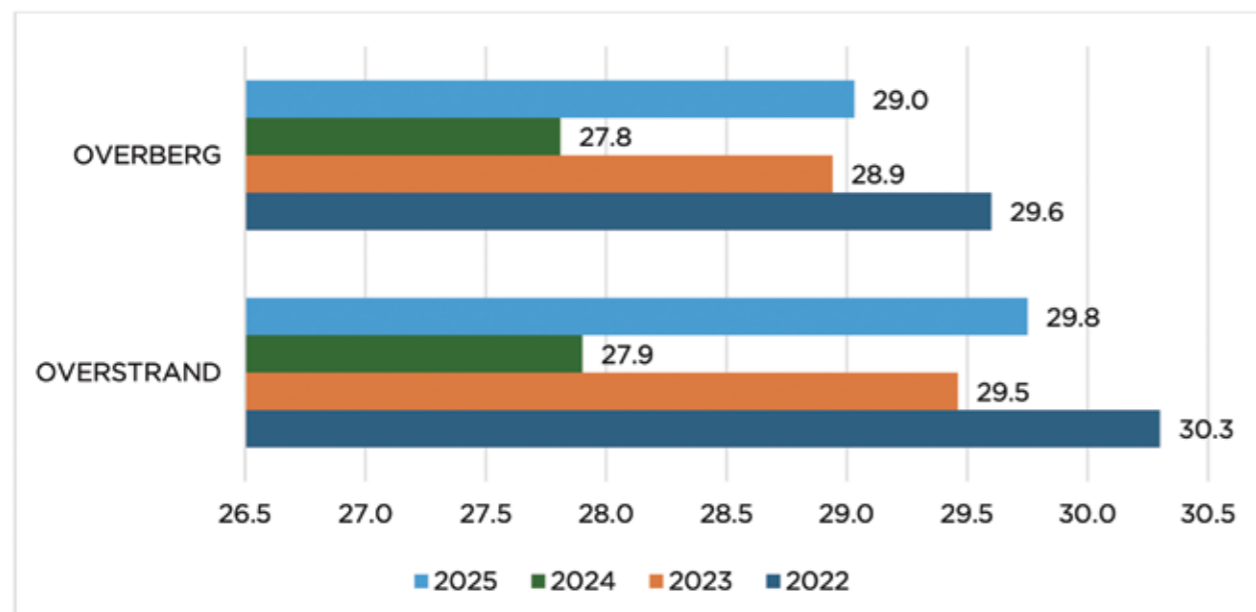
**Figure 2.2.10:**  
**GRADE 10-12 LEARNER RETENTION RATE, Overstrand, 2022-2025**



Source: Western Cape Department of Education, 2025

Despite the positive trajectory in enrolment, learner retention remains a serious concern in the Overstrand municipal area. The Grade 10 to 12 retention rate deteriorated significantly in 2024 (to 61.6 per cent), but recovered slightly in 2025, rising to 67.7 per cent. A similar trend was observed in the District in 2024 and 2025: while the OD retention rate dropped in 2024 (to 65.5 per cent), it rose somewhat in 2025, increasing to 67.1 per cent.

Contributing factors to low retention generally include economic hardships such as unemployment, poverty, social challenges like teenage pregnancy, overcrowded classrooms, and individual circumstances that make it difficult for learners to remain engaged in their studies. Tackling the drop-out crisis requires a coordinated, community-driven response that strengthens support systems for learners and creates an inclusive environment where all students have the opportunity to succeed.



Source: Western Cape Department of Education, 2025

## Education outcomes

**Figure 2.2.11:**  
**MATRIC PASS RATE, Overstrand, 2021-2024**



Source: Western Cape Department of Education, 2025

Following a dip to 77.2 per cent in 2023, Overstrand’s matric pass rate improved markedly in 2024, rising to 87.7 per cent.

While a higher pass rate typically signals positive academic outcomes, the retention rate reveals a more nuanced reality. Many learners exit the system before reaching Grade 12, meaning the matric pass rate reflects only the performance of those who remain enrolled. The exclusion of struggling learners can inflate the performance of the system, underscoring the importance of considering retention rates when assessing educational outcomes holistically.



## 2.2.4 Poverty, income and inequality

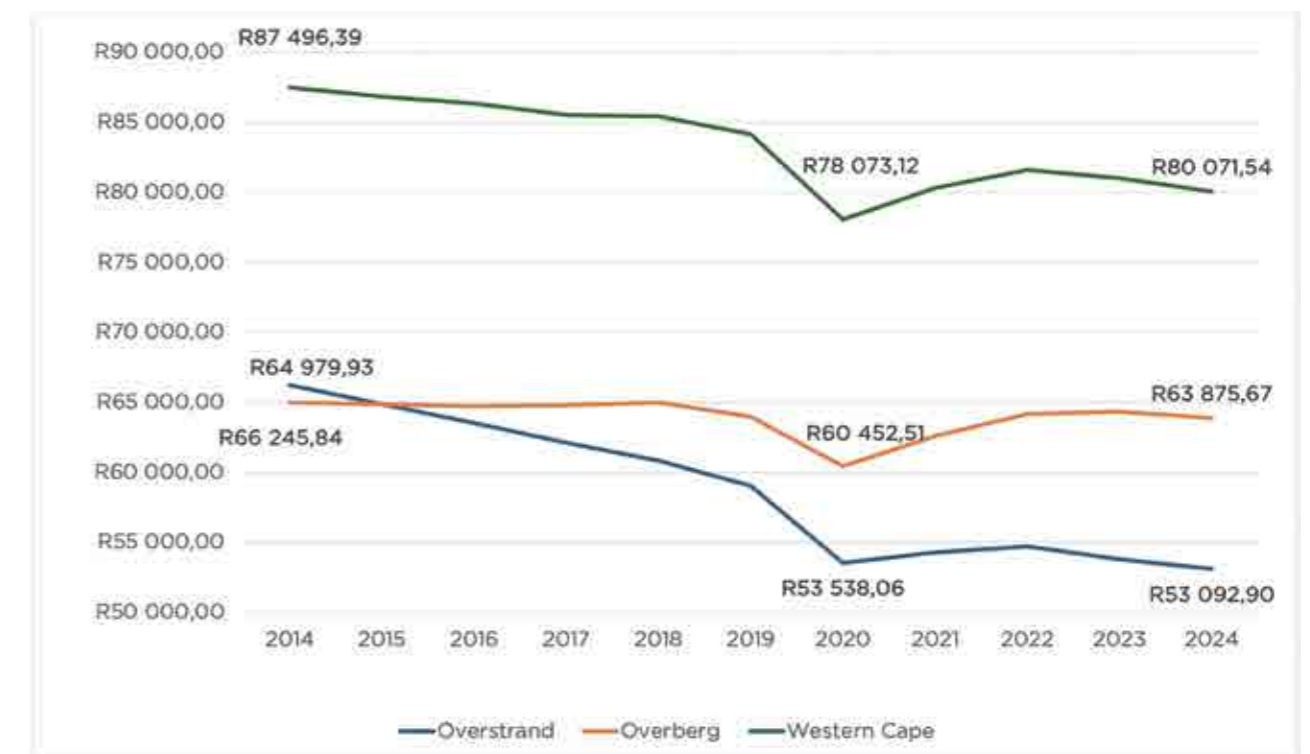
In the Overstrand municipal area, income patterns reveal significant disparities: while some households experience rising prosperity, others face persistent financial strain. To understand these dynamics, this section examines gross domestic product per region (GDPR) per capita as a measure of overall economic activity, and the Gini coefficient to determine the extent of income inequality. A review of tax data from the South African Revenue Service (SARS) provides insight into median incomes, patterns of income distribution and the number of contributors to the tax system. Finally, the section considers poverty, showing how financial hardship connects with broader income patterns and illustrating the inequalities that shape everyday life in Overstrand.

### Income inequality

The per capita GDPR of Overstrand decreased considerably between 2014 and 2024, indicating regression in overall living standards and economic wellbeing. Per person output stood at R64 980 in 2014 but declined to R53 538 in 2020 during the economic disruptions caused by the COVID-19 pandemic. A further decline occurred in 2024, when output was recorded at R53 093. This downward trend illustrates the extent to which economic recovery in Overstrand has been slow and uneven, also failing to keep pace with strong population growth.

For most of the 2014 to 2024 period, the GDPR per capita of Overstrand fell below the OD average for per person output. District averages for GDPR per capita, in turn, were considerably less than Western Cape averages, signalling that both Overstrand and the OD continue to lag behind the more developed economies of the Province.

**Figure 2.2.12:**  
**GDPR PER CAPITA, Overstrand, 2021-2024**

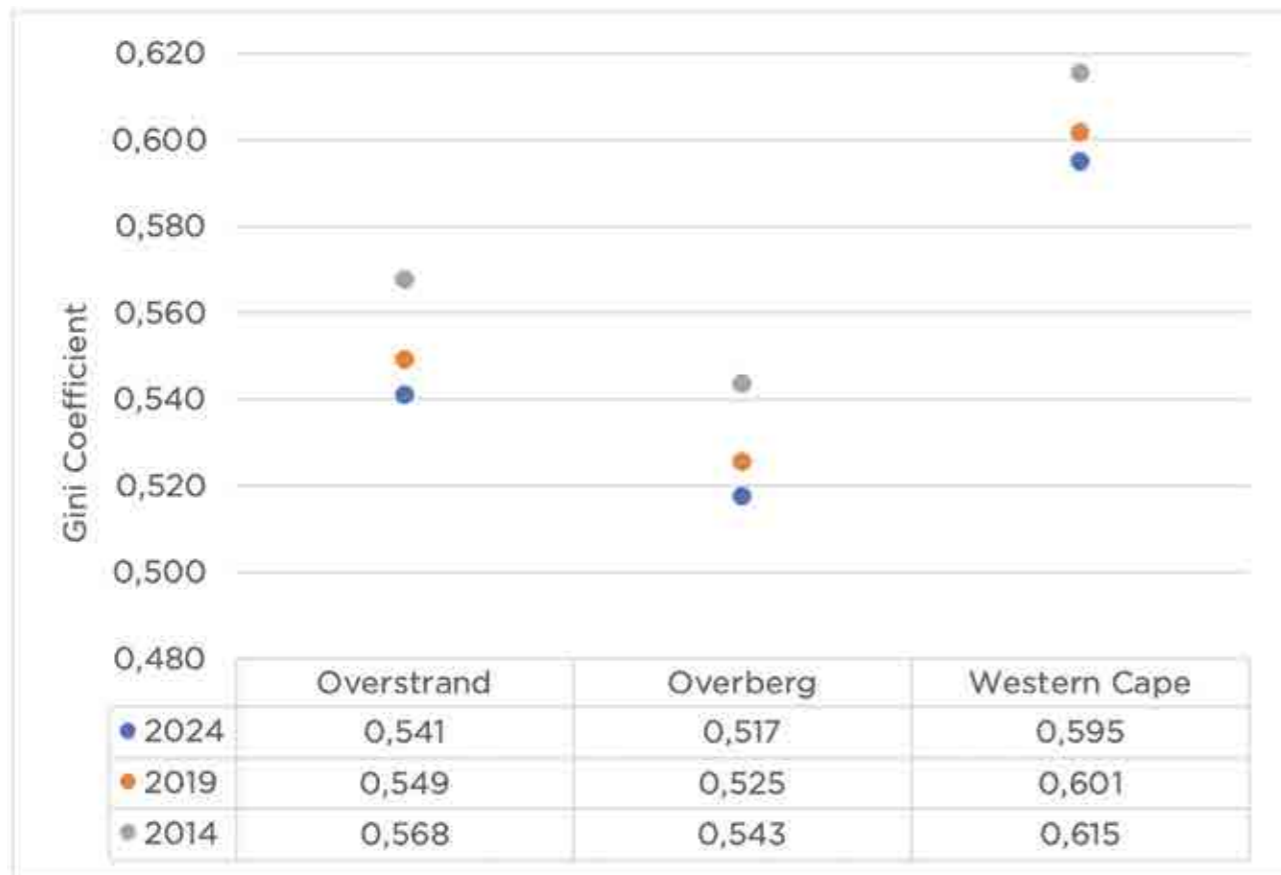


Source: Own calculations, MYPE and Quantec 2025

It is imperative to acknowledge that the distribution of GDP per capita within the Overstrand municipal area is not uniform. Disparities persist, with some segments of the population experiencing relative affluence while others continue to face financial hardship within an economic climate marked by inflation, high interest rates and persistent unemployment.

South Africa has one of the highest levels of inequality in the world as measured by the Gini index. Inequality manifests itself through a skewed income distribution, unequal access to opportunities, and regional disparities. The National Development Plan 2030 (NDP) has set a target for reducing income inequality in South Africa, namely lowering the Gini coefficient from 0.700 (the figure recorded in 2010) to 0.600 by 2030.

**Figure 2.2.13:**  
**GINI COEFFICIENT, Overstrand, 2014-2024**



Source: Quantec, 2025

Overstrand has surpassed the NDP goal, recording a Gini coefficient of 0.541 in 2024.

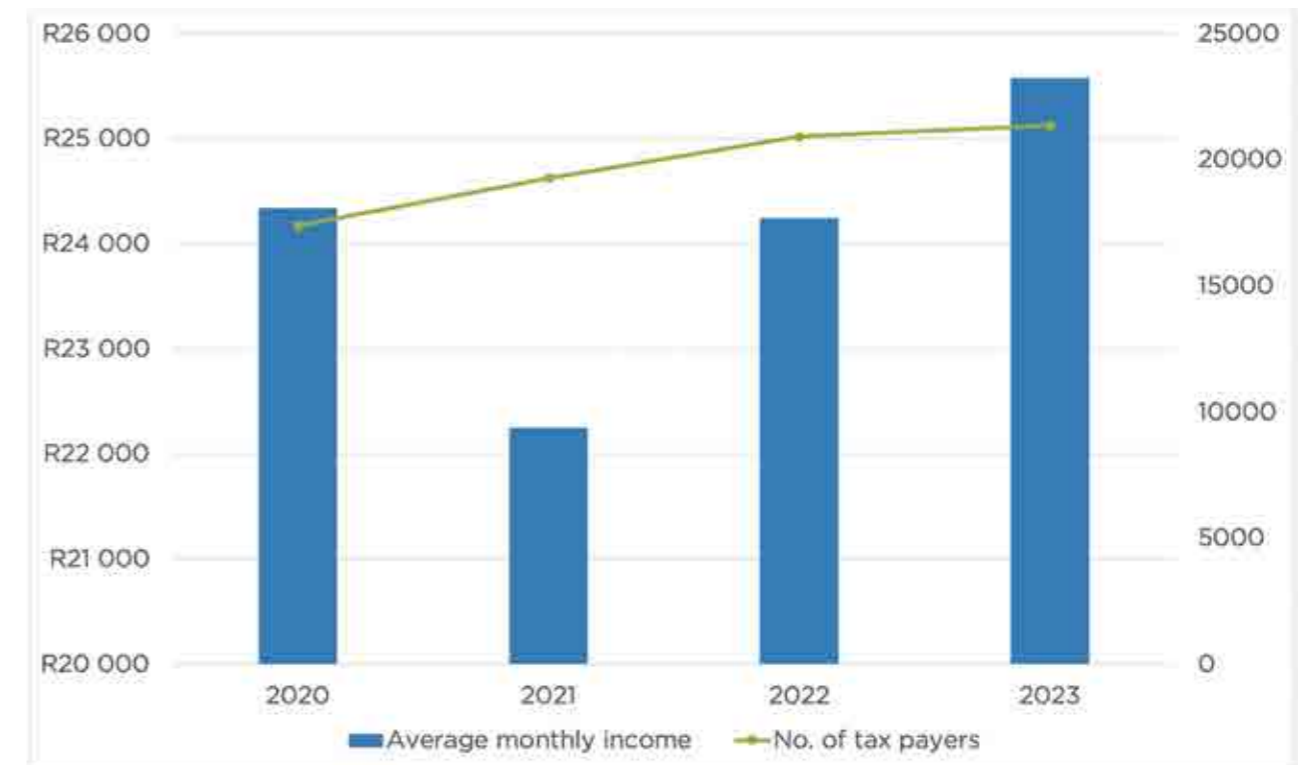
While this represents an improvement, the ratio of the municipal area is still high (a coefficient above 0.450 is generally considered to indicate significant inequality in an area). The coefficient of 0.541 reflects the sharp contrast between individuals employed in well-remunerated positions, or living in relatively affluent households, and those earning far less – particularly rural and farm workers, who often face limited opportunities, lower wages and greater economic vulnerability.

The Gini coefficient is a measure of income inequality. It is a number between 0 and 1, where 0 corresponds to perfect equality (everyone has the same income) and 1 corresponds to perfect inequality (one person has all the income, and everyone else has none). While the Gini coefficient is widely used, other metrics are also available to assess the gap between wealthy and poor, each providing a different perspective on the economic conditions of a society.

### Income patterns

An examination of income distribution provides important insights into how earnings are allocated across households. This section explores median incomes, wage distribution, average taxable income and the number of tax contributors, highlighting the patterns that drive economic disparities within the Overstrand municipal area. A closer look at SARS income tax data reveals how inequality translates into everyday realities.

**Figure 2.2.14:**  
**INDIVIDUAL TAXPAYERS AND TAXABLE INCOME, Overstrand, 2020-2023**



Source: Quantec, National Treasury, 2025

The economic data for Overstrand for the period of 2021 to 2023 shows encouraging signs of growth. After a dip in 2021 the average monthly income increased steadily during this time as did the number of registered taxpayers. This suggests that more people are earning a formal income due to an increase in the number of jobs – or that tax compliance is improving. It also indicates that the community’s overall earning power is increasing.

The increase in income has outpaced the growth in the number of taxpayers. This shows that the growth did not only stem from new workers entering the system. A large part of it appears to have come from pay raises for those already employed.

It is important to note that the trends described above are a reflection of statistical averages, which can hide important details about how income is distributed. The positive gains could be heavily concentrated among top earners rather than broadly spread across households.

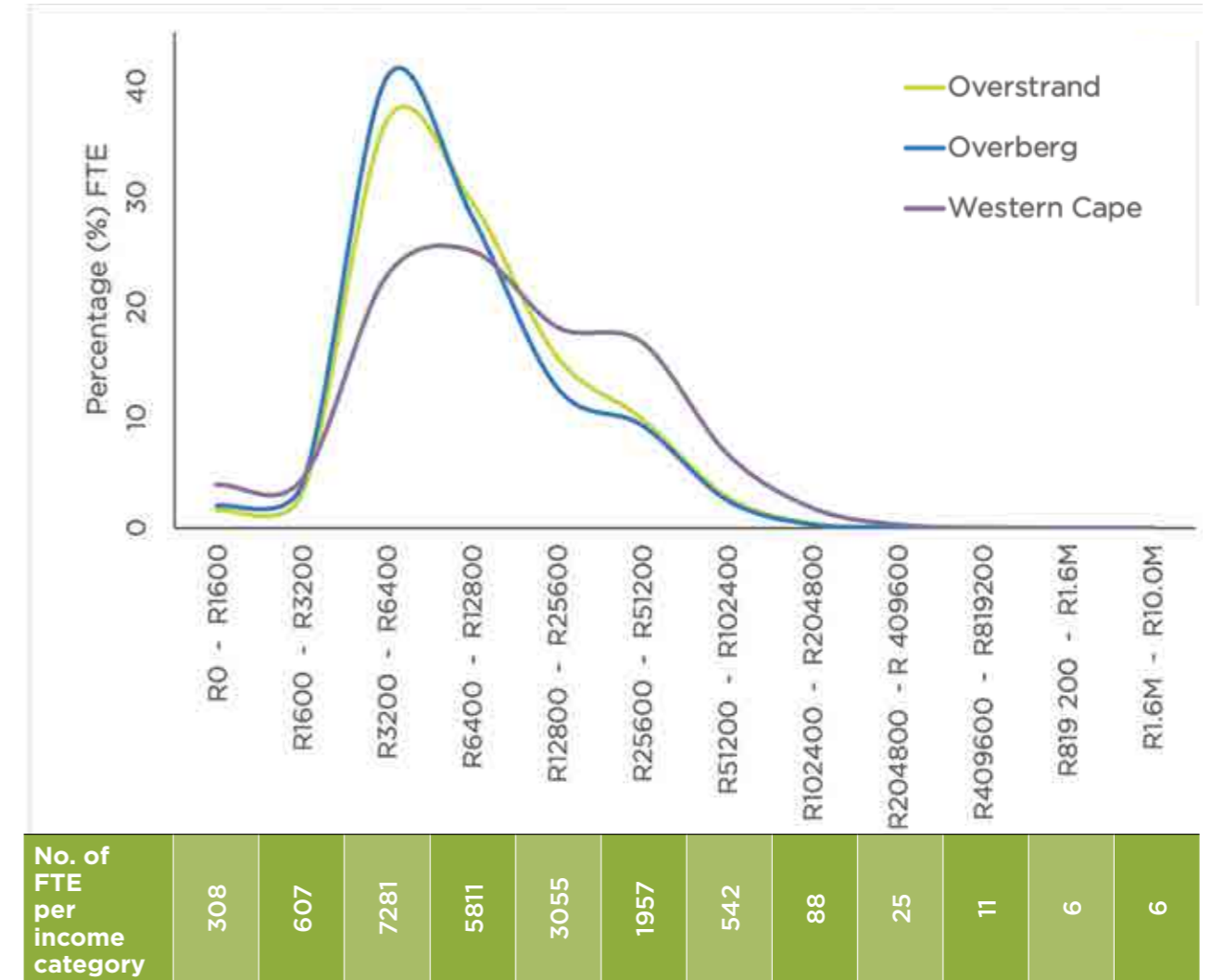
Therefore, while the data points to a strengthening local economy, it does not confirm whether this growth is helping to close the gap between the wealthiest and everyone else. A snapshot of the wage distribution for 2024 can be seen below. Thus, while the data points to a strengthening local economy, it does not show whether the wealth gap in Overstrand is narrowing as a result of economic growth. A snapshot of the wage distribution for 2024 is provided in the map on average monthly income per town below.

MAP 2.2.1: AVERAGE MONTHLY INCOME PER TOWN, Overstrand, 2024



Source: Derived from Geo Terra Image (GTI) Neighbourhood Lifestyle Index (NLI) & CSIR Settlement Footprint, 2025

Figure 2.2.15: WAGE DISTRIBUTION, Overstrand, 2024



Source: Spatial Tax Data, 2025

The wage distribution in Overstrand reveals a workforce predominantly concentrated within the low- to middle-income brackets, mirroring the general pattern observed across the wider district. However, while the OD has a relatively strong concentration of workers in the lower wage categories (R3 200 to R6 400 and R6 400 to R12 800), Overstrand stands out for having a relatively larger proportion of workers situated in the middle-income to upper-middle income ranges (R12 800 to R25 600 and R25 600 to R51 200). At the highest wage levels, Overstrand's distribution aligns closely with district-wide proportions, suggesting similar dynamics at the upper end of the income scale. Within the municipal area, average monthly incomes are highest in the coastal towns of Rooiels (R52 083), followed by Pringle Bay (R42 076) and Betty's Bay (R34 361). Hermanus (R24 009) and Kleinmond (R22 031) have similar average monthly incomes, while the more rural towns of Wolvengat, Baardscheerdersbosch, Van Dyks Bay, Stanford, Gans Bay and Fisherhaven Hawston have average monthly incomes ranging from R18 333 to R11 276. On the lower income end is the small town of Pearly Beach, where incomes average R7 081 per month.

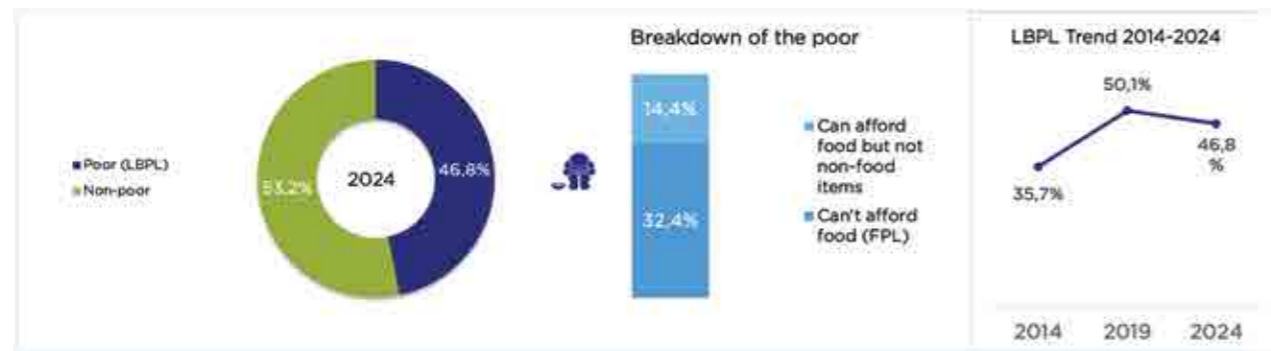
The persistence of a large low-income segment indicates that a significant share of the population remains economically vulnerable, with limited access to high-paying jobs or career advancement. This dual structure underscores the need for strategies focused on skills development, enterprise growth and investment in higher-value sectors that can promote upward income mobility and reduce inequality over time.

## Poverty

Poverty remains a key challenge, with a significant proportion of the population living below the lower-bound poverty line (LBPL). The poverty headcount ratio measures the proportion of the population that does not earn enough to afford basic food and selected non-food items highlighting the vulnerability of many households. The LBPL, specifically, represents the income threshold below which individuals cannot secure adequate levels of both food and essential non-food needs. which, as of May 2024, this threshold is set at R1 109 per person per month.

In 2024, 46.8 per cent of the Overstrand municipal population lived below the LBPL, indicating that nearly half of the population could not afford basic food and essential non-food items. This represents a clear upward trend over the past decade, with the proportion of the population below the LBPL rising from 35.7 per cent in 2014 to 50.1 per cent in 2019. This highlights a growing vulnerability among households. Of the population below the LBPL in 2024, a substantial 32.4 per cent were unable to afford even basic food, underscoring the persistence of food insecurity.

**Figure 2.2.16:**  
**POVERTY HEADCOUNT RATE, Overstrand, 2014-2024**



Source: Quantec, 2025

While the Overstrand municipal area records a poverty rate that is marginally lower than the District's 47.1 per cent, the situation remains concerning, as a substantial number of households continue to face the severe impacts of poverty. These include reduced life expectancy, malnutrition, food insecurity, increased vulnerability to crime and substance abuse, limited educational opportunities, and inadequate living conditions. In response to these challenges, the NDP sets the ambitious target of eradicating poverty by 2030.

The national poverty lines were calculated using the cost-of-basic-needs approach which links welfare to the consumption of goods and services. The lines contain both food and non-food components of household consumption expenditure. • Food poverty line – R796 (in May 2024 prices) per person per month. This refers to the amount of money that an individual will need to afford the minimum required daily energy intake. This is also commonly referred to as the “extreme” poverty line; • Lower-bound poverty line – R1 109 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose total expenditure is equal to the food poverty line; and • Upper-bound poverty line – R1 634 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose food expenditure is equal to the food poverty line.

## 2.2.5 Basic service delivery

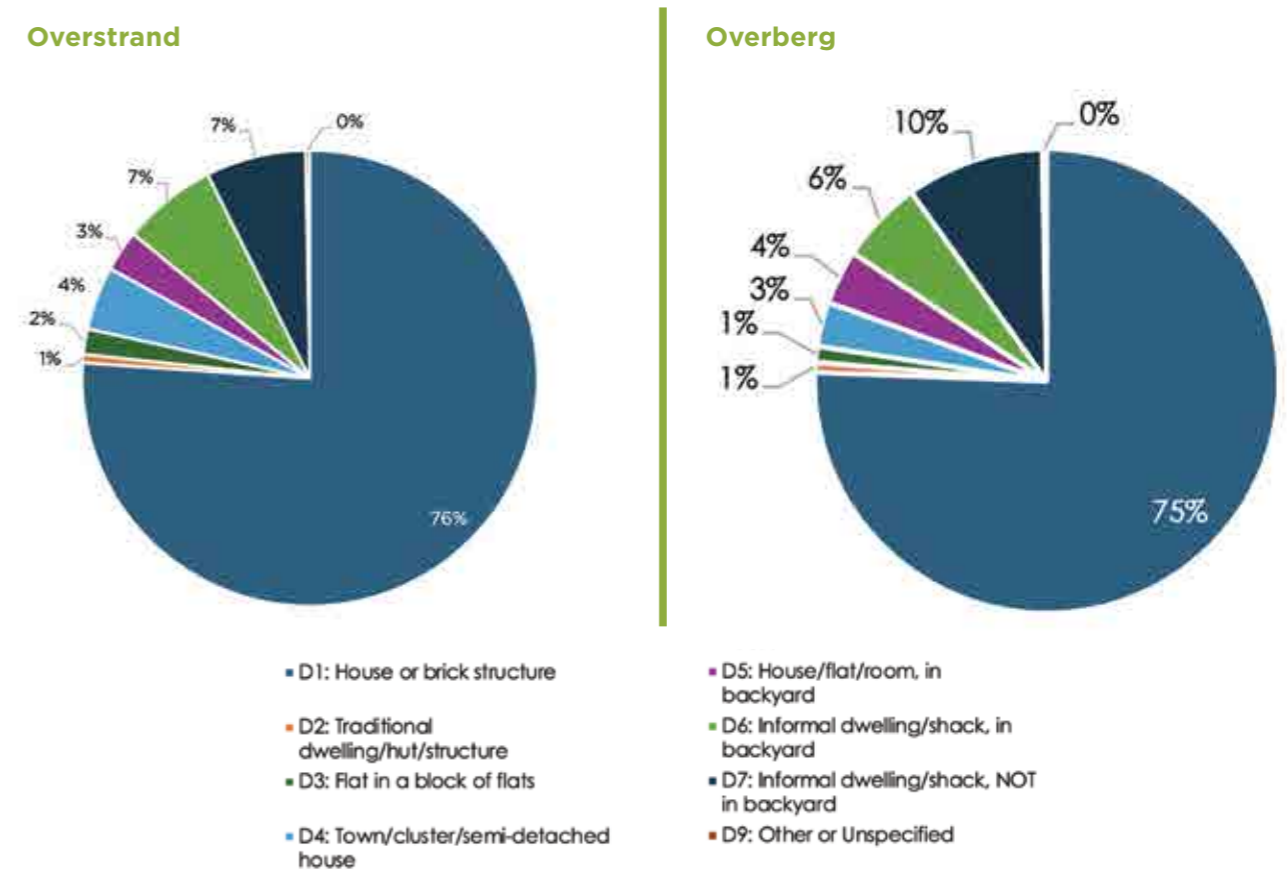
The Constitution of the Republic of South Africa, 1996 guarantees every citizen the right to access adequate housing, and the state must employ reasonable legislative and other measures, within available resources, to progressively realise this right. Access to housing encompasses essential services such as the provision of clean water, basic sanitation, safe energy sources and waste removal, ensuring that households maintain a decent standard of living.

This section considers the extent to which these goals have been achieved. It draws on the most recent official statistics (as supplied by Census 2022), MYPEPPU 2025.2 and up-to-date estimates provided by Quantec Research. Information on indigent households was obtained from the Department of Local Government.

### Housing and household services

Of the 42 664 households residing in Overstrand in 2024, a noteworthy 85.2 per cent had access to formal housing. This surpassed the rate observed in the broader OD, which stood at 83.6 per cent.

**Figure 2.2.17:**  
**HOUSING TYPES, Overstrand, 2024**



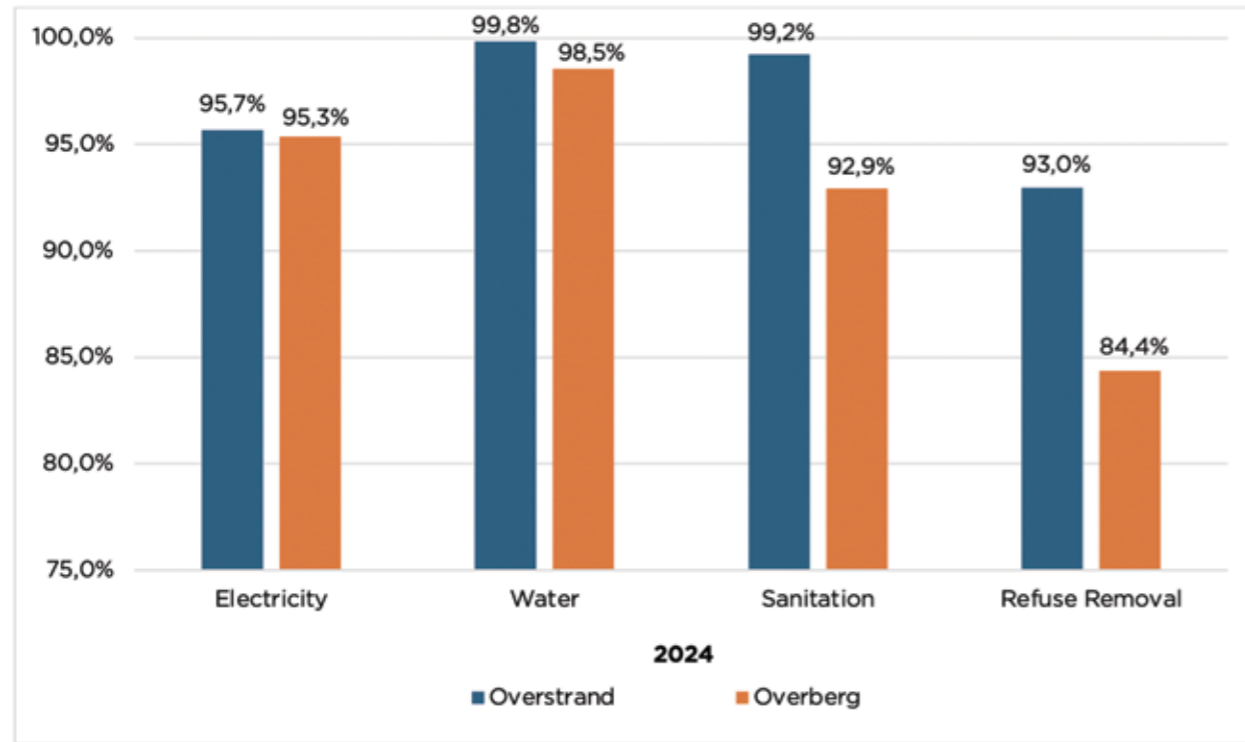
Source: Quantec, 2025

Informal dwellings accounted for only 13.8 per cent of the total, which was lower than the District prevalence of 15.4 per cent.

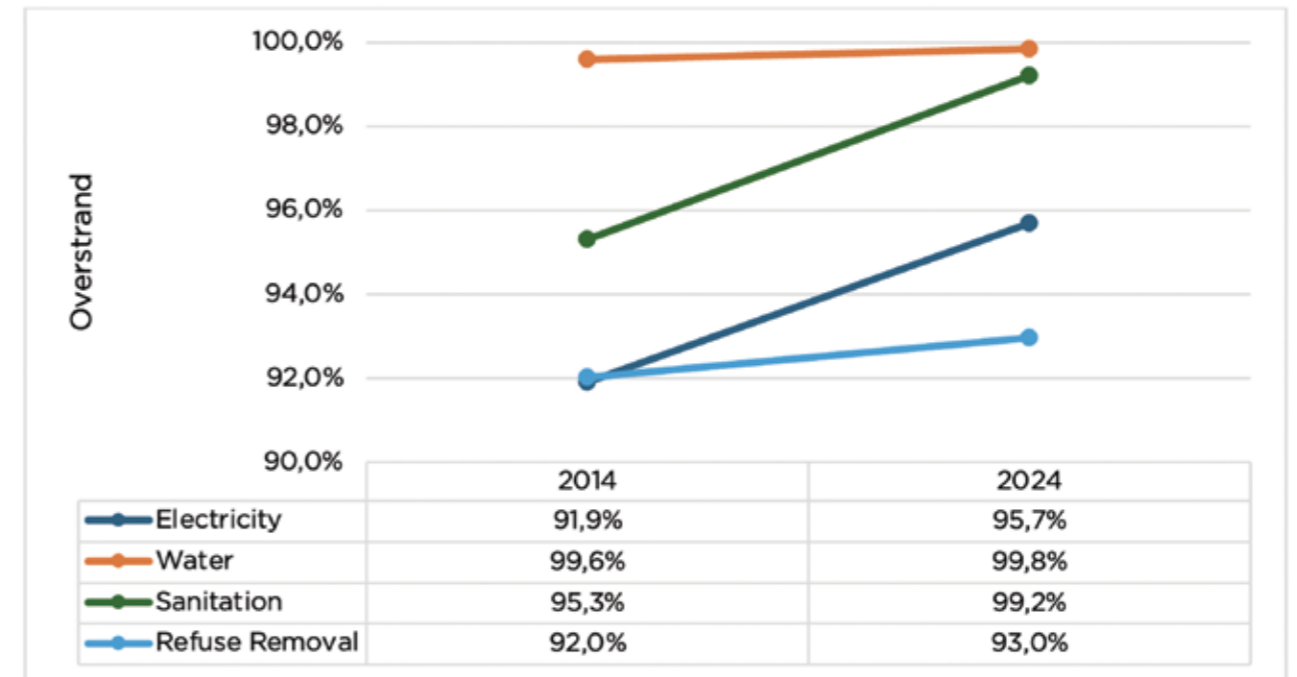
Both Overstrand and the OD have seen an increase in the proportion of informal housing, with the prevalence in Overstrand growing from 12.1 per cent to 13.8 per cent from 2023 to 2024. This upward trend, though modest, suggests that pressure on affordable housing is intensifying, driven by factors such as population growth and the limited availability of affordable housing stock.

In 2025, a total of 16 246 households were registered on the Western Cape Housing Demand Database, up from 15 961 in 2022. It represents an average annual increase of 0.6 per cent. This underscores the ongoing need for expanded housing provision by the public and private sectors to enhance living conditions for vulnerable households within the municipal area.

**Figure 2.2.18:**  
**ACCESS TO BASIC SERVICES, Overstrand, 2024**



Source: Quantec, 2025



Source: Quantec, 2025

In 2024, Overstrand provided significantly greater access to most services than to formal housing. Access to piped water stood at 99.8 per cent of households, such access ranging from having a source within a dwelling or yard to use of a public, communal or neighbour’s tap.

Similarly, 99.2 per cent of households had access to flush/chemical toilets or a pit latrine with ventilation. Electricity for lighting was available to 95.7 per cent of households, while regular refuse removal by local authorities was reported in 93.0 per cent of households.

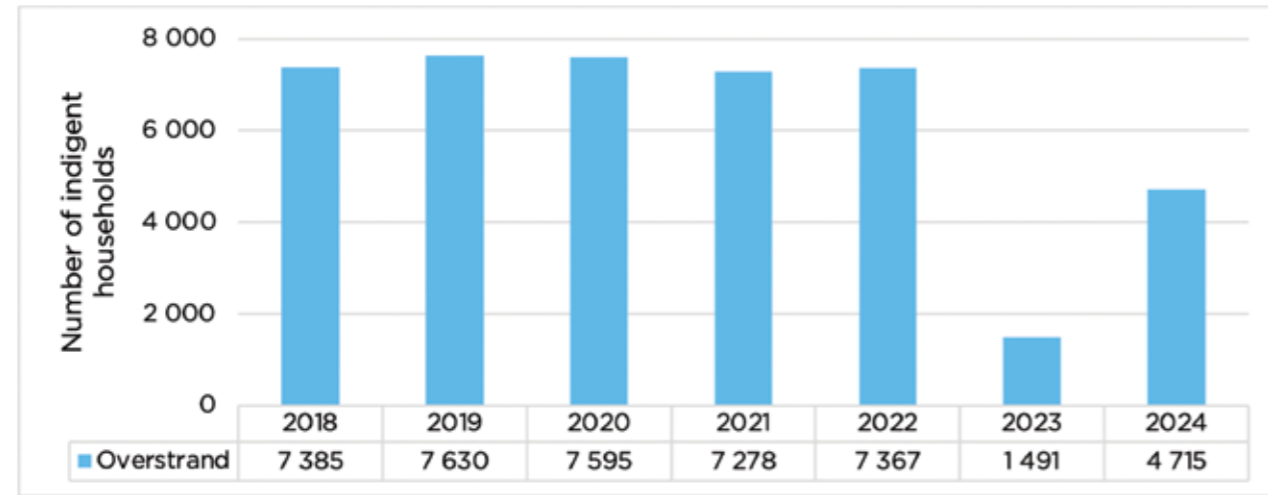
Access to all four basic service categories has improved over the past decade, reflecting reduced service delivery backlogs even with the robust population growth, and contributing positively to residents’ overall quality of life.

Overall, these figures demonstrate consistently strong service provision in Overstrand, which outperforms District averages across all categories. Such conditions are likely to contribute positively to the overall quality of life and public wellbeing in the area. However, the high and growing prevalence of informal housing must be taken into account when planning.



## Free Basic Services

**Figure 2.2.19:**  
**INDIGENT HOUSEHOLDS, Overstrand, 2022-2024**



Source: Department of Local Government, 2025

In the context of free basic services, municipalities offer a suite of essential services to households facing financial vulnerability and challenges in affording such services. These households are categorised as indigent. In Overstrand, the number of households receiving free basic services experienced a noticeable decline in 2023 following changes to the policy on indigence. With the discontinuation of Categories B and C, households were required to reapply, and delays in re-registration contributed to the drop. The municipality indicated various projects to assist with the re-registration process. Nonetheless, this situation underscores the importance of ongoing monitoring to ensure that all vulnerable households are able to access and benefit from indigent support.



## 2.2.6 Safety and security

Crime significantly undermines the region’s social and economic fabric. Its impact, ranging from loss of life and personal trauma to stifled economic growth and deterred investment, ultimately compromises community safety, wellbeing and stability.

**Table 2.2.5:**  
**CRIMES PER 100 000 PEOPLE, Overstrand, 2022 - 2024**

CRIME CATEGORY	Actual Numbers			Trend	Crime per 100 000 Population	
	2022	2023	2024		Overstrand	Overberg
Murder	56	59	63	↑	53	46
Sexual offences	133	127	136	↔	114	103
Common assault	650	657	772	↑	644	657
Malicious damage to property	428	440	467	↑	390	355
Burglary at residential premises	1047	1045	871	↓	728	679
Commercial crime	509	635	677	↑	566	349
Drug-related crime	1524	1996	2431	↑	2030	1481
Driving under the influence of alcohol or drugs	179	279	286	↑	239	203

Source: Own calculations from Quantec (2025) and MYPEPPU (2025.2) data

Overall, crime trends in Overstrand between 2022 and 2024 were mixed, with some categories falling or stabilising and others increasing notably. While serious violent crimes such as murder and sexual offences have shown moderate increases or remained relatively stable over the three-year period, categories such as drug-related offences, common assault, driving under the influence (DUI), malicious damage to property and commercial crime have risen considerably.

Drug-related crime recorded a significant increase, with cases rising from 1 524 in 2022 to 2 431 in 2024. At 2 030 incidents per 100 000 people in 2024, the rate in Overstrand was considerably higher than the OD average of 1 481, indicating growing substance-related challenges. The municipal area has also seen a notable increase in DUI cases, with reported incidents rising from 179 cases in 2022 to 286 in 2024. This marked an increase of over 100 cases in just two years. The rate of 239 incidence per 100 000 Overstrand residents was considerably above that of the District (203 incidence per 100 000 population).

Although the trend for sexual offence figures was mixed as regards overall numbers for the period of 2022 to 2024, the rates for this category of crime remain comparatively high when measured against the District average. This suggests that gender-based violence continues to pose significant challenges within the area. This points to underlying social issues, including substance abuse and domestic conflict. Interpersonal conflict is highlighted through an increasing number of common assault cases, although the rate in this instance remains lower than the District average.

Trends in property crime reveal a divergent pattern. While the number of burglaries at residential premises has declined markedly, Overstrand's rate remains elevated relative to the District average. However, incidents of malicious damage to property have surged, peaking at a rate of 390 per 100 000 population in 2024. This not only exceeded the district average of 355 but also signaled increased frustration-related or retaliatory behaviour.

Commercial crime increased from 509 cases in 2022 to 677 in 2024, reflecting rapidly increasing exposure to financial and digital fraud within the local economy. District-level comparisons (per 100 000) confirm that Overstrand faces the highest vulnerability to this category of crime when compared with all municipal areas in the OD. This upward trend may be linked to the growing use of online financial platforms and electronic transactions, which can create new opportunities for fraudulent practices if digital literacy and security measures are limited. The rise in commercial crime also suggests increasing economic strain on households and businesses, where financial pressures can lead to both opportunistic and organised forms of crime. The implications of commercial crime can be significant, as it can be particularly damaging to the economy. The strengthening of financial oversight – promoting digital security awareness and improving investigative capacity – is therefore essential to safeguarding local enterprises and maintaining trust in the economic environment.

## 2.2.7 Concluding Remarks

With an estimated population of 123 008 in 2025 and projected average annual growth of 2.6 per cent through to 2030, Overstrand is a key growth centre in the OD. The municipal population is predominantly of working age, while a notable elderly cohort reinforces Overstrand's status as a retirement destination. Household numbers have risen faster than projected, resulting in an average household size of 2.9 persons. In addition, the area is racially diverse, highlighting the need for inclusive social policies and equitable access to services.

Healthcare services in the municipal area include primary health clinics, ART and TB treatment sites, and a district hospital. ART patient numbers have grown steadily, reflecting improved HIV testing and treatment access, while TB cases have stabilised after earlier fluctuations. Maternal health outcomes show no local maternal deaths, although teenage pregnancy, low birth weight and immunisation volatility points to ongoing public health challenges.

Education enrolment continues to rise, with 15 769 learners recorded in 2025 across 18 schools (most classified as no-fee schools). The learner-teacher ratio has fluctuated, indicating pressure on resources, while retention rates remain a concern despite an improved matric pass rate (87.7 per cent). Socioeconomic hardships, teenage pregnancy and overcrowding continue to affect learner outcomes, emphasising the need for targeted support and interventions.

Overstrand faces high poverty and inequality, with nearly half the population below the LBPL and a Gini coefficient of 0.541. GDP per capita has declined over the past decade, and income is concentrated in low- to middle-income brackets. Access to basic services is strong, although the share of informal housing is rising. Furthermore, changes to the policy on indigence have temporarily reduced service access. Crime trends are mixed, with increases in drug-related and commercial crime highlighting socioeconomic and substance abuse challenges. This necessitates continued community and law enforcement interventions.



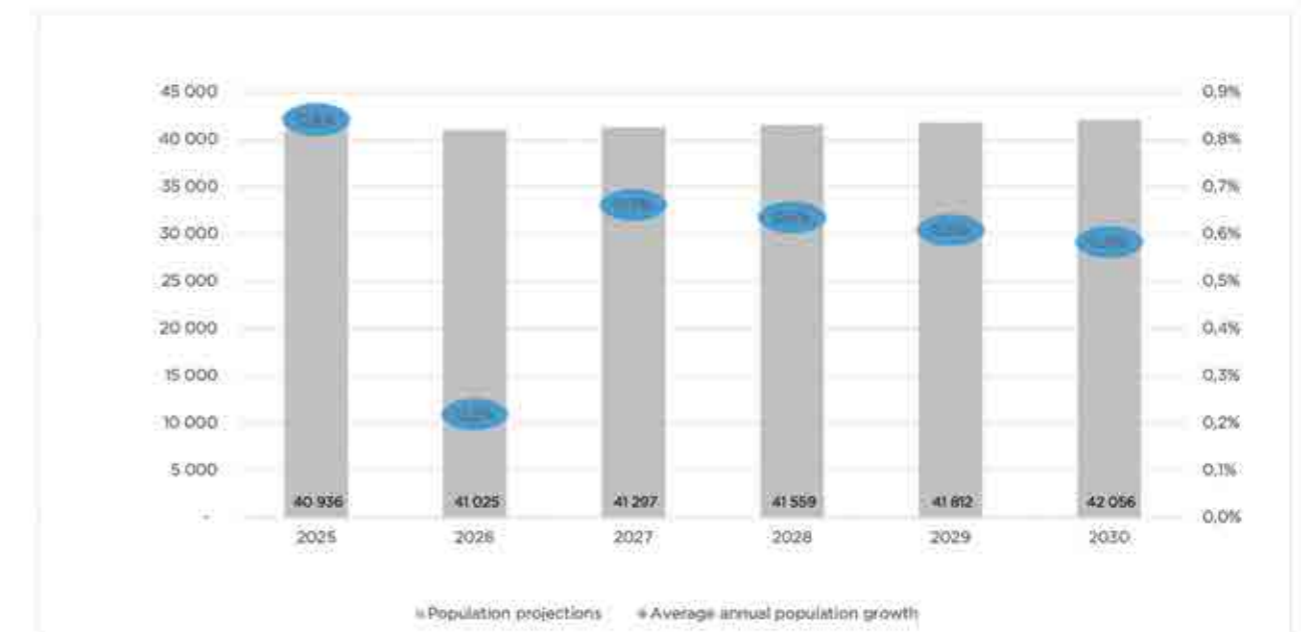
## 2.3.1 Demographics

Understanding population dynamics is critical for effective municipal planning and the equitable provision of public services. Population size, household growth, age structure and migration patterns directly affect the demand for infrastructure, housing, education, healthcare and social services. Monitoring these trends enables policymakers to anticipate service needs, allocate resources efficiently, and design interventions that promote both social wellbeing and economic resilience.

### Population and household dynamics

The town of Swellendam serves as the administrative centre of the Swellendam municipal area. This area had one of the smallest populations of the Overberg District (OD) in 2025, estimated at 40 936. Population growth in the area is projected to remain relatively modest, with an average annual increase of just 0.5 per cent anticipated between 2025 and 2030.

**Figure 2.3.1:**  
POPULATION GROWTH, Swellendam, 2025 – 2030



Source: MYPEPPU, 2025.2

With an estimated total of 11 498 households in 2025, the Swellendam municipal area exhibits an average household size of 3.6 persons. Notably, the number of households recorded during Census 2022 significantly exceeds the count reflected in the Mid-year population estimates (MYPE), indicating a higher-than-projected increase in the number of households over the period of 2011 to 2022.

The divergence evident between the MYPE and census figures has implications for the provision of municipal services and the planning of requisite infrastructure.

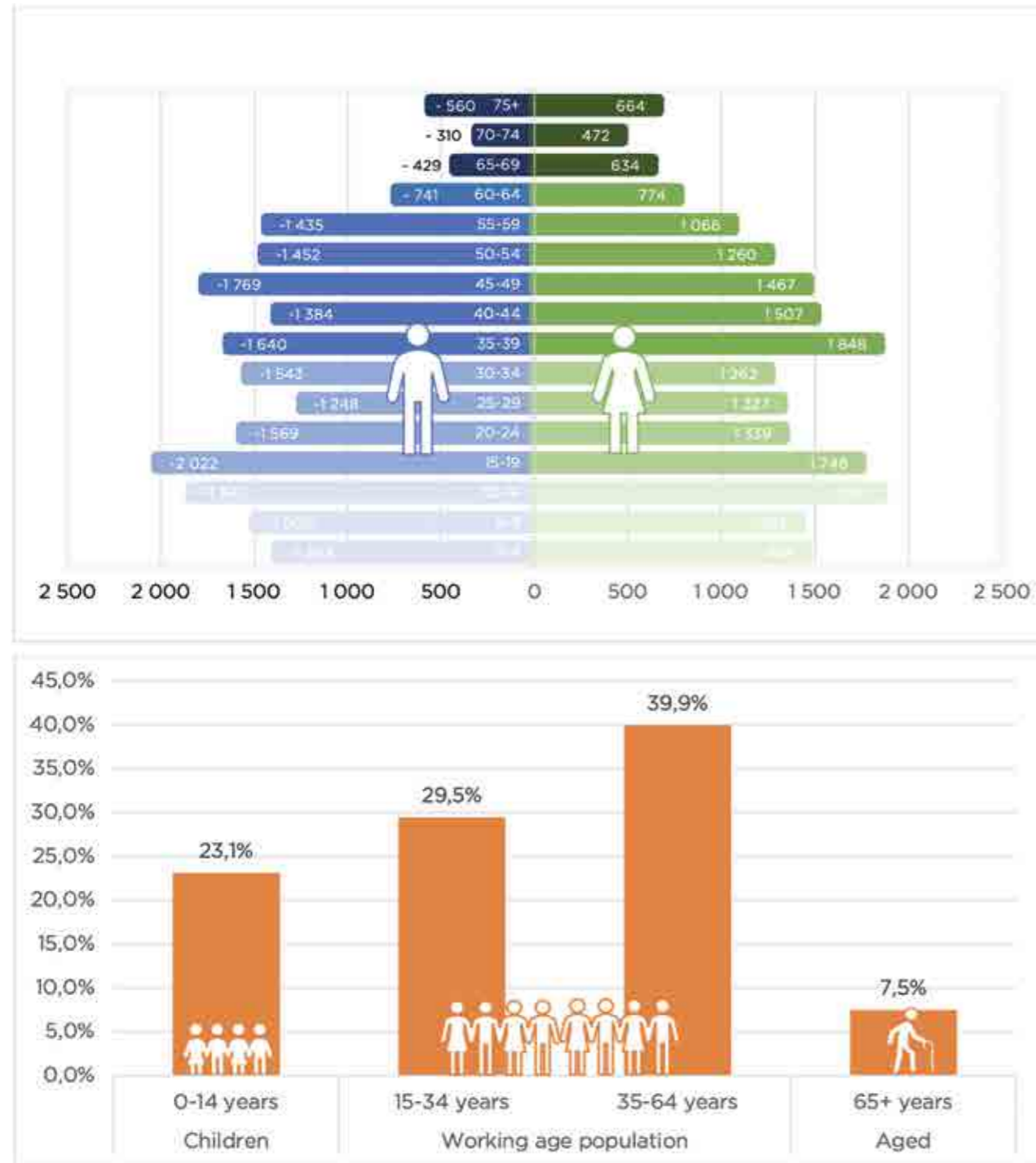
## 2.3 SWELLENDAM

### SAFETY AND WELL-BEING

This section delves into the social trends that shape the identity of the Swellendam municipal area. Population dynamics, income, housing needs and essential services are reviewed and a nuanced examination provided of healthcare, education and crime metrics. Overall, the section offers a comprehensive view of community wellbeing and future prospects, showing the interplay of social and economic undercurrents in the municipal area.

### Gender, age and race dynamics

**Figure 2.3.2:**  
**POPULATION PYRAMID, Swellendam, 2025**

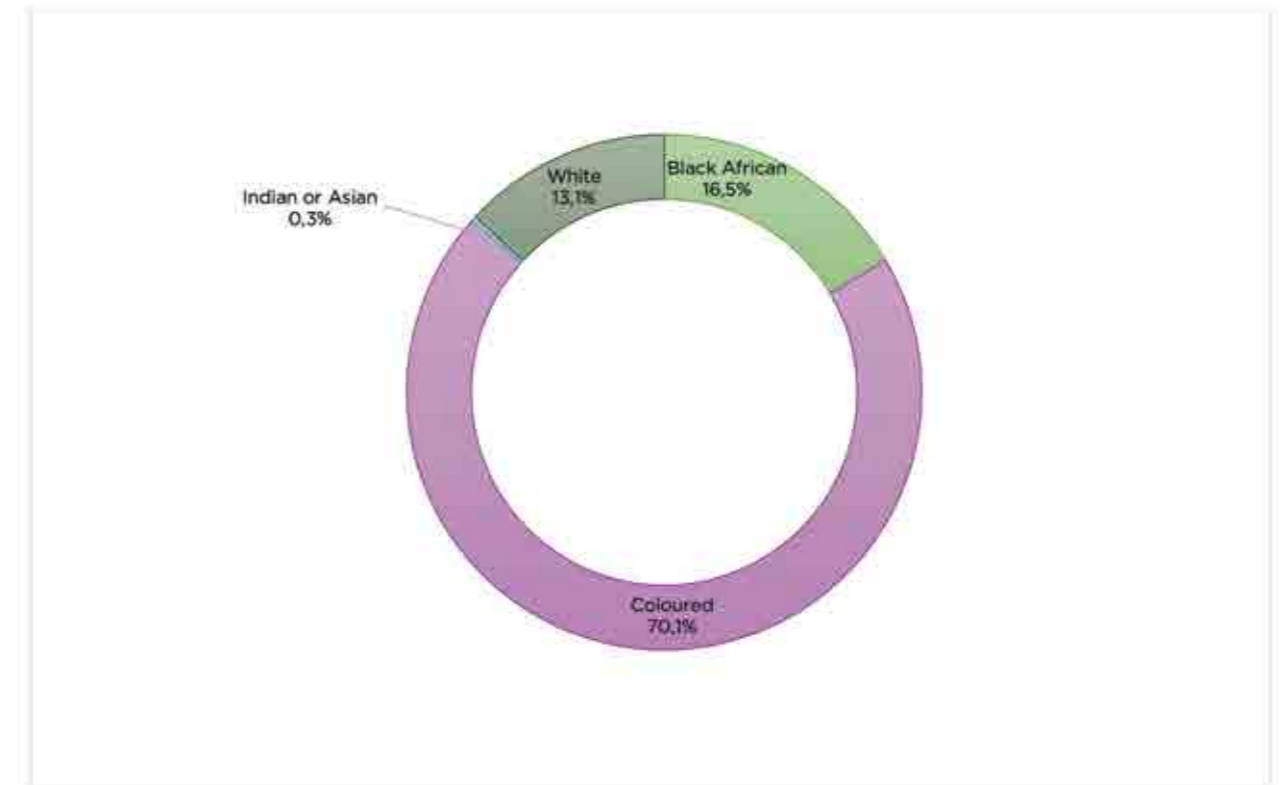


Source: MYPEPPU, 2025.2

Analysis of the gender makeup of Swellendam shows that in 2025, males slightly outnumbered females in the municipal area. In addition, there was a high proportion of people in the working-age category (69.4 per cent) along with smaller groups of children (23.1 per cent) and older adults (7.5 per cent). In comparison with the OD, Swellendam had a higher share of children and a lower proportion within the aged category. The growing percentage of working-age persons has contributed to a decline in the dependency ratio.

The dependency ratio, which compares dependents to the working-age population, fell to 39.9 per cent in 2025. This signals a demographic shift in which a smaller number of dependents are supported by a larger working-age population. To capitalise on this demographic opportunity, the growing working-age cohort must be supported through sustained employment creation and skills development.

**Figure 2.3.3:**  
**RACIAL COMPOSITION, Swellendam, 2024**



Source: Quantec, 2025

An analysis of the population's racial composition provides insight into the social and historical landscape of Swellendam. The municipal area remains predominantly populated by coloured residents (70.1 per cent in 2024), with Black African (16.5 per cent) and whites (13.1 per cent) accounting for smaller but notable proportions of the population.

This distribution highlights the continued need to promote inclusivity and social cohesion, ensuring that all population groups have equitable access to opportunities and resources. In this context, fostering social unity and reducing structural disparities are essential steps towards building a more integrated and equitable society.

The demographic profile of Swellendam reflects a shifting population structure that brings both opportunities and challenges for municipal service delivery. The expansion of the working-age group alongside the existence of sizeable youth and elderly populations highlights the need for job creation as well as investment in education, healthcare and social support systems. At the same time, there is growing pressure on housing, sanitation and urban infrastructure. The increase in lower-income or vulnerable households further intensifies demand for affordable basic services and social assistance. Integrating these population trends into strategic planning is essential for ensuring that the municipal area can sustainably support its residents while maintaining economic vitality and social equity.

## 2.3.2 Health and wellness

South Africa's healthcare system is a mix of public and private providers, and its health facilities are an essential component of ensuring access to healthcare services by the country's diverse population. The state plays a pivotal role in providing healthcare services through the public sector, while the private sector offers additional options for those who can afford them. The public healthcare system follows a referral system in which patients receive primary care at clinics and are referred to district or provincial hospitals for more specialised care when needed.

### Access to Health Facilities

The Swellendam municipal area includes five fixed primary healthcare facilities (located in Swellendam, Barrydale, Suurbraak, Railton and Buffeljagsrivier) and three mobile/satellite clinics. In addition, there are four antiretroviral therapy (ART) clinics and eight tuberculosis (TB) treatment sites as well as a district hospital in the town of Swellendam.

As an integral part of the healthcare system, Emergency Medical Services (EMS) can significantly impact survival and recovery in crisis situations. EMS encompasses a range of services, personnel and resources to allow for immediate medical assistance, transportation to healthcare facilities, and pre-hospital care of individuals facing health emergencies. In this context, operational ambulances are a significant component of EMS resources.

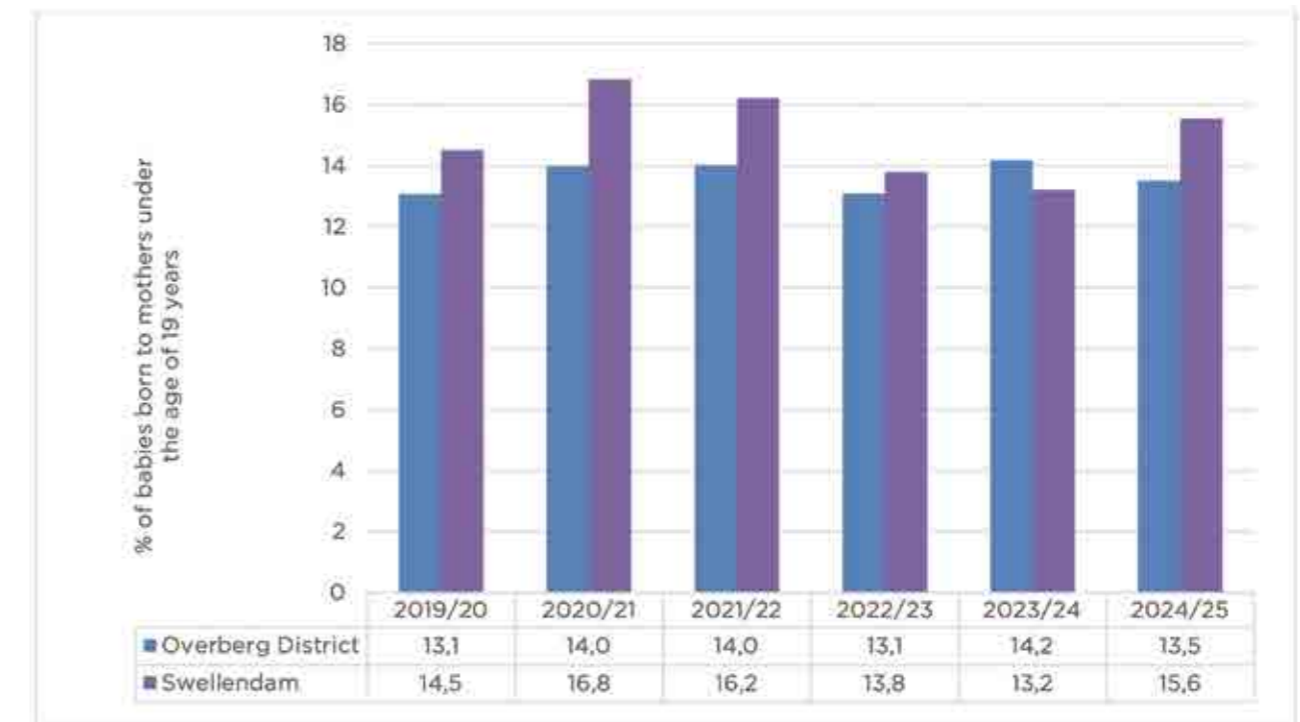
In 2024/25, Swellendam had a total of four ambulances servicing the area (unchanged compared to the previous year), which translated into 0.9 ambulances per 10 000 people. This figure includes only provincial ambulances, not the vehicles of private service providers.

### Maternal and Child Health

Maternal health is a critical aspect of public health, encompassing the wellbeing of women during pregnancy, childbirth and the postnatal period. In South Africa, key issues affecting maternal health include high rates of teenage pregnancy, the prevalence of termination of pregnancy, and ongoing challenges related to maternal mortality. These factors not only affect the health outcomes of women and infants but also reflect broader social and economic dynamics that shape access to healthcare and reproductive choices.

### Teenage pregnancy

**Figure 2.3.4:**  
DELIVERY RATE TO WOMEN UNDER 19 YEARS, Swellendam, 2019/20 – 2024/25



Source: Western Cape Department of Health and Wellness, 2025

The teenage pregnancy rate in the Swellendam municipal area has fluctuated over recent years. Most recently, an increase was recorded in the proportion of deliveries to women aged 10 to 19 years: between 2023/24 and 2024/25, the rate increased from 13.2 per cent to 15.6 per cent. The latter figure translated to a total of 77 births to teenagers in the Swellendam municipal area, up from 69 in the previous year.

The figures remain high and may point to challenges in sexual and reproductive health education and access to contraceptives as well as broader socioeconomic factors that impact early childbearing. The persistence of teenage pregnancy may also be linked to the unmet demand for termination of pregnancy services, making this a critical area of focus in understanding maternal health challenges.

Teenage pregnancy is calculated as the percentage of babies born to mothers under the age of 19 in a given year.

Teenage pregnancy is almost always unplanned. Consequently, when young parents are placed in the position of having to care for a child, they can find themselves woefully unprepared for the challenges that this brings. This is especially the case if they do not have family members who can assist them or social support.

### Termination of Pregnancy Rate

**TABLE 2.3.1: TERMINATION OF PREGNANCY RATE, Swellendam, 2019/20 – 2024/25**

MUNICIPALITY	Termination of Pregnancy Rate (%)					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	0.6	0.7	0.6	0.6	0.5	0.6
Swellendam	0.5	0.5	0.7	0.8	0.4	0.6

Source: Western Cape Department of Health and Wellness, 2025

Between 2023/24 and 2024/25, the number of pregnancy terminations in the Swellendam municipal area rose from 49 to 66. As a result, the termination rate over this period increased from 0.4 per cent to 0.6 per cent.

Understanding these dynamics is essential, as restricted access to safe termination services can increase the risk of unsafe procedures and contribute to broader maternal health challenges within the community.

The termination of pregnancy rate is calculated as the number of women who undergo terminations as a proportion of females aged 15 to 44 years in a given year.

Government hospitals, designated private doctors and gynaecologists, and non-profit providers offer safe and legal termination of pregnancy. To obtain a free abortion, the request must be made at a primary healthcare clinic. At the clinic, the pregnancy will be confirmed, counselling provided, an appointment made with a facility where the procedure can be performed, and a referral letter provided for this facility.

### Maternal Mortality Rate

**TABLE 2.3.2: MATERNAL DEATHS PER 100 000 LIVE BIRTHS, Swellendam, 2019/20 – 2024/25**

MUNICIPALITY	Maternal Mortality Ratio					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	0.0	20.5	0.0	0.0	47.9	71.9
Swellendam	0.0	0.0	0.0	0.0	0.0	0.0

Source: Western Cape Department of Health and Wellness, 2025

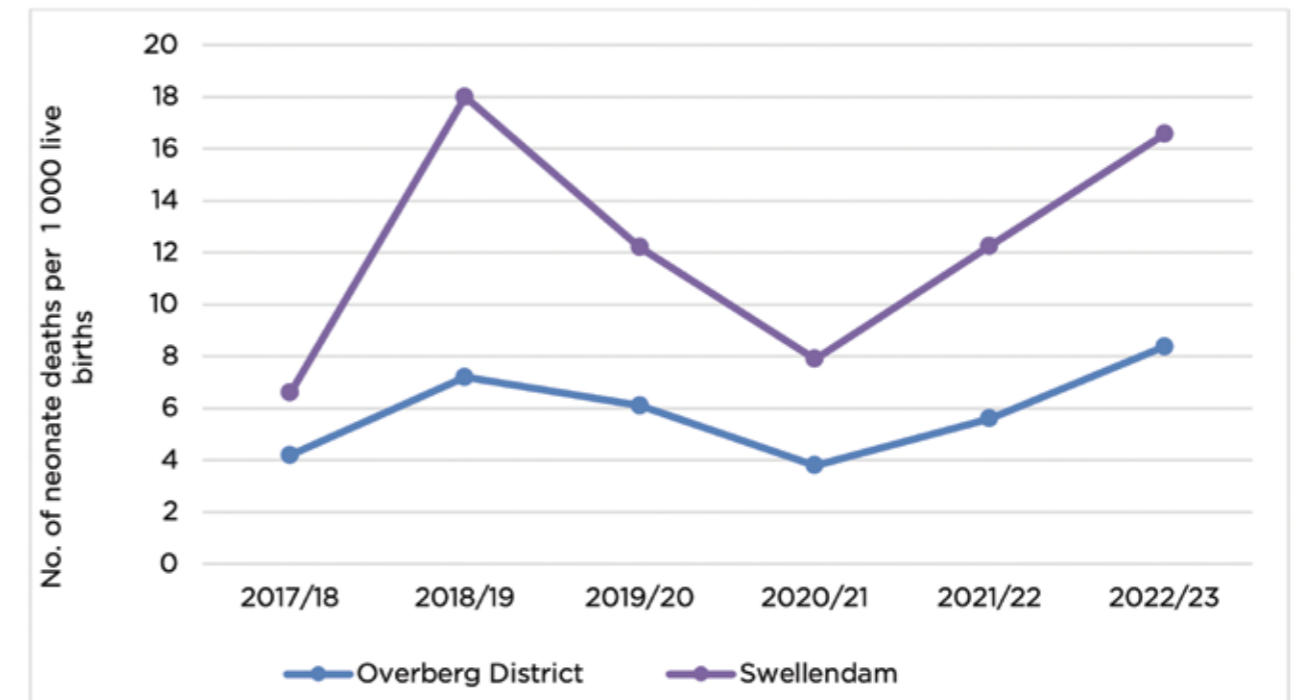
In the Swellendam municipal area, no maternal deaths were reported for the period 2019/20 to 2024/25, which possibly reflects local health facilities not offering services for such high-risk cases. Within the broader OD, however, the maternal mortality rate (MMR) increased significantly from 2023/24 to 2024/25, rising from 47.9 to 71.9 deaths per 100 00 live births. This percentage reflects the number of maternal deaths, which increased from 2 to 3 over this period.

The maternal mortality rate is the number of maternal deaths per 100 000 live births in public health facilities in a given year.

Maternal death is death that occurs in the course of a pregnancy, during childbirth or the puerperium, or within 42 days of termination of pregnancy. This is irrespective of the duration and site of pregnancy and irrespective of the cause of death (obstetric or non-obstetric).

### Neonatal Mortality Rate

**Figure 2.3.5: NEONATAL MORTALITY RATE, Swellendam, 2019/20–2024/25**



Source: Western Cape Department of Health, 2025

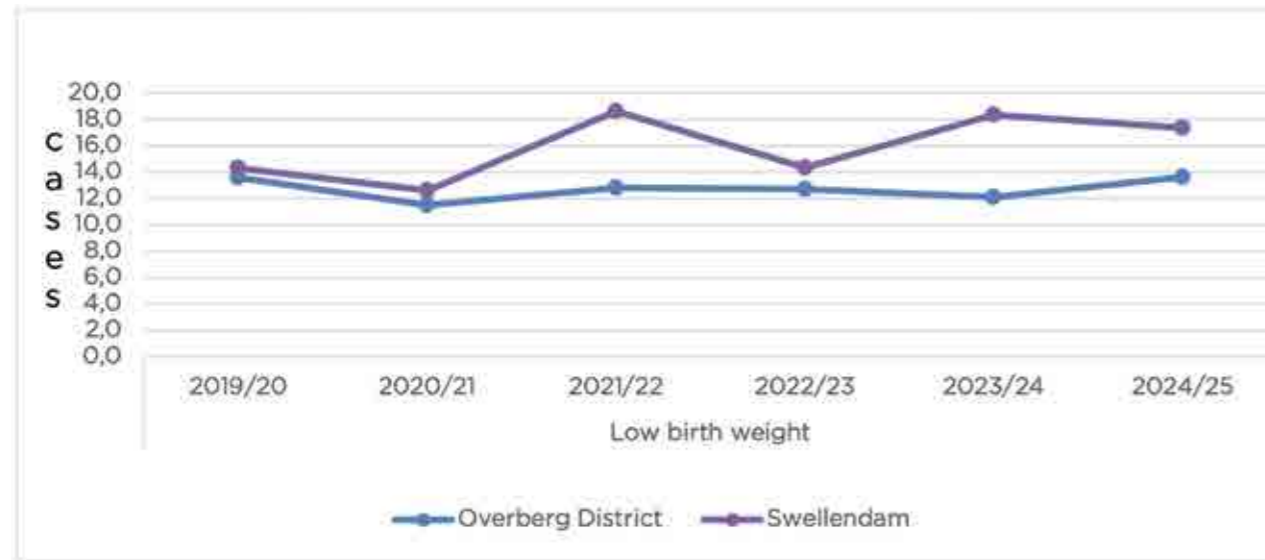
The neonatal mortality rate for Swellendam recorded a marked spike in 2024/25, when it rose to 12 neonate deaths per 1 000 live births. This came after several years of fluctuation: between 2019/20 and 2023/24, the rate ranged between 3.9 and 8.2 neonate deaths per 1 000 live births. The sharp increase in 2024/25 represents an estimated six neonatal deaths, up from two in the previous year.

The neonatal mortality rate is the number of neonates that die before reaching 28 days of age per 1 000 live births in a given year.

The first 28 days of life (i.e. the neonatal period) constitute the most vulnerable time for a child’s survival. The Province set a target for 2019 of 6.0 neonatal deaths per 1 000 live births.

### Low Birth Weight

**Figure 2.3.6:**  
LOW BIRTH WEIGHT, Swellendam, 2019/20–2024/25



Source: Western Cape Department of Health and Wellness, 2025

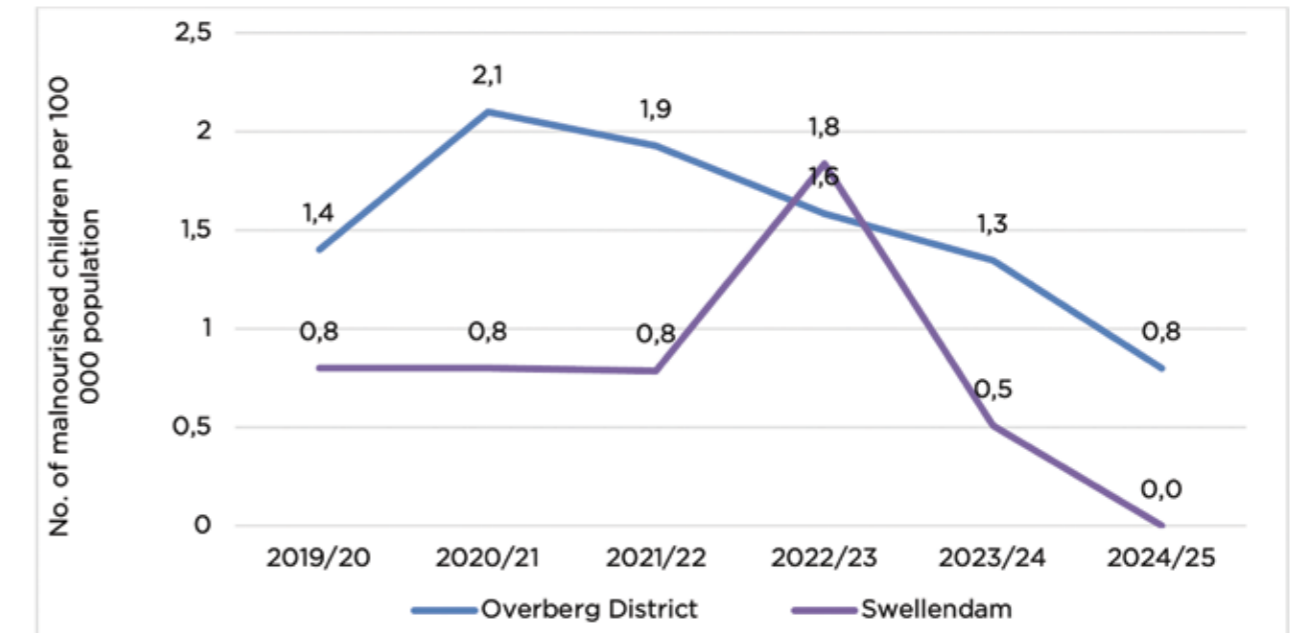
A mother’s health and nutrition are crucial for her baby’s development, directly impacting birth weight, a key indicator of both foetal and maternal wellbeing. Mothers who are malnourished, unhealthy, very young or very old face higher risks of complications including delivering babies with low birth weights. From 2023/24 to 2024/25, Swellendam saw a slight improvement in the proportion of babies with low birth weight, which fell from 18.4 per cent (94 babies) to 17.4 per cent (87 babies). Despite this progress, the low birth weight rate in the municipal area remains the highest in the District, which had an overall average of 13.6 per cent in 2024/25.

The low birth weight rate is the percentage of all babies, in a given year, who are born alive in a facility and weigh less than 2 500 g at birth.

Low birth weight is associated with a range of short- and long-term difficulties.

### Malnutrition

**Figure 2.3.8:**  
MALNUTRITION, Swellendam, 2019/20–2024/25



Source: Western Cape Department of Health and Wellness, 2025

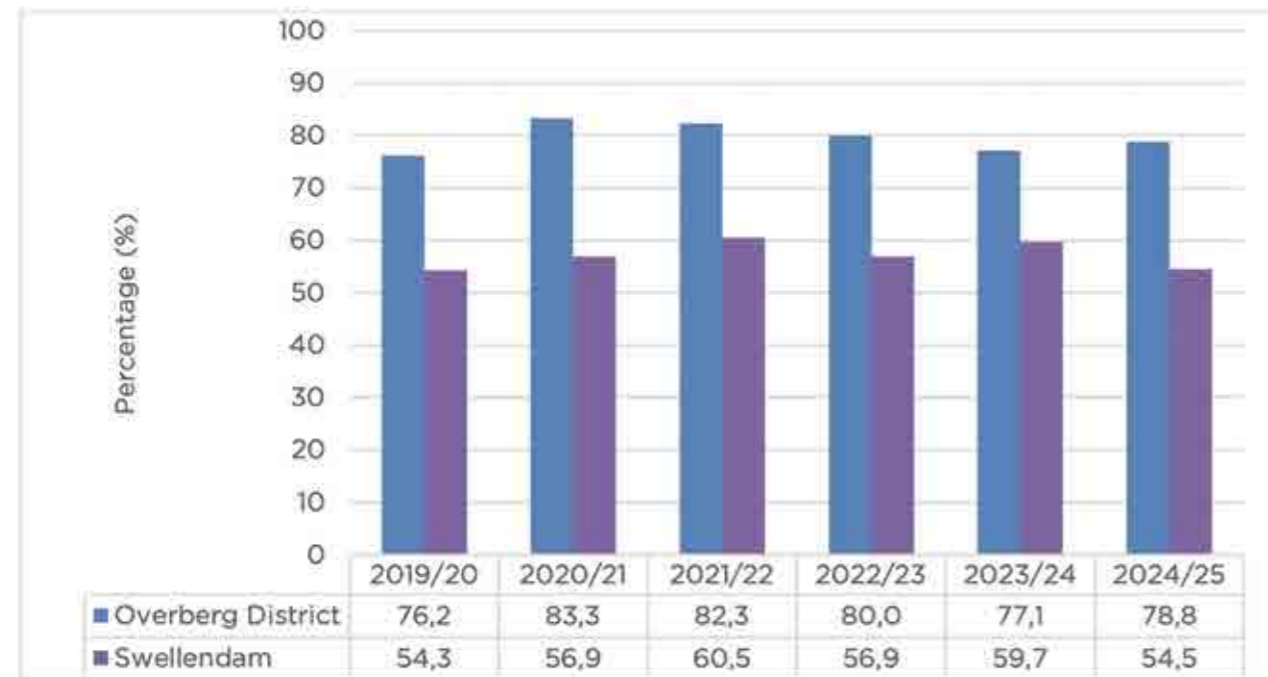
The rate of severe acute malnutrition in Swellendam declined substantially between 2022/23 and 2024/25. While there were seven cases reported in 2022/23 (1.8 malnourished children under five years per 100 000 persons), none were registered in 2024/25. In the OD, 22 cases were recorded in 2024 (0.8 cases per 100 000 residents).

The severe acute malnutrition rate is the number of malnourished children under five years of age per 100 000 people in a given year.

Malnutrition may refer to either under-nutrition (an individual not receiving adequate amounts of nutrients) or over-nutrition (an individual receiving excessive amounts of nutrients).

## Immunisation

**Figure 2.3.8:**  
IMMUNISATION RATE, Swellendam, 2019/20–2024/25



Source: Western Cape Department of Health and Wellness, 2025

In recent years, Swellendam's immunisation rate has remained well below the optimal level, decreasing in 2024/25 to a five-year low of 54.5 per cent. This was significantly below the District's 78.8 per cent. The decline places a greater proportion of young children at risk of preventable illnesses.

The immunisation rate is the number of children immunised, in a given year, per total number of children less than one year of age.

Immunisation protects both adults and children against preventable infectious diseases. Low immunisation rates speak to the need for parents to understand the critical importance of immunisation.

## Burden of disease

### HIV and AIDS

**TABLE 2.3.3: TOTAL REGISTERED PATIENTS ON ART, Swellendam, 2019/20 – 2024/25**

MUNICIPALITY	Total registered patients receiving ART					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	13 712	13 490	14 686	15 119	15 872	14 733
Swellendam	1 174	1 148	1 256	1 314	1 502	705

Source: Western Cape Department of Health and Wellness, 2025

The number of registered patients receiving ART in the Swellendam municipal area showed notable fluctuations between 2019/20 and 2024/25. From 2019/20 to 2023/24, the figure steadily increased, rising from 1 174 to 1 502. This reflected improved HIV treatment coverage and access to healthcare services. The gradual rise aligns trends in the broader OD, which also experienced steady growth in ART treatment over this period.

However, in 2024/25, Swellendam recorded a sharp decline in the number of ART patients, which fell to 705. This marked a decrease of over 50.0 per cent from the previous year. During this period, the OD average for ART patients also decreased, but only slightly.

This sudden reduction may indicate data reporting issues, migration of patients to other facilities, or a shift in health programme management rather than an actual decline in treatment need. The decrease warrants closer investigation to ensure continuity of care and to confirm that patients are remaining on treatment, given that lapses in ART adherence could have serious public health implications.

### Tuberculosis (TB)

**TABLE 2.3.4: TOTAL REGISTERED TB PATIENTS, Swellendam, 2019/20 – 2024/25**

MUNICIPALITY	Number of TB patients registered on treatment					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	1 927	1 768	1 852	2 000	2 297	2 307
Swellendam	239	245	289	322	423	417

Source: Western Cape Department of Health and Wellness, 2025

The number of TB patients registered for treatment in the Swellendam municipal area has shown a consistent upward trend, rising from 239 patients in 2019/20 to 423 in 2023/24. This pattern mirrors the overall growth seen in the OD, indicating progress in TB screening, awareness and reporting.

In 2024/25, Swellendam experienced a slight decline in the number of TB patients on treatment, which fell from 423 to 417. This is a marginal drop compared to the previous steady growth. This decrease, though small, may be an early sign of stabilisation in TB incidence or improvements in treatment outcomes, signalling a possible reduction in new cases.

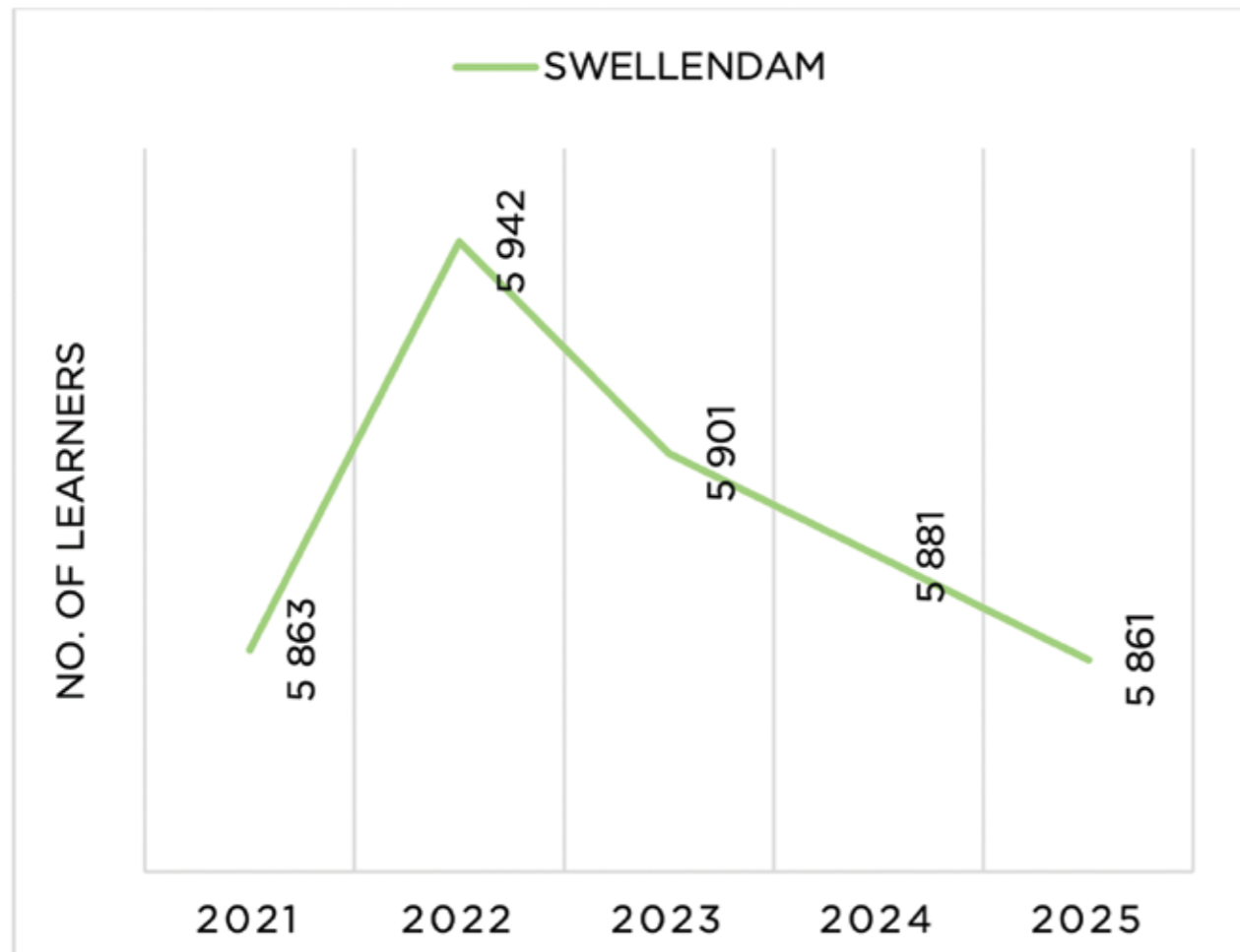
That said, continued vigilance remains essential, as fluctuations can reflect underlying challenges pertaining to treatment adherence or health service accessibility. Sustained support for treatment completion will be key to maintaining progress and preventing resurgence.

### 2.3.3 Education

#### Education resources

Schooling is a cornerstone of individual development and societal progress. It provides the foundation for personal empowerment by equipping learners with the knowledge and skills needed to participate meaningfully in their communities. In shaping future generations, education influences both immediate outcomes and long-term prospects. It nurtures individual potential and enables contributions to social and economic development.

**Figure 2.3.9:**  
**LEARNER ENROLMENT AND LEARNER-TEACHER RATIO, Swellendam, 2021-2025**



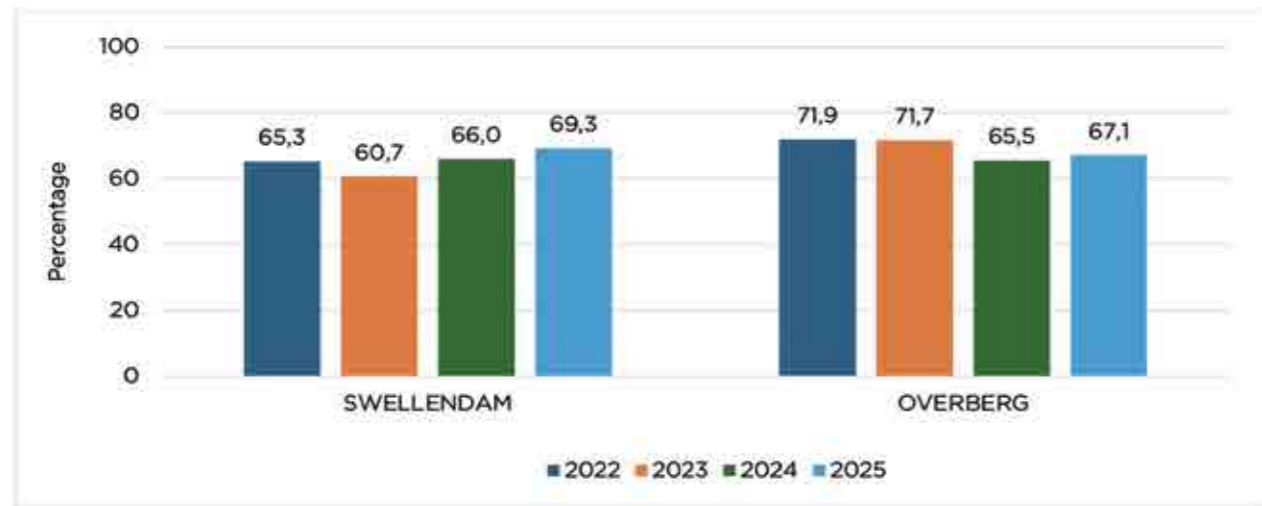
Source: Western Cape Department of Education, 2025

Learner enrolment in the Swellendam municipal area declined from 2022 to 2025, falling from 5 942 to 5 861 learners enrolled. In 2025, 16 of the 19 schools in the area were designated as no-fee schools (84.0 per cent of the total). These facilities receive support under the national No-Fee Schools Policy, which eliminates school fees for designated institutions, also providing additional per-learner funding to reduce financial barriers and promote equitable access to education. Despite these efforts, only six schools in the area had libraries in 2025, highlighting persistent inequalities in educational resources and infrastructure.

The learner-teacher ratio (LTR), an important indicator of education quality, improved steadily from 2022 to 2024, falling from 27.1 to 25.7. A slight deterioration in the ratio was recorded in 2025, when it rose to 25.9. While the Swellendam LTR remains within an acceptable range overall, it is important to note that ratios are often not evenly distributed across a municipal area, resulting in certain schools experiencing greater resource constraints. Such pressures can strain teachers, reduce individual learner support and negatively affect learning outcomes. Larger class sizes also risk deepening existing educational inequalities, particularly in under-resourced communities. This underscores the need for continued investment in infrastructure, equitable teacher distribution, and professional development to ensure consistent access to high-quality education across all areas.

## Retention rates

**Figure 2.3.10:**  
GRADE 10-12 LEARNER RETENTION RATE, Swellendam, 2022-2025



Source: Western Cape Department of Education, 2025

Despite the positive trajectory in enrolment, learner retention in Swellendam remains a serious concern. The Grade 10 to 12 retention rate of the area improved significantly from 2022 to 2025, rising from 60.7 per cent to 69.3 per cent, indicating a reduction in drop-out rates. While the OD experienced a significant drop in retention in 2024, the District rate improved slightly in 2025, rising to 67.1 per cent. This figure was slightly below the rate in the Swellendam municipal area.

Contributing factors to low retention generally include economic hardships such as unemployment, poverty, social challenges like teenage pregnancy, overcrowded classrooms, and individual circumstances that make it difficult for learners to remain engaged in their studies. Tackling this drop-out crisis requires a coordinated, community-driven response that strengthens support systems for learners and creates an inclusive environment where all students have the opportunity to succeed.

## Education outcomes

**Figure 2.3.11:**  
MATRIC PASS RATE, Swellendam, 2021-2024



Source: Western Cape Department of Education, 2025

Swellendam's matric pass rate improved markedly from 2023 to 2024, increasing from 90.3 per cent to 95.0 per cent. The higher pass rate, together with improved retention rates, is encouraging. It indicates that a greater number of students are not only staying in the school system but are also succeeding academically, pointing to a more effective learning environment.

### 2.3.4 Poverty, income and inequality

In the Swellendam municipal area, income patterns reveal significant disparities: while some households experience rising prosperity, others face persistent financial strain. To understand these dynamics, this section examines gross domestic product per region (GDPR) per capita as a measure of overall economic activity, and the Gini coefficient to determine income inequality. A review of tax data from the South African Revenue Service (SARS) provides insight into median incomes, patterns of income distribution and the number of contributors to the tax system. Finally, the section considers poverty, examining how financial hardship relates to broader income patterns and reflects the inequalities that shape everyday life in Swellendam.

#### Income inequality

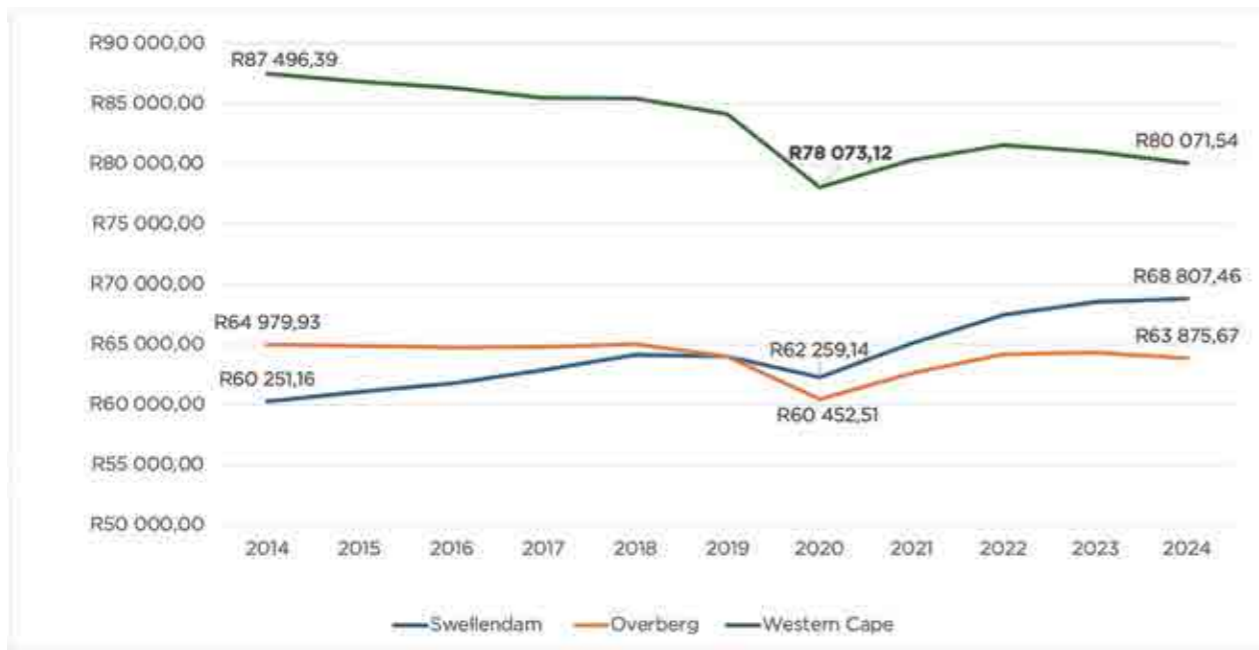
The GDPR per capita of the Swellendam municipal area increased between 2014 and 2024, indicating progress in overall living standards and economic wellbeing. Per person output stood at R60 251 in 2014, increasing to R65 004 in 2018 before a decline to R62 259 in 2020. The decrease in 2020 stemmed from economic disruptions caused by the COVID-19 pandemic. Per capita GDPR recovered again thereafter, increasing to R68 807 2024. This recovery suggests a degree of economic resilience. However, aggregate figures may mask persistent inequalities in how economic growth was distributed among the Swellendam population.

Starting at a comparatively low level, the Swellendam GDPR per capita exceeded the OD average by 2019. However, it generally remained well below the Western Cape average, signalling that the District and municipal area continue to lag behind the more developed economies of the Province.

Income inequality is a measure of the uneven distribution of income within a population. It is a critical economic and social indicator that reflects the gap between the wealthy and the poor. Various metrics are used to assess income inequality, each providing a different perspective on the economic conditions of a society.

The Gini Index is one of the most widely used measures of income inequality. It is a number between 0 and 1, where 0 corresponds to perfect equality (everyone has the same income) and 1 corresponds to perfect inequality (one person has all the income, and everyone else has none).

**Figure 2.3.12:**  
GDPR PER CAPITA, Swellendam, 2021-2024

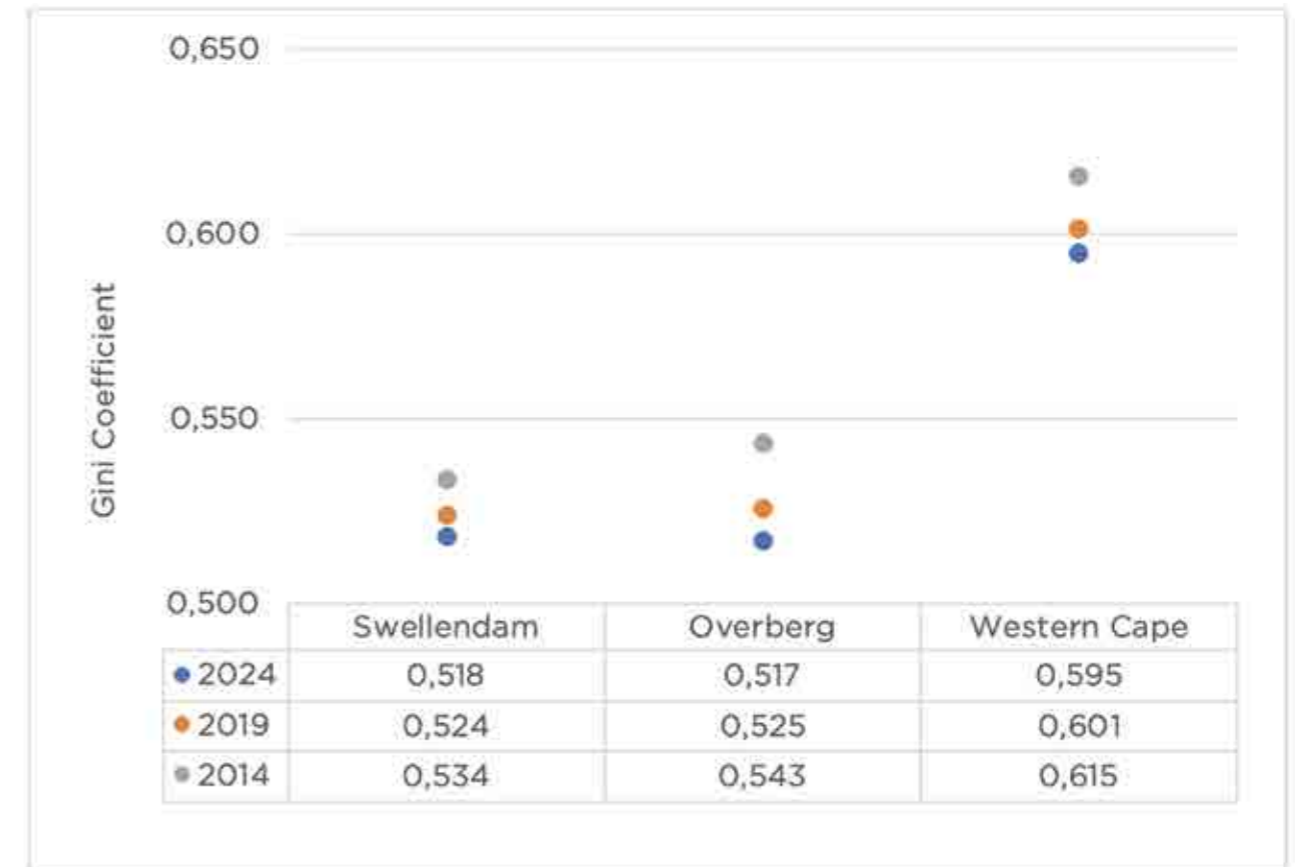


Source: Own calculations, MYPE and Quantec 2025

However, it is imperative to acknowledge that the distribution of GDP per capita within the Swellendam municipal area is not uniform. Disparities persist, with some segments of the population experiencing relative affluence while others continue to face financial hardship within an economic climate marked by inflation, high interest rates, and persistent unemployment.

South Africa suffers from among the highest levels of inequality in the world when measured by the commonly used Gini index. Inequality manifests itself through a skewed income distribution, unequal access to opportunities, and regional disparities. The National Development Plan (NDP) has set a target of reducing income inequality in South Africa, striving to lower the Gini coefficient from 0.7 in 2010 to 0.6 by 2030

**Figure 2.3.13:**  
GINI COEFFICIENT, Swellendam, 2014-2024



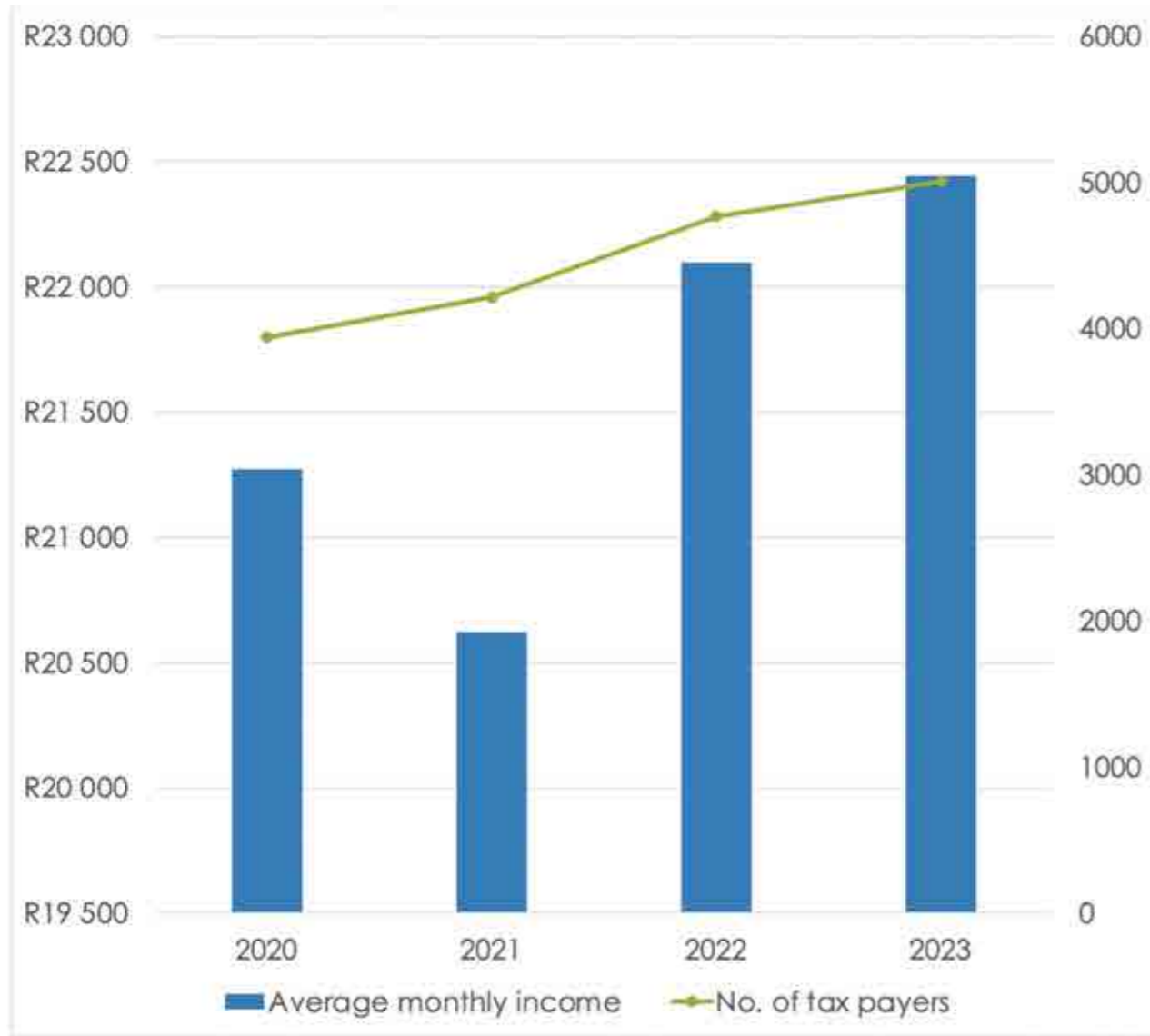
Source: Quantec, 2025

The Swellendam municipal area has surpassed the NDP goal, recording a Gini coefficient of 0.518 in 2024. While this represents an improvement, the ratio of the municipal area is still high (a coefficient above 0.450 is generally considered to indicate significant inequality in an area). The coefficient of 0.518 reflects the sharp contrast between individuals employed in well-remunerated positions, or living in relatively affluent households, and those earning far less – particularly rural and farm workers, who often face limited opportunities, lower wages and greater economic vulnerability.

### Income patterns

An examination of income distribution provides insights into how earnings are shared between households in the Swellendam municipal area. This section considers median incomes, wage distribution and average taxable income as well as the number of contributors to income inequality, highlighting the patterns that drive economic disparities within the area. A closer look at SARS income tax data reveals how inequality translates into everyday realities.

**Figure 2.3.14:**  
**INDIVIDUAL TAXPAYERS AND TAXABLE INCOME, Swellendam, 2020-2023**

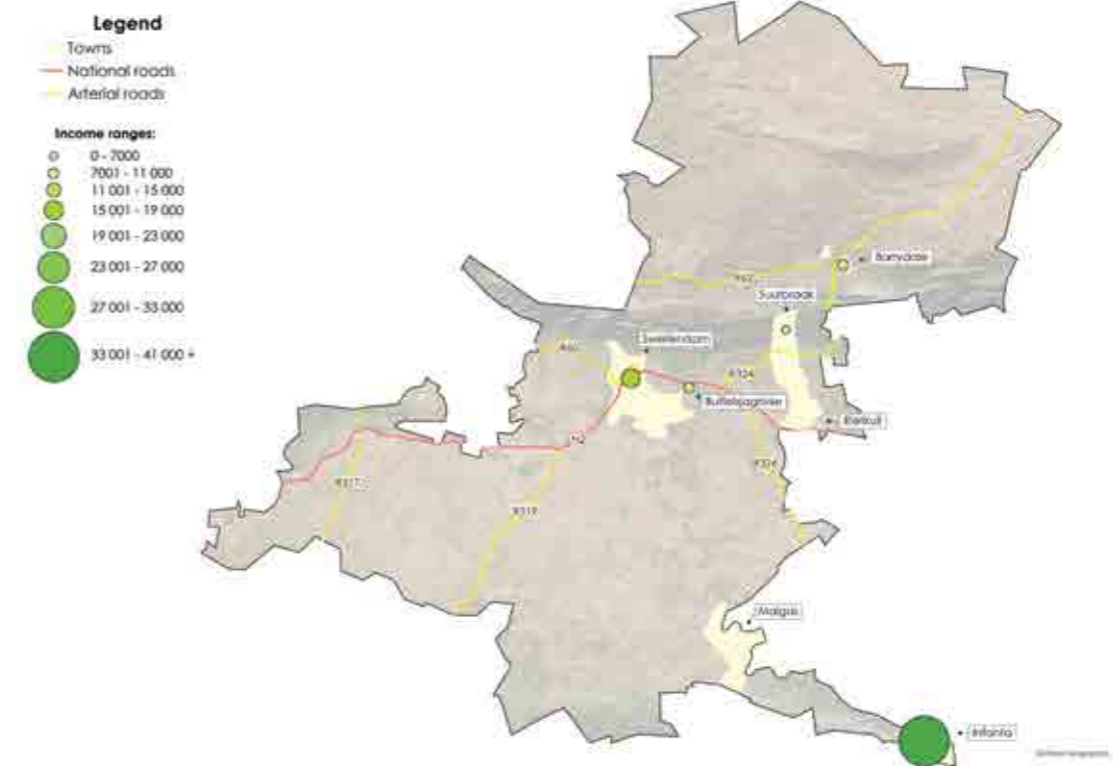


Source: Quantec, National Treasury, 2025

The economic data for Swellendam for the period of 2020 to 2023 shows encouraging signs of growth. In the municipal area, both the average monthly income and the number of registered taxpayers increased steadily during these years. This suggests that more people are earning a formal income due to job creation – and/or that tax compliance has improved.

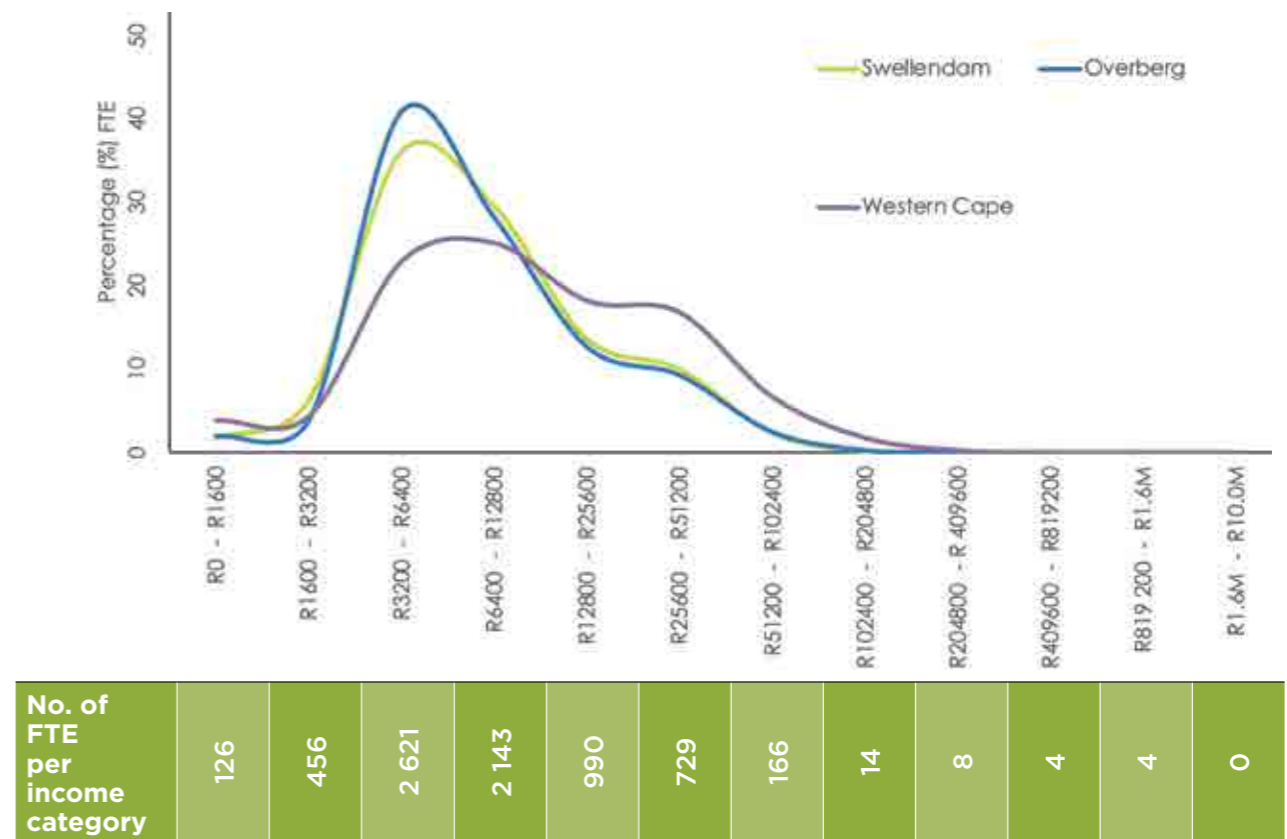
Income increased at a faster rate than the number of taxpayers over the 2020 to 2023 period. This indicates that the growth in income was not solely due to new workers entering the system. A substantial share of the increase was attributable to wage adjustments among those already employed. It is important to note that these figures represent averages, which can conceal important details about how income is distributed. The positive gains could have been heavily concentrated among top earners rather than being broadly spread across households. Thus, while the data points to a strengthening local economy, it does not confirm whether growth in income led to a narrowing of the wealth gap. A snapshot of the wage distribution for 2024 is shown in the map showing average monthly income per town below.

**MAP 2.3.1: AVERAGE MONTHLY INCOME PER TOWN, Swellendam, 2024**



Source: Western Cape Department of the Premier, 2025

**Figure 2.3.15:**  
**WAGE DISTRIBUTION, Swellendam, 2024**



Source: Spatial Tax Data, 2025

The income distribution in Swellendam reveals a heavily skewed economic structure, with the majority of the workforce concentrated in low-income brackets. As a proportion of the total number of persons having full-time equivalent (FTE) jobs, 44.1 per cent earned R6 400 or less per month in 2024, with an additional 29.5 per cent earning between R6 400 and R12 800 per month. This indicates that the local economy is predominantly built on low-wage work, and that a broad base of the population grapples with limited disposable income and high levels of financial vulnerability.

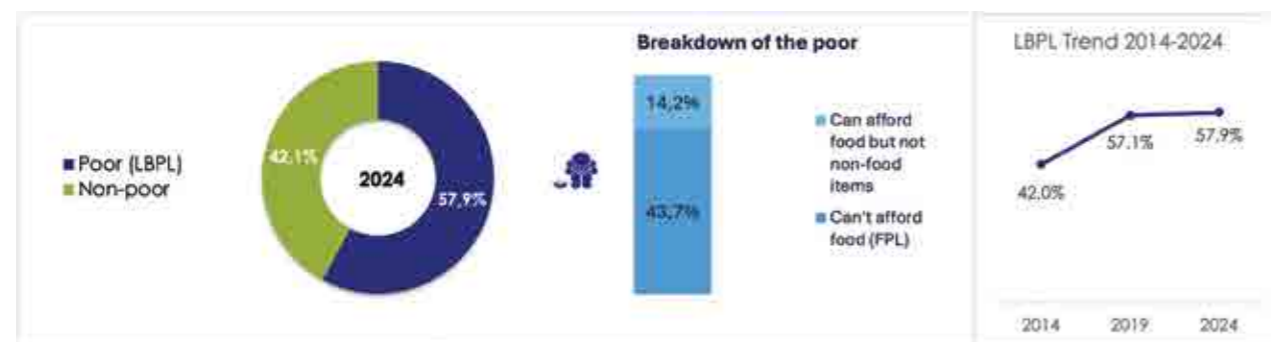
The higher-income segment of the population is relatively small, indicating pronounced economic inequality. Only about 2.7 per cent of those in full-time equivalent employment earned above R51 200 per month in 2024. This distribution pattern creates an unequal society where a life of significant wealth is accessible to only a small fraction of residents while the majority struggles on low to modest incomes.

In 2024, the highest average monthly income was recorded in the seaside town of Infanta (R40 916). The town of Swellendam followed with an average of R15 761, while the smaller rural towns of Buffelsjagrivier (R9 375) and Barrydale (R8 875) reported more modest income levels. Suurbraak recorded the lowest average monthly income at R6 500.

### Poverty

Poverty remains a key challenge, with a significant proportion of the population living below the lower-bound poverty line (LBPL). The poverty headcount ratio measures the proportion of the population that does not earn enough to afford basic food and selected non-food items. The LBPL, specifically, represents the income threshold below which individuals cannot secure adequate levels of both food and essential non-food needs. As of May 2024, this threshold is set at R1 109 per person per month.

**Figure 2.3.16:**  
**POVERTY HEADCOUNT RATE, Swellendam, 2014-2024**



Source: Quantec, 2025

In 2024, 57.9 per cent of the population in the Swellendam municipal area lived below the LBPL, indicating that about half of residents could not afford basic food and essential non-food items. This reflected the clear upward trend in household vulnerability recorded over the previous decade, with the proportion of the population living below the LBPL rising from 35.4 per cent in 2014 to 47.9 per cent in 2019.

Of the population below the LBPL in 2024, a substantial 43.7 per cent were unable to meet even basic food needs, underscoring the persistence of food insecurity.

Swellendam recorded a marginally higher poverty rate than the district's 47.1 per cent, a substantial number of households in the area continuing to face the severe impacts of poverty. These include reduced life expectancy, malnutrition, food insecurity, increased vulnerability to crime and substance abuse, limited educational opportunities, and inadequate living conditions. In response to these challenges, the NDP sets the ambitious target of eradicating poverty by 2030.

The national poverty lines were constructed using the cost-of-basic-needs approach which links welfare to the consumption of goods and services. The lines contain both food and non-food components of household consumption expenditure. • Food poverty line – R796 (in May 2024 prices) per person per month. This refers to the amount of money that an individual will need to afford the minimum required daily energy intake. This is also commonly referred to as the “extreme” poverty line; • Lower-bound poverty line – R1 109 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose total expenditure is equal to the food poverty line; and • Upper-bound poverty line – R1 634 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose food expenditure is equal to the food poverty line.

### 2.3.5 Basic service delivery

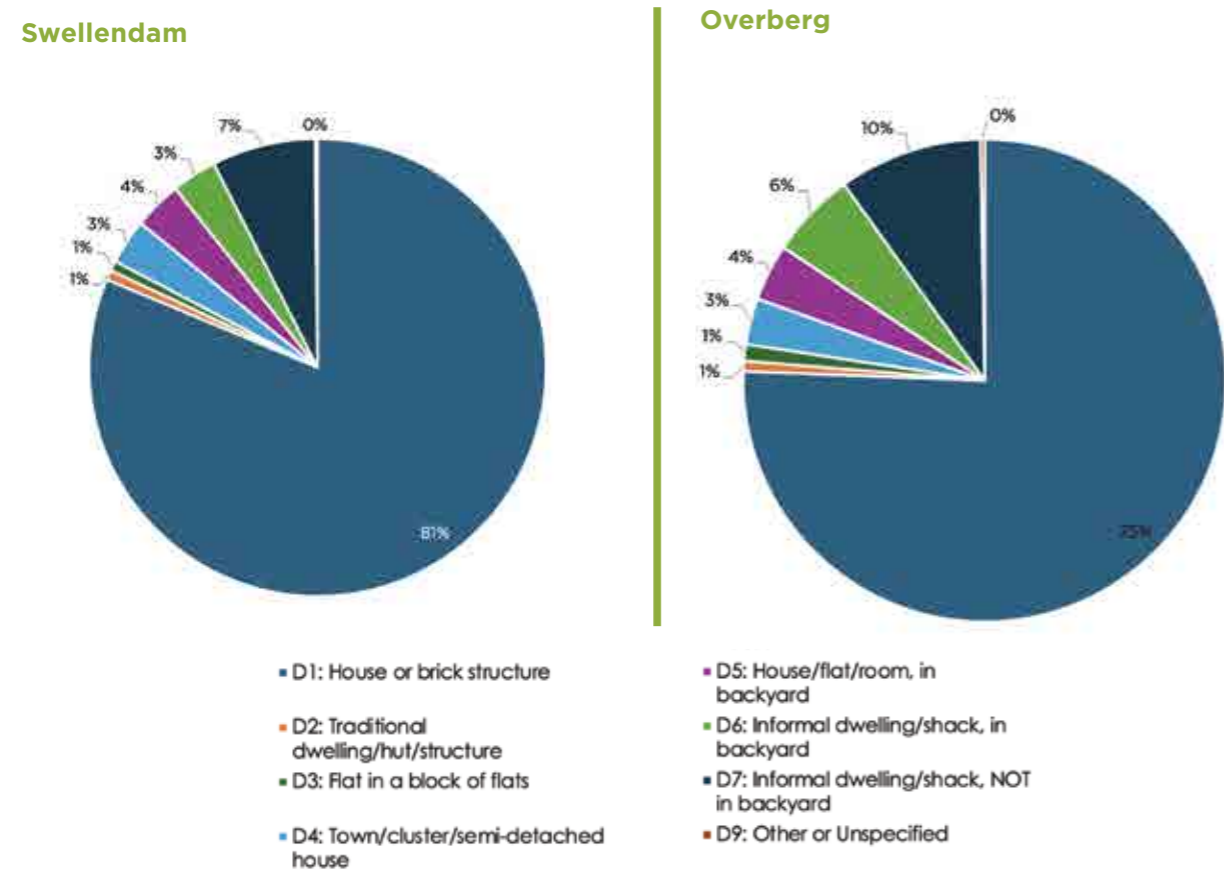
The Constitution of the Republic of South Africa, 1996, guarantees every citizen the right to access adequate housing, and the state must employ reasonable legislative and other measures, within available resources, to progressively realise this right. Access to housing encompasses essential services such as the provision of clean water, basic sanitation, safe energy sources and waste removal, ensuring that households maintain a decent standard of living.

This section considers the extent to which these goals have been achieved. It draws on the most recent official statistics (as supplied by Census 2022), MYPEPPU 2025.2 and up-to-date estimates provided by Quantec Research. Information on indigent households was obtained from the Department of Local Government.

## Housing and household services

Of the 11 346 households residing in the Swellendam municipal area in 2024, 88.5 per cent had access to formal housing. This is slightly higher than the rate observed in the broader OD, which stood at 83.6 per cent.

**Figure 2.3.17:**  
HOUSING TYPES, Swellendam, 2024

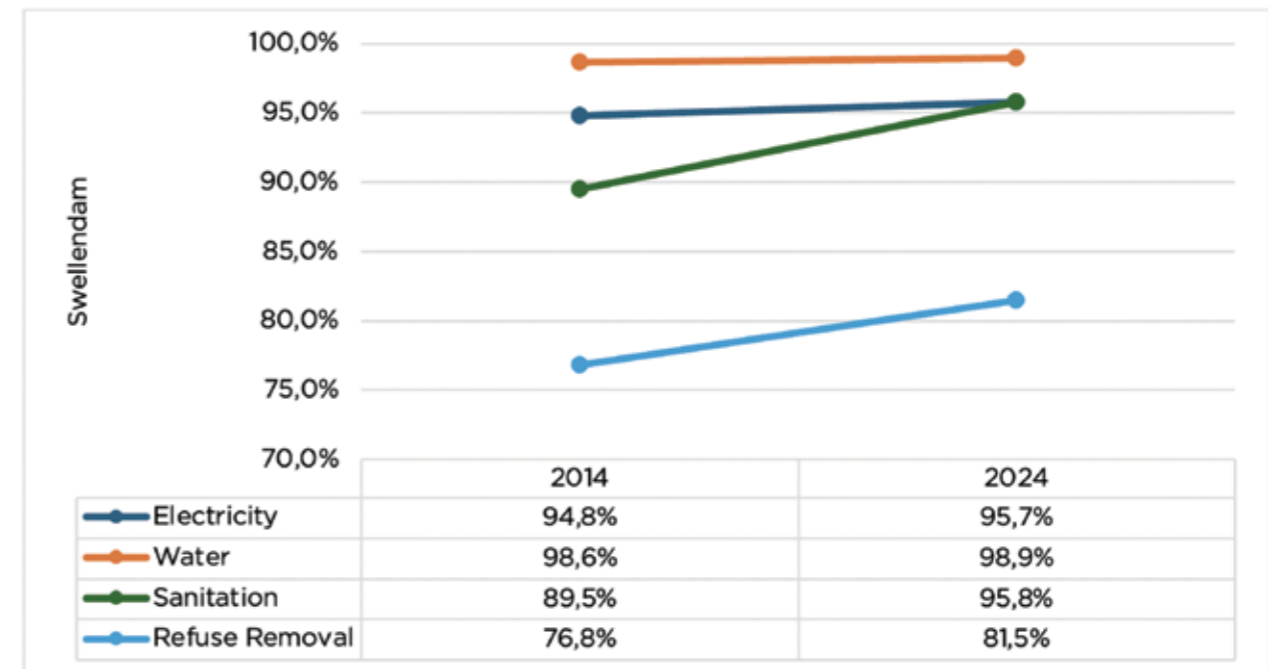
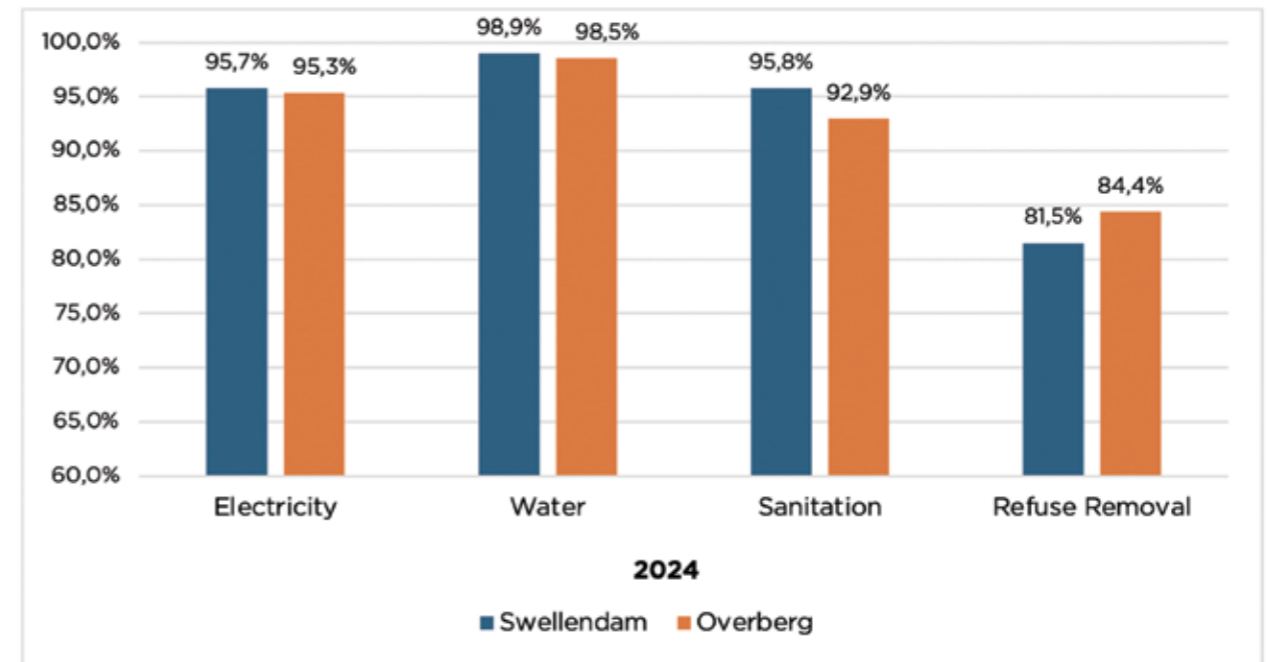


Source: Quantec, 2025

Informal dwellings accounted for only 10.5 per cent of the total, which was lower than the District prevalence of 15.4 per cent. In 2024, both Swellendam and the OD saw an increase in the proportion of informal housing, with the prevalence in Swellendam growing from 9.8 per cent to 10.5 per cent. This upward trend, though modest, suggests that pressure on affordable housing is intensifying, driven by factors such as population growth and the limited availability of affordable housing stock.

In 2025, a total of 3 959 households were registered on the Western Cape Housing Demand Database, up from 3 693 in 2022. This represented an average annual increase of 2.3 per cent over this period. The increase in registration underscores the ongoing need for expanded housing provision by the public and private sectors to enhance living conditions for vulnerable households within the municipal area.

**Figure 2.3.18:**  
ACCESS TO BASIC SERVICES, Swellendam, 2024



Source: Quantec, 2025

The Swellendam municipal area has exhibited notably greater access to basic services than to formal housing for most service areas, with good coverage across most basic service delivery areas.

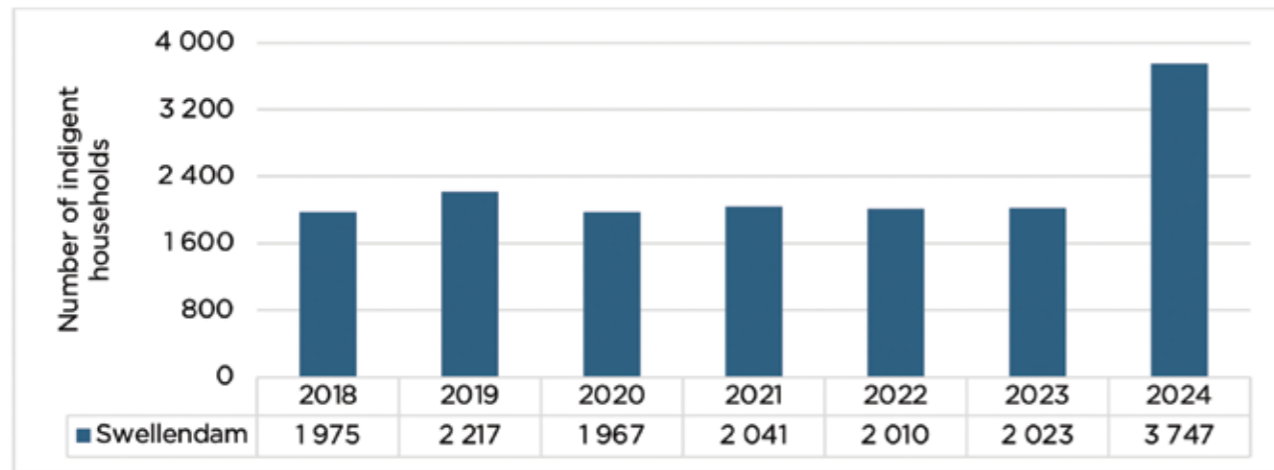
In 2024, access to piped water stood at 98.9 per cent of households, such access ranging from having a source within a dwelling or yard to use of a public, communal or neighbour's tap. The level of access to water was the highest of all basic service access levels.

In addition, 95.8 per cent of households had access to flush/chemical toilets or a pit latrine with ventilation, a slight increase from 95.3 per cent in 2023. Electricity for lighting was available to 95.7 per cent of households, also reflecting an improvement (from 94.9 per cent the previous year). By comparison, regular refuse removal by local authorities was reported in 81.5 per cent of households, the same proportion as during the previous year.

The past decade has seen improvements in all service delivery areas, reflecting reduced service delivery backlogs even with population growth, and contributing positively to the overall quality of life of residents. Overall, the latest figures demonstrate consistently strong service provision in Swellendam, which outperforms District averages across most service categories.

**Free basic services**

**Figure 2.3.19:**  
**INDIGENT HOUSEHOLDS, Swellendam, 2022-2024**



Source: Department of Local Government, 2025

In the context of free basic services, municipalities offer a suite of essential services to households facing financial vulnerability and challenges in affording such services. These households are categorised as indigent.

In the Swellendam municipal area, the number of households receiving free basic services remained relatively stable for several years, hovering around 2 000 until 2023. However, in 2024, the number increased dramatically to 3 747.

This surge marked a significant expansion of recorded financial vulnerability, perhaps indicative of a rapid economic decline or an increase in indigent registrations. Regardless of the cause, the heightened numbers have placed additional strain on municipal resources, highlighting the scale of dependency on support for essential services.

**2.3.6 Safety and security**

Crime plays a significant role in shaping the region’s social and economic environment. Its impact extends beyond individual victims, encompassing loss of life, personal trauma, and broader social and economic consequences. These include hampering economic growth and discouraging investment. Such effects weaken community safety, reduce overall wellbeing and impact the stability of the region.

**Table 2.3.5: CRIMES PER 100 000 PEOPLE, Swellendam, 2022 - 2024**

CRIME CATEGORY	Actual Numbers			Trend	Crime per 100 000 Population	
	2022	2023	2024		Over-strand	Overberg
Murder	11	16	18	↑	45	46
Sexual offences	48	65	59	↔	146	103
Drug-related crime	255	369	449	↑	1 105	1 481
Driving under the influence of alcohol or drugs	92	128	89	↔	220	203
Burglary at residential premises	230	238	251	↑	618	679
Common assault	295	381	395	↑	973	657
Malicious damage to property	180	179	154	↓	380	355
Commercial crime	74	112	117	↑	289	349

Source: Own calculations from Quantec (2025) and MYPEPPU (2025.2) data

Swellendam’s most severe violent crimes present a concerning picture. Murder cases have shown a clear upward trajectory, rising from 11 in 2022 to 18 in 2024. The murder rate of 45 incidence per 100 000 residents is now nearly identical to the OD average of 46. The consistent increase suggests a deepening problem with serious violence in the community. Similarly, sexual offences remain alarmingly high. While the number decreased slightly in 2024, the rate of 146 incidence per 100 000 Residents is significantly higher than the District average of 103, indicating that residents of Swellendam face a disproportionately greater risk of such victimisation compared to the broader region.

The data reveals two significant and growing pressure points: interpersonal conflict and drug-related activity. Common assault has risen sharply, with a rate of 973 incidence per 100 000 residents recorded in 2024. This figure far exceeded the District average of 657. More strikingly, drug-related crime is escalating rapidly, with a rate of 1 105 incidence per 100 000 residents in 2024. Although still lower than the District-wide rate, this figure points to a rapidly expanding local drug trade that is probably fuelling other criminal activities.

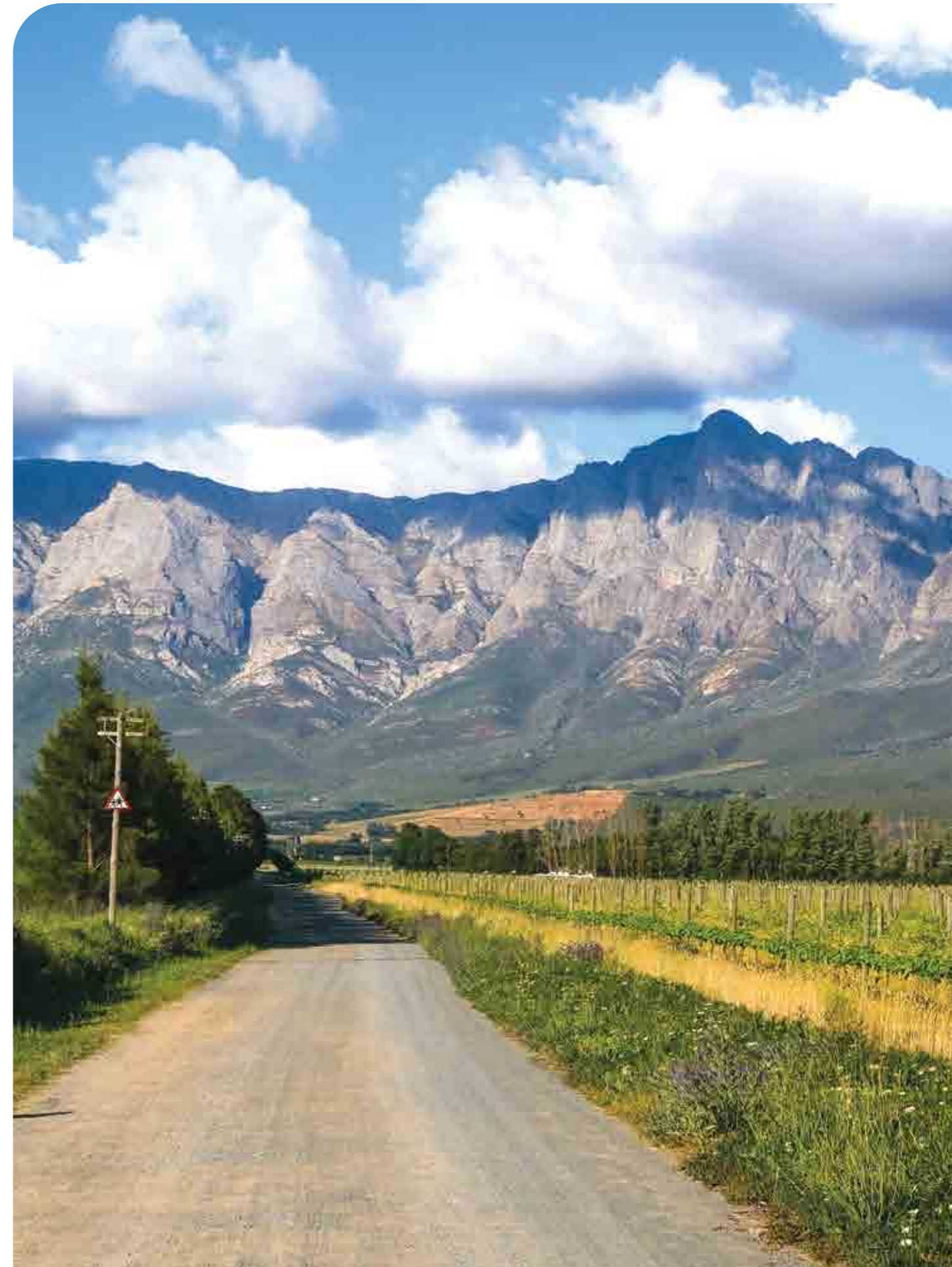
In contrast, burglaries at residential premises have increased modestly, with Swellendam’s rate remaining below the District average. More notably, malicious damage to property has decreased, although the rate was higher than that of the wider OD in 2024. Commercial crime continues to rise, reflecting a persistent threat to local businesses. Again, this has been at a rate lower than that of the District as a whole.

## 2.3.7 Concluding remarks

The state of development in Swellendam is one of progress and persistent challenges. Demographically, the municipal area has a modestly growing population with a large working-age cohort, presenting a potential demographic dividend. On a positive note, Swellendam demonstrates strengths in certain service delivery areas, with high rates of access to formal housing, piped water and sanitation (often exceeding District averages). Furthermore, the education sector is showing improvements, with a markedly higher matric pass rate and better learner retention, suggesting a more effective and supportive schooling environment for a growing youth population.

However, these positive developments are offset by a complex and severe set of socioeconomic challenges. The local economy, while showing growth in average incomes, is fundamentally skewed, with nearly three-quarters of the workforce earning low wages. This creates a broad base of financial vulnerability, something reflected in the fact that half the population lives in poverty (a rate that has been worsening over the past decade). The economic pressures are closely linked to serious social and health concerns, including alarmingly high levels of interpersonal violence, a rapidly expanding drug trade and critical public health challenges. Most notably, a suboptimal immunisation rate places children at increased risk of contracting preventable diseases.

While there is a strong foundation of service delivery and educational gains, this progress exists alongside a significant disparity in economic wellbeing that is characterised by persistent poverty and inequality. The central challenge for Swellendam's future is to harness its demographic and educational potential to overcome the economic disparities and social issues that currently define the lived reality of a significant portion of its community.

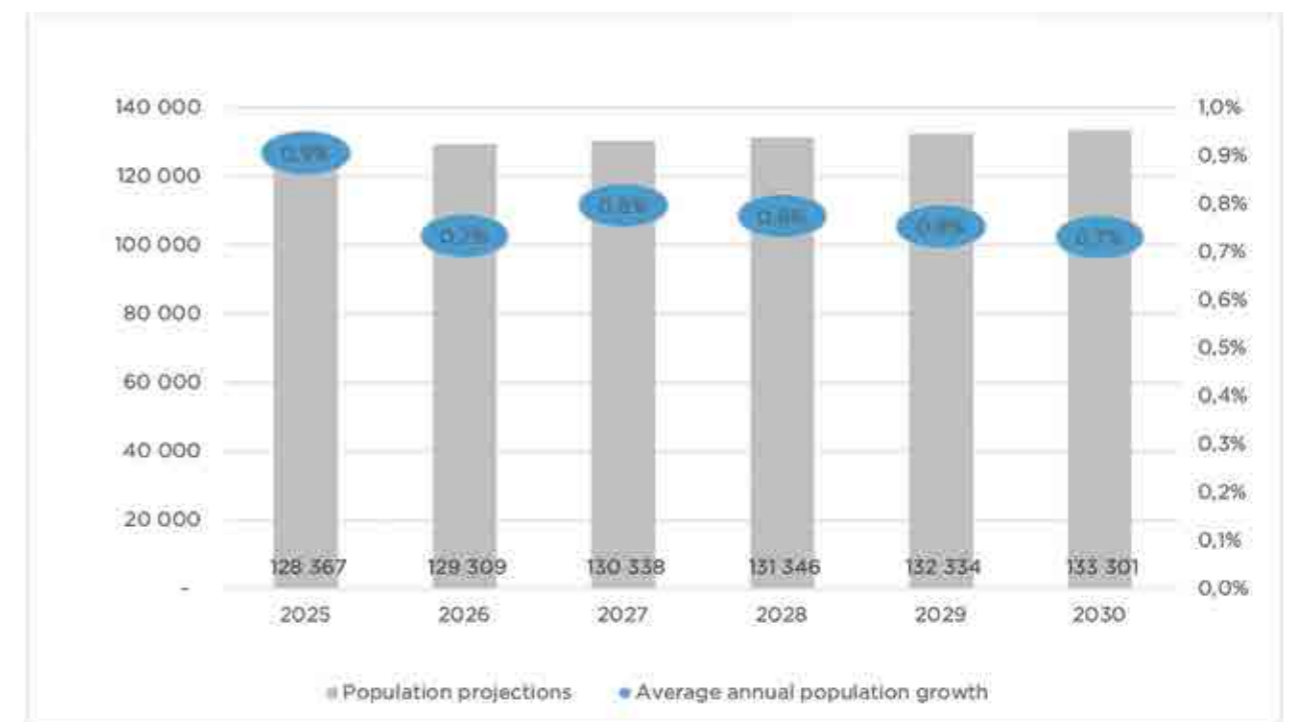


## 2.4.1 Demographics

Understanding population dynamics is critical for effective municipal planning and the equitable provision of public services. Population size, household growth, age structure and migration patterns directly affect the demand for infrastructure, housing, education, healthcare and social services. Monitoring these trends enables policymakers to anticipate service needs, allocate resources efficiently, and design interventions that promote both social wellbeing and economic resilience.

### Population and household growth

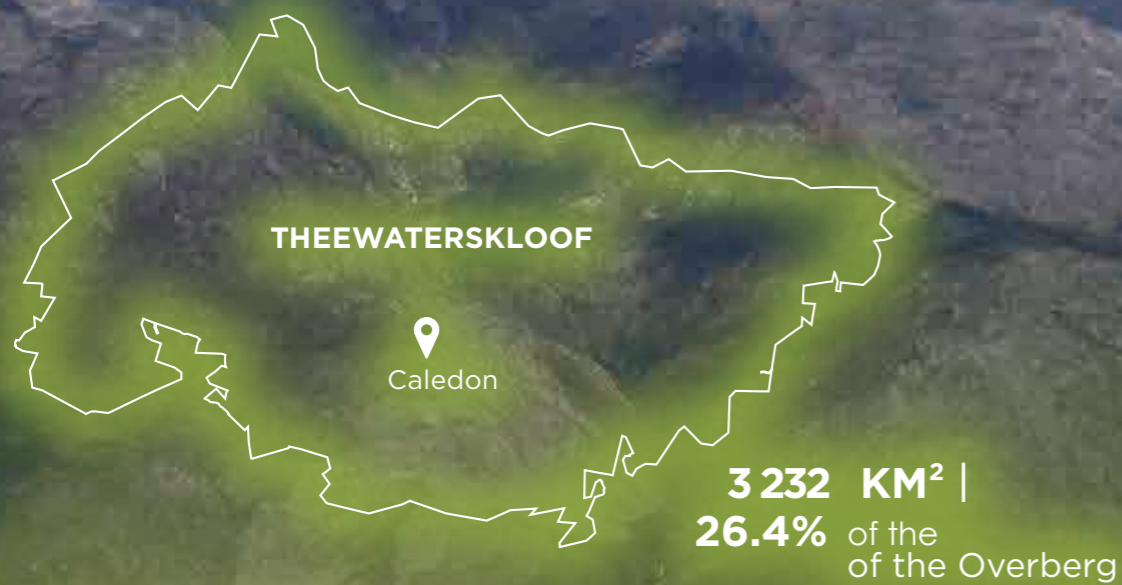
**Figure 2.4.1:**  
POPULATION GROWTH, Theewaterskloof, 2025 – 2030



Source: Department of Social Development, Western Cape Provincial Population Unit (PPU), 2025

The Theewaterskloof municipal area, which includes the towns of Grabouw and Caledon, has a population of 128 367 – the largest of the four municipal areas that make up the Overberg District (OD). Furthermore, the average population growth in the area remains modest, with an annual expansion of merely 0.8 per cent expected between 2025 and 2030.

Encompassing an estimated 33 652 households in 2025, Theewaterskloof has an average household size of 3.8 persons. It is noteworthy that the number of households recorded in Census 2022 significantly exceeds the count reflected in the Mid-year population estimates (MYPE), indicating a higher-than-projected increase in households over the period of 2011 to 2022. The divergence between the MYPE and census figures has important implications for the provision of municipal services and the planning of requisite infrastructure.



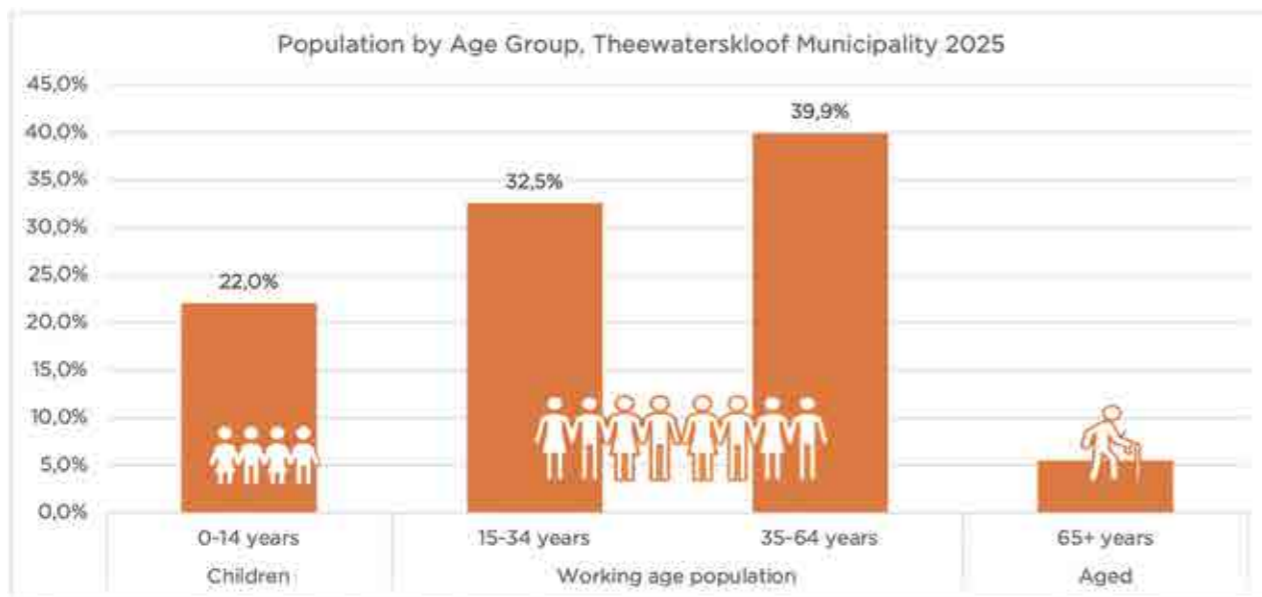
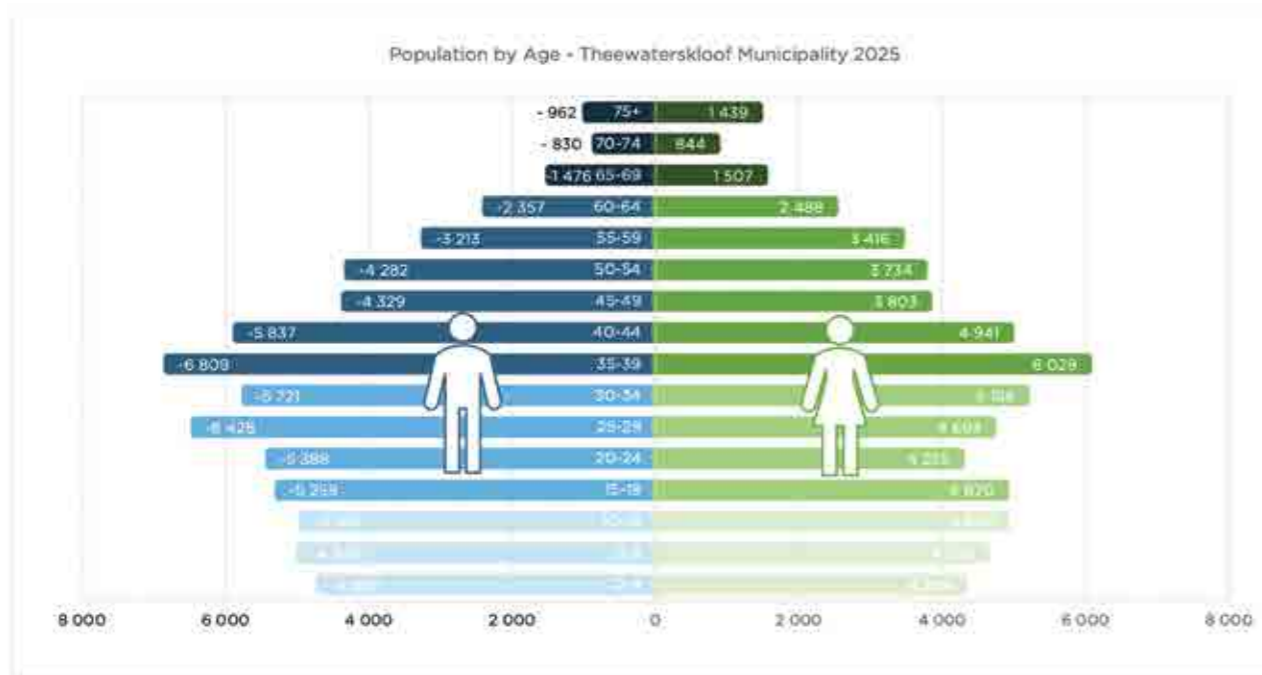
## 2.4 THEEWATERSKLOOF

### SAFETY AND WELL-BEING

This section delves into the social trends that shape the identity of the Theewaterskloof municipal area. Population dynamics, income, housing needs and essential services are reviewed with a nuanced examination of healthcare, education and crime metrics. Overall, the section offers a comprehensive view of community wellbeing and future prospects, showing the interplay of social and economic undercurrents in the municipal area.

## Gender, Age and Race Dynamics

**Figure 2.4.2:**  
**POPULATION PYRAMID, Theewaterskloof, 2025**

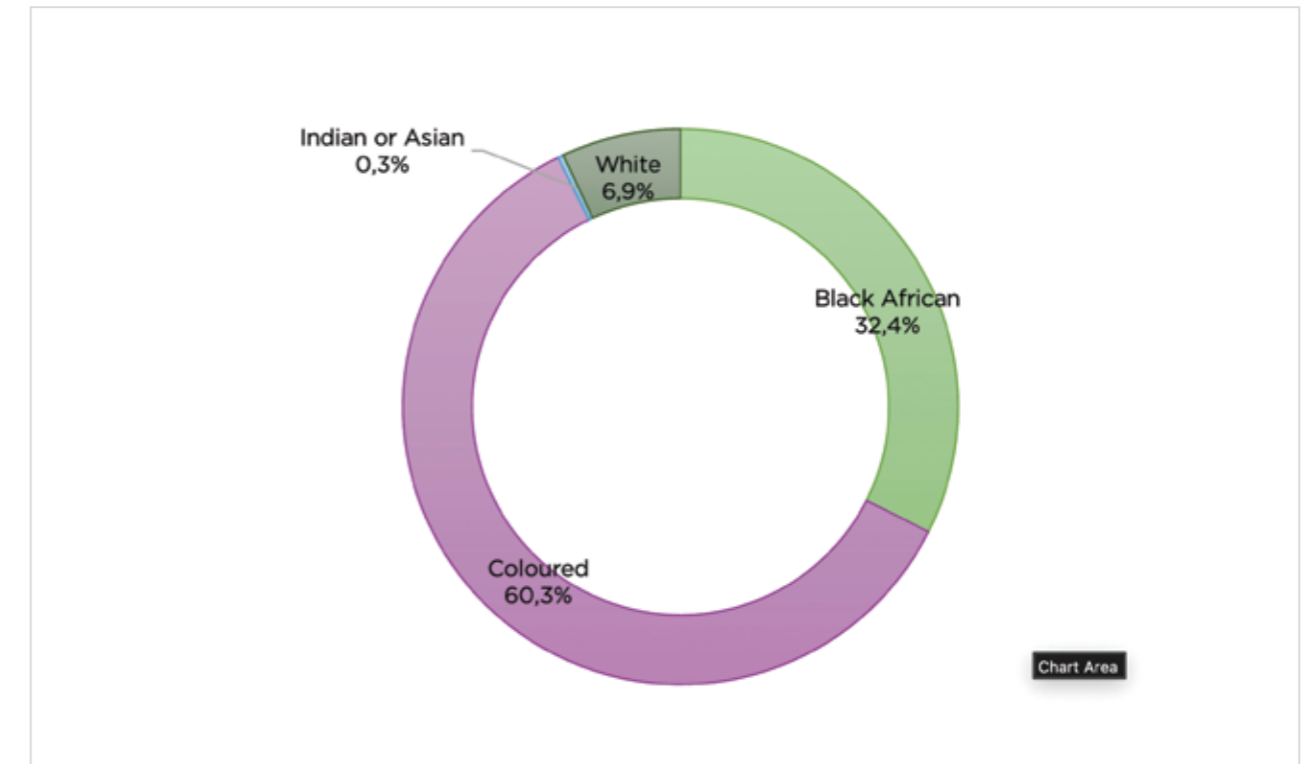


Source: MYPEPPU, 2025.2

A closer look at the gender makeup of Theewaterskloof shows a marginally greater representation of males compared to females in 2025 in Theewaterskloof. At the same time, the age distribution shows a higher proportion of people in the working-age category. People of working-age 15 to 65 years – accounted for the largest share of the population (72.5 per cent), while children (22.0 per cent) and older adults (5.5 per cent) made up smaller shares of the total. The growing size of the working-age population has contributed to a decline in the dependency ratio.

This ratio measures the number of dependents (children and the elderly) in an area relative to the working-age population. In Theewaterskloof, the ratio dropped to 38.0 in 2025, indicating that fewer dependents rely on each working-age adult. This is generally a positive demographic signal, suggesting that a larger share of the population is potentially economically active. However, it also highlights the need for sufficient employment opportunities and skills development to absorb and sustain the growing working-age population.

**Figure 2.4.3:**  
**RACIAL COMPOSITION, Theewaterskloof, 2024**



Source: Quantec, 2025

Examining the racial composition of the population provides valuable insight into the social and historical landscape of Theewaterskloof. The area remains predominantly composed of coloured residents (60.3 per cent in 2024), with Black African (32.4 per cent) and whites (6.9 per cent) forming smaller but significant portions of the population. This distribution highlights the continued need to promote inclusivity and social cohesion, thereby ensuring that all population groups have equitable access to opportunities and resources. In this context, fostering social unity and reducing structural disparities are essential steps towards building a more integrated and equitable society.

The above demographic information highlights the evolving composition and distribution of the Theewaterskloof population, revealing opportunities and pressures for municipal service delivery. A growing working-age population, coupled with a substantial youth cohort and a relatively small elderly cohort, underscores the need for targeted education, employment, healthcare and social support services. Likewise, shifts in household size and density patterns have direct implications for housing, sanitation and urban planning. Integrating these population trends into strategic planning is essential for ensuring that the municipal area can sustainably support its residents while maintaining economic vitality and social equity.

## 2.4.2 Health and wellness

South Africa's healthcare system comprises a mix of public and private providers, and its health facilities are an essential component of ensuring access to healthcare services for the country's diverse population. The state plays a pivotal role in providing healthcare services through the public sector, while the private sector offers additional options for those who can afford them. The public healthcare system follows a referral system, where patients receive primary care at clinics and are referred to district or provincial hospitals for specialised care when needed.

### Access to Health Facilities

The Theewaterskloof municipal area includes five fixed primary healthcare facilities and 11 mobile/satellite clinics. Additionally, there are 10 anti-retroviral therapy (ART) clinics and 13 tuberculosis (TB) treatment sites as well as a district hospital.

As an integral part of the healthcare system, Emergency Medical Services (EMS) can significantly impact survival and recovery in crisis situations. EMS encompasses a range of services, personnel and resources to allow for immediate medical assistance, transportation to healthcare facilities, and pre-hospital care of individuals facing health emergencies. In this context, operational ambulances are a significant component of EMS resources.

In 2024/25, Theewaterskloof had a total of 13 ambulances servicing the area (unchanged compared to the previous year), which translated into 0.9 ambulances per 10 000 people. This figure includes only Provincial ambulances, not the vehicles of private service providers

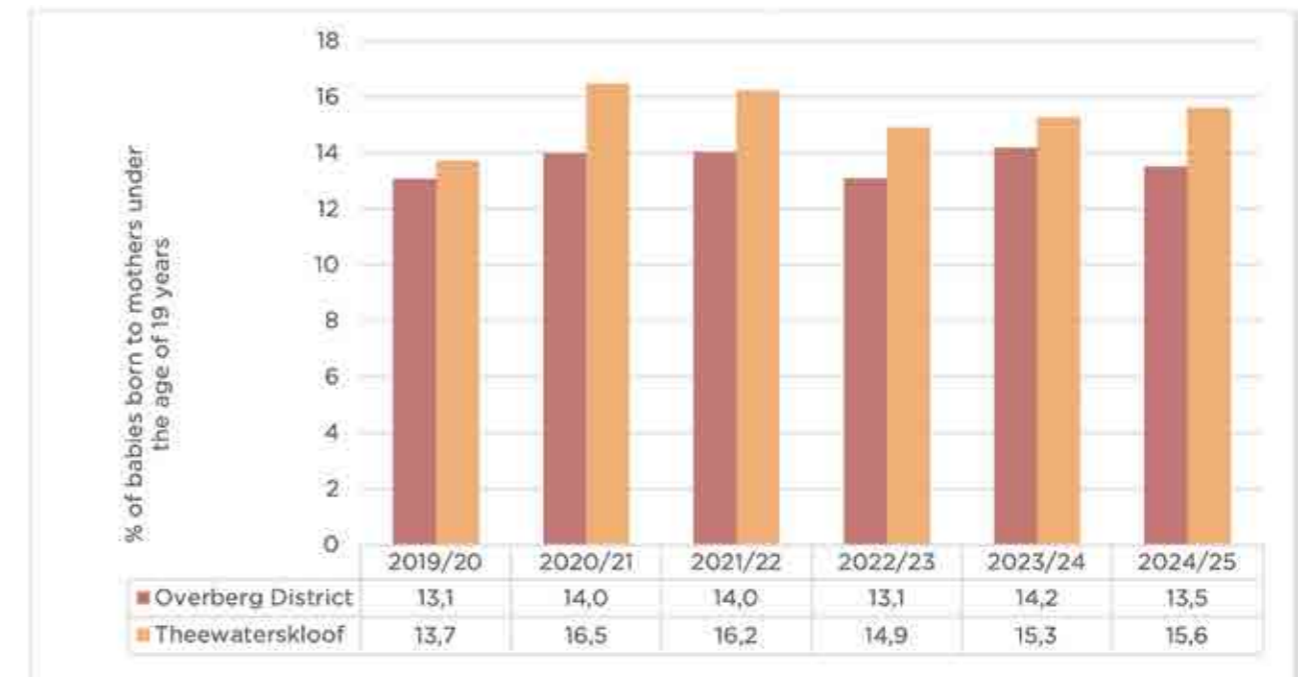
### Maternal and Child Health

Maternal health is a critical aspect of public health, encompassing the wellbeing of women during pregnancy, childbirth and the postnatal period. In South Africa, key issues influencing maternal health include high rates of teenage pregnancy, the prevalence of termination of pregnancy and ongoing challenges related to maternal mortality. These factors not only affect the health outcomes of women and infants but also reflect broader social and economic dynamics that shape access to healthcare and reproductive choices.



## Teenage pregnancy

**Figure 2.4.4:**  
DELIVERY RATE TO WOMEN UNDER 19 YEARS, Theewaterskloof, 2019/20 – 2024/25



Source: Western Cape Department of Health and Wellness, 2025

The teenage pregnancy rate in Theewaterskloof has fluctuated. Most recently, a slight increase was recorded, with the proportion of deliveries to women aged 10 to 19 years rising from 15.3 per cent in 2023/24 to 15.6 per cent in 2024/25. The proportion is from a total of 252 births to teenagers in the Theewaterskloof municipal area. The rate of this region has remained higher than the District rate over the period indicated in the figure above (i.e. from 2019/20 to 2024/25). The figures remain high and may point to challenges in sexual and reproductive health education, access to contraceptives, and broader socioeconomic factors that influence early childbearing. The persistence of teenage pregnancy may also be linked to the demand for termination of pregnancy services, making this a critical area of focus in understanding maternal health challenges in Theewaterskloof.

Teenage pregnancy is calculated as the percentage of babies born to mothers under the age of 19 in a given year.

Teenage pregnancy is almost always unplanned. Consequently, when young parents are placed in the position of having to care for a child, they can find themselves woefully unprepared for the challenges that this brings. This is especially the case if they do not have family members who can assist them or social support.

## Termination of Pregnancy Rate

**TABLE 2.4.1: TERMINATION OF PREGNANCY RATE, Theewaterskloof, 2019/20 – 2024/25**

MUNICIPALITY	Termination of Pregnancy Rate (%)					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	0.6	0.7	0.6	0.6	0.5	0.6
Theewaterskloof	0.6	0.6	0.7	0.6	0.6	0.6

Source: Western Cape Department of Health and Wellness, 2025

The termination of pregnancy rate remained steady at 0.6 per cent in 2024/25, with the total number of terminations having decreased from 208 in 2023/24 to 198 in 2024/25. However, this decrease does not necessarily reflect a reduction in demand; it may instead point to underlying barriers to accessing safe termination services such as limited availability, restricted access or social stigma. Understanding these dynamics is essential, as restricted access to safe termination services can increase the risk of unsafe procedures and contribute to broader maternal health challenges within the community.

The termination of pregnancy rate is calculated as the number of women who undergo terminations as a proportion of females aged 15 to 44 years in a given year.

Government hospitals designated private doctors and gynaecologists, and non-profit providers offer safe and legal termination of pregnancy. To obtain a free abortion, the request must be made at a primary healthcare clinic. At the clinic, the pregnancy will be confirmed, counselling provided, an appointment made with a facility where the procedure can be performed, and a referral letter provided for this facility.

## Maternal Mortality Rate

**TABLE 2.4.2: MATERNAL DEATHS PER 100 000 LIVE BIRTHS, Theewaterskloof, 2019/20 – 2024/25**

MUNICIPALITY	Maternal Mortality Ratio					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	0.0	20.5	0.0	0.0	47.9	71.9
Theewaterskloof	0.0	45.9	0.0	0.0	108.3	171.4

Source: Western Cape Department of Health and Wellness, 2025

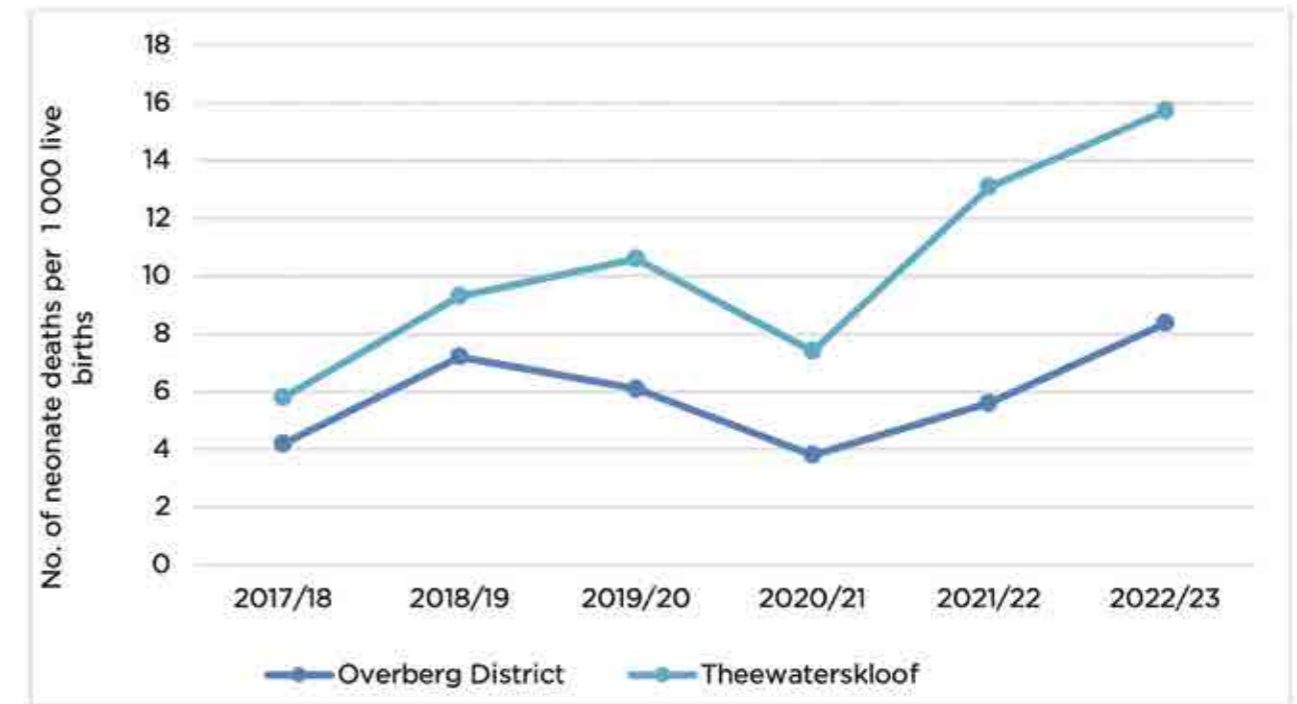
Within the wider OD, the maternal mortality rate (MMR) rose from 47.9 in 2023/24 to 71.9 deaths per 100 000 live births in 2024/25. This increase stemmed exclusively from a rise in the MMR of Theewaterskloof, as no other municipal areas of the District recorded maternal deaths during this period. In Theewaterskloof, the number of maternal deaths increased from two to three between 2023/24 and 2024/25, prompting the maternal mortality rate of the area to rise from 108.3 to 171.4 deaths per 100 000 live births.

The maternal mortality rate is the number of maternal deaths per 100 000 live births in public health facilities in a given year.

Maternal death is death that occurs in the course of a pregnancy, during childbirth or the puerperium, or within 42 days of termination of pregnancy. This is irrespective of the duration and site of pregnancy and irrespective of the cause of death (obstetric or non-obstetric).

## Neonatal Mortality Rate

**Figure 2.4.5: NEONATAL MORTALITY RATE, Theewaterskloof, 2019/20–2024/25**



Source: Western Cape Department of Health, 2025

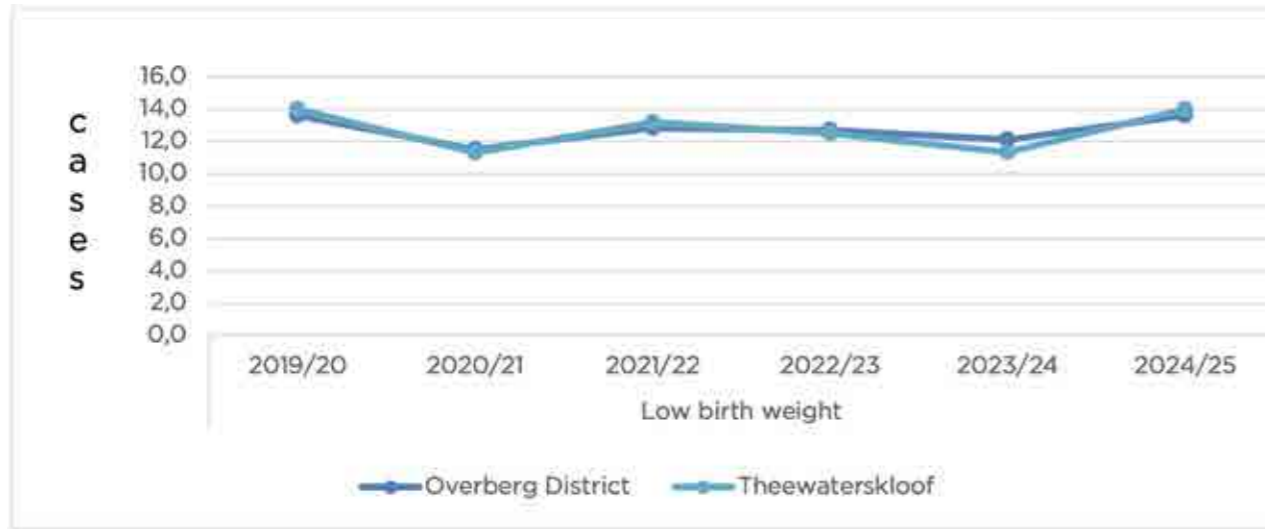
The neonatal mortality rate registered an improvement in 2023/24 but again deteriorated in 2024/25 (to 4.9 neonate deaths per 1 000 live births). This is as a result of 8 neonate deaths before they reached 28 days of age, up from 7 in the previous year.

The neonatal mortality rate is the number of neonates that die before reaching 28 days of age per 1 000 live births in a given year.

The first 28 days of life (i.e. the neonatal period) constitute the most vulnerable time for a child's survival. The Province set a target for 2019 of 6.0 neonatal deaths per 1 000 live births.

### Low Birth Weight

Figure 2.4.6:  
LOW BIRTH WEIGHT, Theewaterskloof, 2019/20–2024/25



Source: Western Cape Department of Health and Wellness, 2025

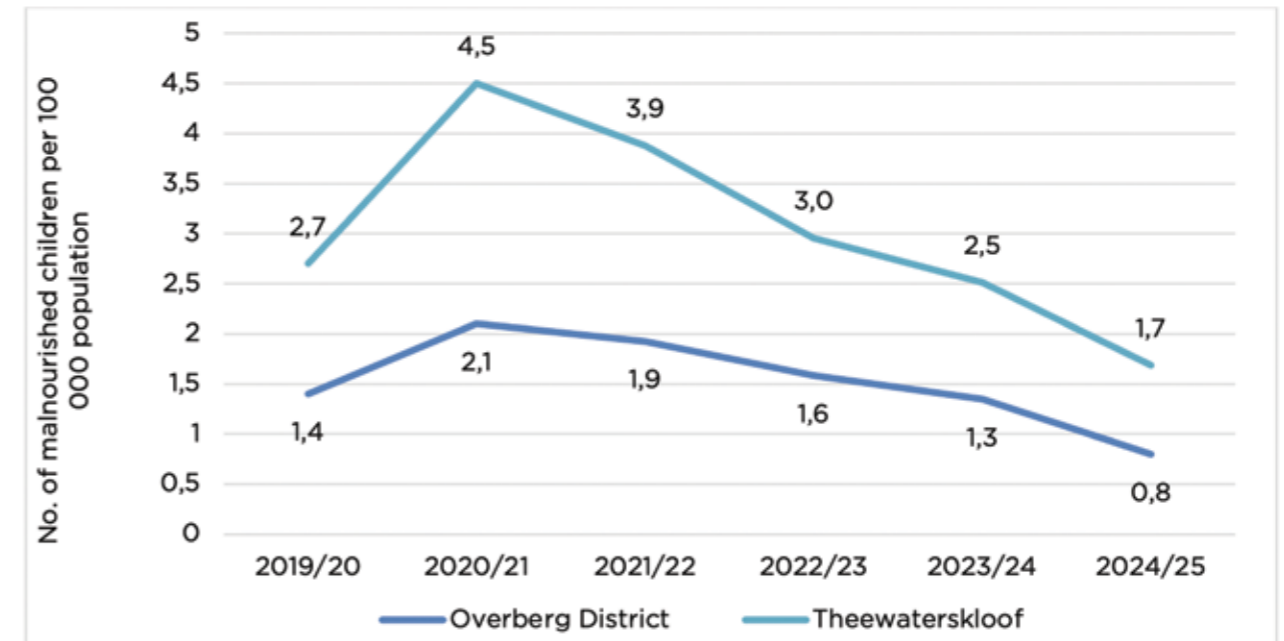
The health and nutritional status of a mother greatly affect the growth and development of her baby during pregnancy and infancy. Birth weight is an indicator of both foetal growth and maternal wellbeing. If the mother is undernourished, in poor health, very young or very old, there is a greater chance of pregnancy- or labour-related complications, including the baby being born with a low birth weight. From 2023/24 to 2024/25, Theewaterskloof experienced an increase in the number of babies born with a low birth weight in a facility, causing the rate of such births to rise from 11.3 per cent to 14.0 per cent.

The low birth weight rate is the percentage of all babies, in a given year, who are born alive in a facility and weigh less than 2 500 g at birth.

Low birth weight is associated with a range of short- and long-term difficulties.

### Malnutrition

Figure 2.4.7:  
MALNUTRITION, Theewaterskloof, 2019/20–2024/25



Source: Western Cape Department of Health and Wellness, 2025

The prevalence of children with severe acute malnutrition has steadily declined in the municipal area, falling from 4.5 per 100 000 individuals in 2020/21 to 1.7 in 2024/25. This downward trend indicates progress in child nutrition and the effectiveness of public health interventions. However, Theewaterskloof’s rate remains above the OD average of 0.8 per 100 000 in 2024/25.

Sustaining this momentum will require continued efforts to address the underlying drivers of food insecurity, particularly poverty, by overcoming the financial barriers that limit household access to nutritious food.

The severe acute malnutrition rate is the number of malnourished children under five years of age per 100 000 people in a given year.

Malnutrition may refer to either under-nutrition (an individual not receiving adequate amounts of nutrients) or over-nutrition (an individual receiving excessive amounts of nutrients).

## Immunisation

Figure 2.4.8:  
IMMUNISATION RATE, Theewaterskloof, 2019/20–2024/25



Source: Western Cape Department of Health and Wellness, 2025

In 2024/25, a total of 1 789 children under the age of one were immunised in the Theewaterskloof municipal area, representing a coverage rate of 87.4 per cent. While the rate was slightly up from the 84.6 per cent recorded in 2019/20, a portion of young children in the area are still at risk of preventable illnesses. Evidence suggests that vaccine hesitancy, partly driven by anti-vaccine sentiment that emerged during the COVID-19 pandemic, has influenced child immunisation rates.

The immunisation rate is the number of children immunised, in a given year, per total number of children less than one year of age.

Immunisation protects both adults and children against preventable infectious diseases. Low immunisation rates speak to the need for parents to understand the critical importance of immunisation.

## Burden of disease

### HIV and AIDS

TABLE 2.4.3: TOTAL REGISTERED PATIENTS ON ART, Theewaterskloof, 2019/20 – 2024/25

MUNICIPALITY	Total registered patients receiving ART					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	13 712	13 490	14 686	15 119	15 872	14 733
Theewaterskloof	5 587	5 381	6 311	6 440	6 592	5 980

Source: Western Cape Department of Health and Wellness, 2025

Theewaterskloof's ART programme has demonstrated significant resilience and growth, successfully navigating the disruption caused by the COVID-19 pandemic. After a notable dip in 2020/21, a period probably impacted by healthcare access challenges, patient numbers surged by 17.3 per cent the following year (2021/22) to 6 311, indicating a successful catch-up and intensified case-finding effort. This growth phase continued, with patient numbers steadily increasing to a peak of 6 592 in 2023/24, reflecting the programme's sustained capacity to initiate and retain more patients on life-saving treatment.

However, the most recent data (for 2024/25) reveals a concerning and sharp reversal of this positive trend, with a significant drop of 612 patients. This decline, contributing to a District-wide trend, demands attention. Addressing the root cause of this setback is critical to regaining momentum and ensuring the long-term success of the HIV treatment programme in the municipal area.

### Tuberculosis (TB)

TABLE 2.4.4: TOTAL REGISTERED TB PATIENTS, Theewaterskloof, 2019/20 – 2024/25

MUNICIPALITY	Number of TB patients registered on treatment					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Overberg District	1 927	1 768	1 852	2 000	2 297	2 307
Theewaterskloof	967	898	791	790	956	975

Source: Western Cape Department of Health and Wellness, 2025

Theewaterskloof experienced a steep decline in registered TB patients from 2019/20 to 2022/23, the number falling from 967 to 790. This trend was probably indicative of COVID-19 disruptions to healthcare services and case detection. The subsequent increase to 975 patients in 2024/25 indicates a reversal of this trend and successful efforts to re-engage patients. However, the fact that patient numbers have only just returned to near pre-pandemic levels suggests that challenges in TB detection and care continuity are yet to be fully addressed.

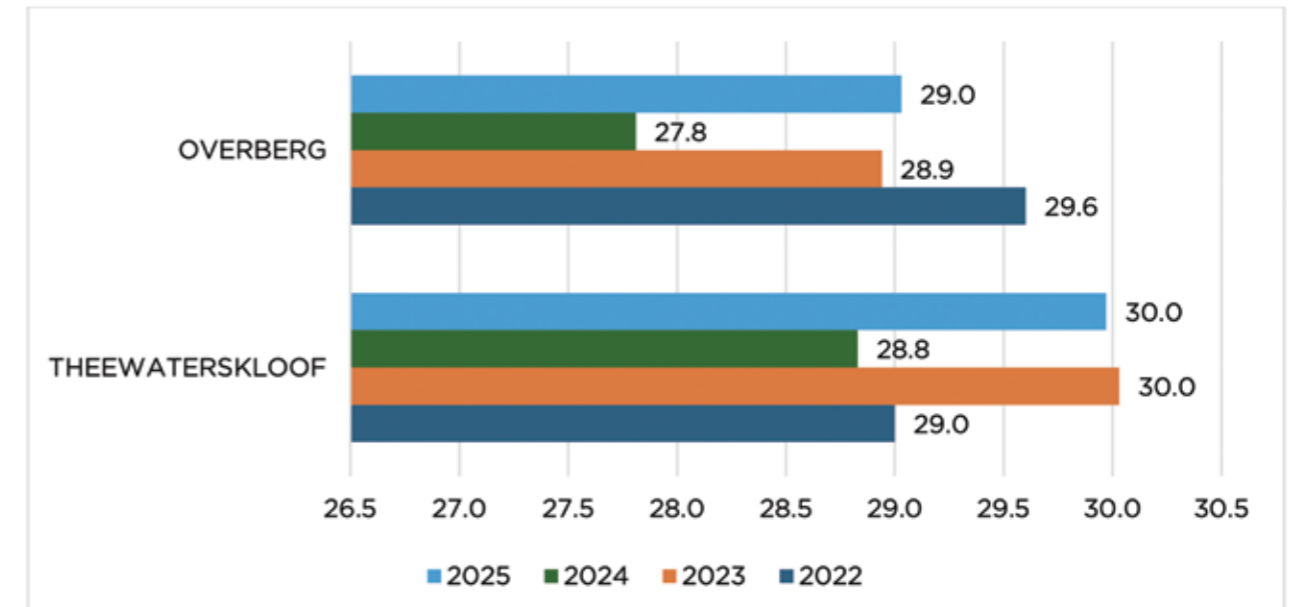
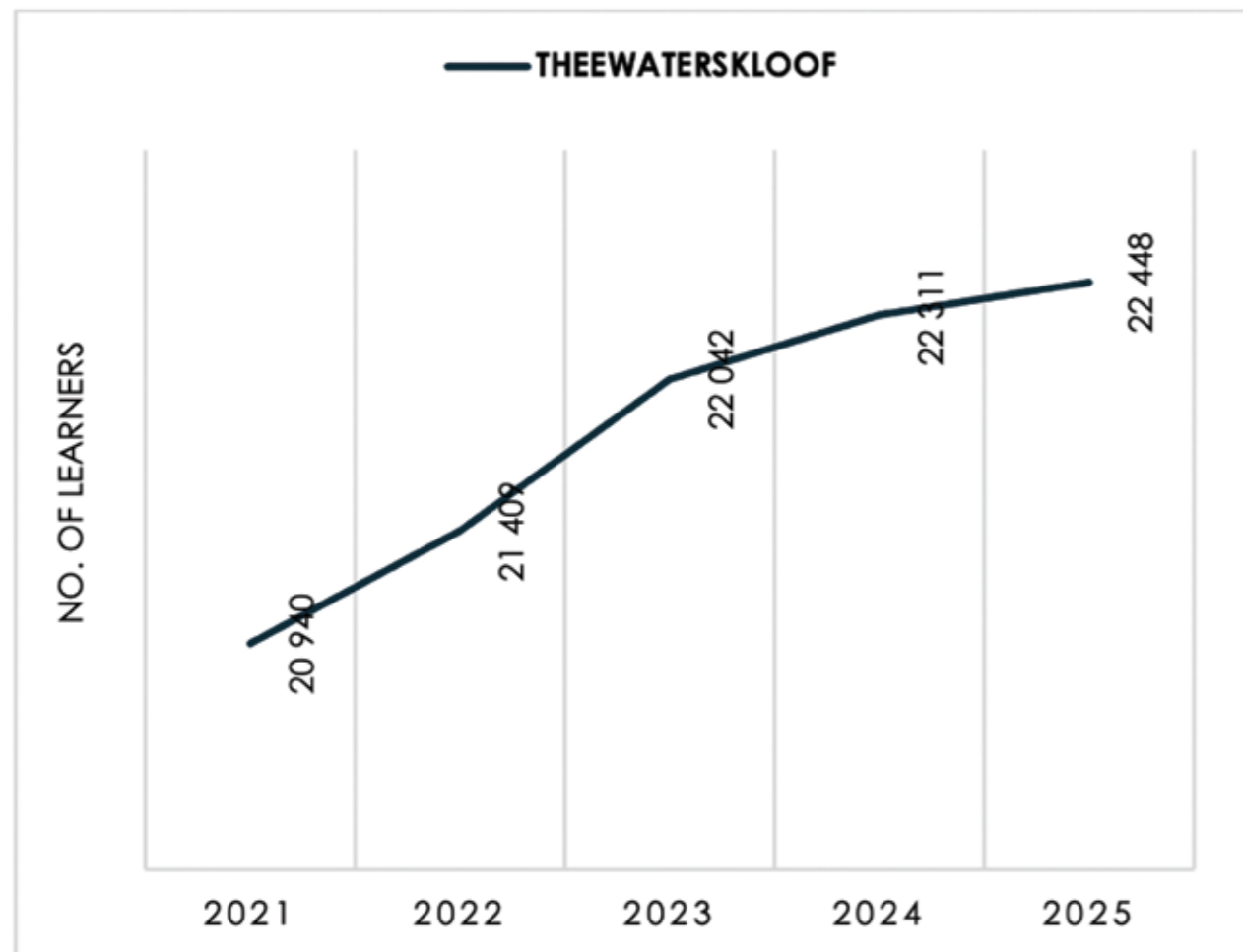
## 2.4.3 Education

### Education resources

Schooling is a cornerstone of individual development and societal progress. It provides the foundation for personal empowerment by equipping learners with the knowledge and skills needed to participate meaningfully in their communities. In shaping future generations, education influences both immediate outcomes and long-term prospects, nurturing individual potential and enabling contributions to social and economic development.

The addition of Umyezo Wama Apile Number 2 Primary School Academy in Grabouw in 2024 brought the total number of schools in Theewaterskloof to 37. This number remained unchanged in 2025. Of these 37 schools, 86.5 per cent are classified as no-fee schools. The No-Fee Schools Policy abolishes school fees in the poorest 40.0 per cent of schools nationally and compensates schools through increased per-learner funding from the national budget. This applied to 32 of the 37 schools in the area, demonstrating efforts to reduce financial barriers to access. Encouragingly, the number of schools with libraries increased to 24, signalling progress in resource availability, although disparities remain.

**Figure 2.4.9:**  
**LEARNER ENROLMENT AND LEARNER-TEACHER RATIO, Theewaterskloof, 2021-2025**



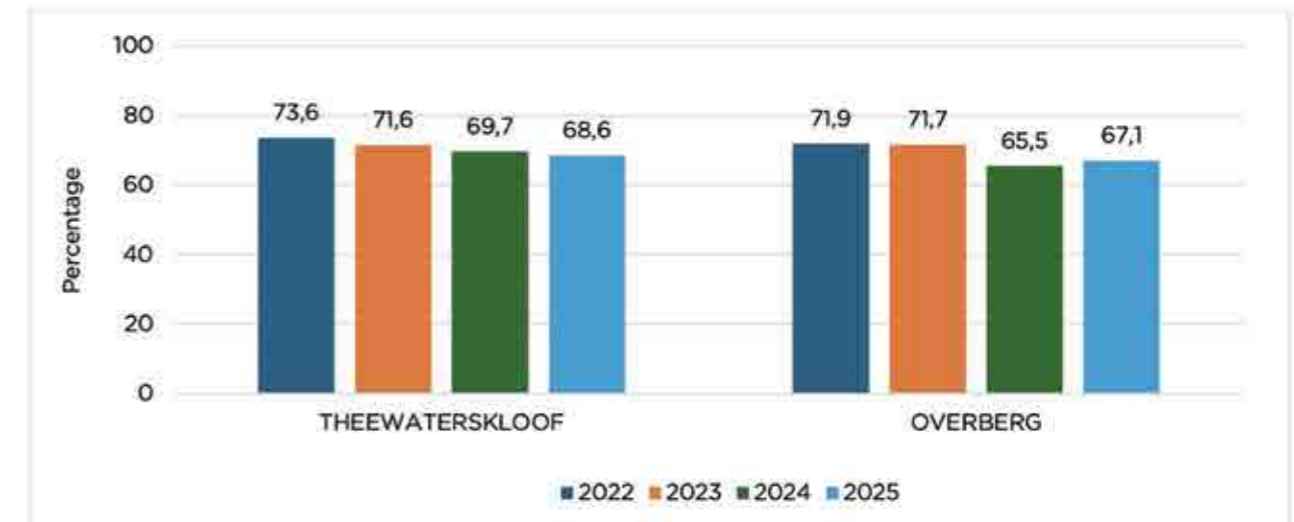
Source: Western Cape Department of Education, 2025

Learner enrolment in the Theewaterskloof municipal area reached 22 448 in 2025, up from 22 311 in 2024, continuing the steady growth observed. However, rising enrolment also brings challenges, particularly in terms of infrastructure, teaching resources and the ability to maintain consistent standards of educational quality.

The learner-teacher ratio (LTR), an enabler of education quality, increased from 29.0 in 2022 to 30.0 in 2025. While these LTRs are within an acceptable range, it should be noted that higher ratios can place pressure on teachers, limiting the attention given to individual pupils and potentially undermining learning outcomes. Larger class sizes also risk reinforcing educational inequalities, as schools with fewer resources may struggle to maintain teaching standards. This underscores the importance of sustained investment in both infrastructure and teaching capacity to ensure equitable, high-quality education.

### Retention rates

**Figure 2.4.10:**  
**GRADE 10 -12 LEARNER RETENTION RATE, Theewaterskloof, 2022-2025**



Source: Western Cape Department of Education, 2025

Despite the positive trajectory in enrolment, learner retention remains a serious concern. The retention rate in Theewaterskloof for Grades 10 to 12 has deteriorated steadily since 2022, falling from 73.6 per cent to 68.6 per cent in 2025. This indicates increasingly high drop-out rates in the area. A similar trend was observed within the District in 2024; however, the 2025 rate improved slightly, increasing to 67.1 per cent. Even so, the OD rate for 2025 was lower than that of the Theewaterskloof municipal area.

Contributing factors to low retention generally include economic hardships such as unemployment and poverty, social challenges like teenage pregnancy, overcrowded classrooms, and individual circumstances that make it difficult for learners to remain engaged in their studies. Tackling the drop-out crisis requires a coordinated, community-driven response that strengthens support systems for learners and creates an inclusive environment where all students can succeed.

### Education outcomes

**Figure 2.4.11:**  
MATRIC PASS RATE, Theewaterskloof, 2021-2024



Source: Western Cape Department of Education, 2025

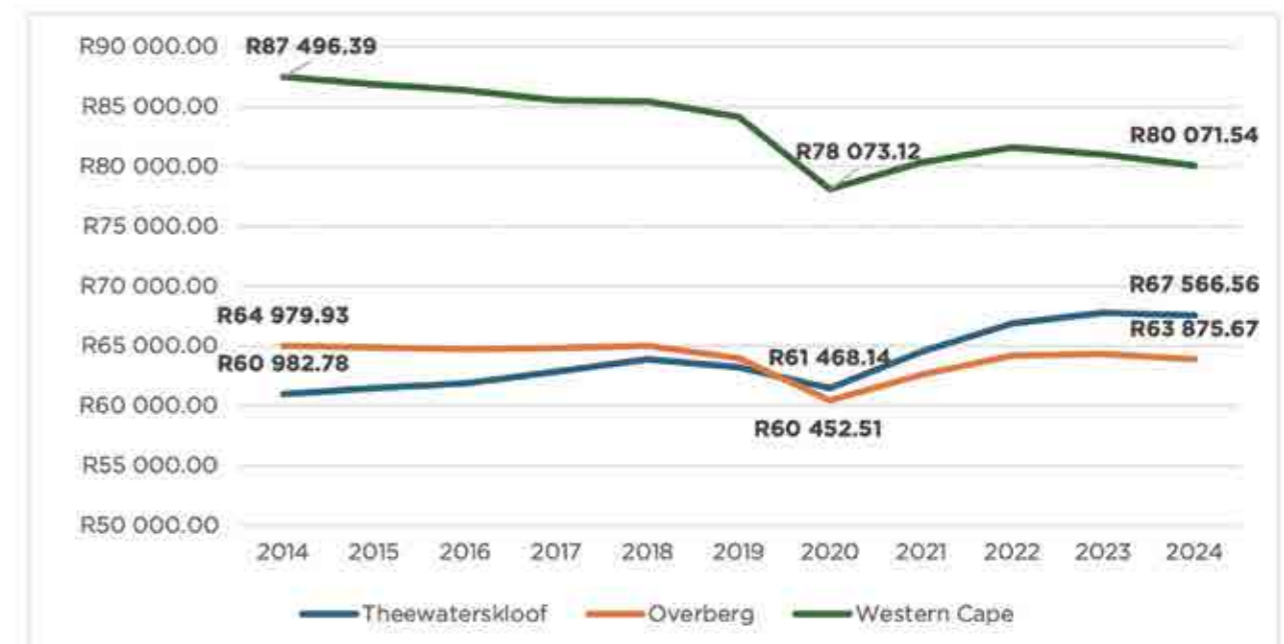
Theewaterskloof’s matric pass rate improved steadily from 2021 to 2024, rising from 79.4 per cent to 87.2 per cent. While a higher pass rate typically signals positive academic outcomes, the retention rate reveals a more nuanced reality. Many learners exit the system before reaching Grade 12, meaning the matric pass rate reflects only the performance of those who remain enrolled. The exclusion of struggling learners can inflate the performance of the system, underscoring the importance of considering retention rates when assessing educational outcomes holistically.

## 2.4.4 Poverty, income and inequality

In the Theewaterskloof municipal area, income patterns reveal significant disparities: while some households experience rising prosperity, others face persistent financial strain. To understand these dynamics, this section examines gross domestic product per region (GDPR) per capita as a measure of overall economic activity, and the Gini coefficient to determine the extent of income inequality. A review of tax data from the South African Revenue Service (SARS) provides insight into median incomes, patterns of income distribution and the number of contributors to the tax system. Finally, the section examines poverty, illustrating how financial hardship intersects with broader income patterns and revealing the inequalities that shape everyday life in Theewaterskloof.

### Income inequality

**Figure 2.4.12:**  
GDPR PER CAPITA, Theewaterskloof, 2021-2024



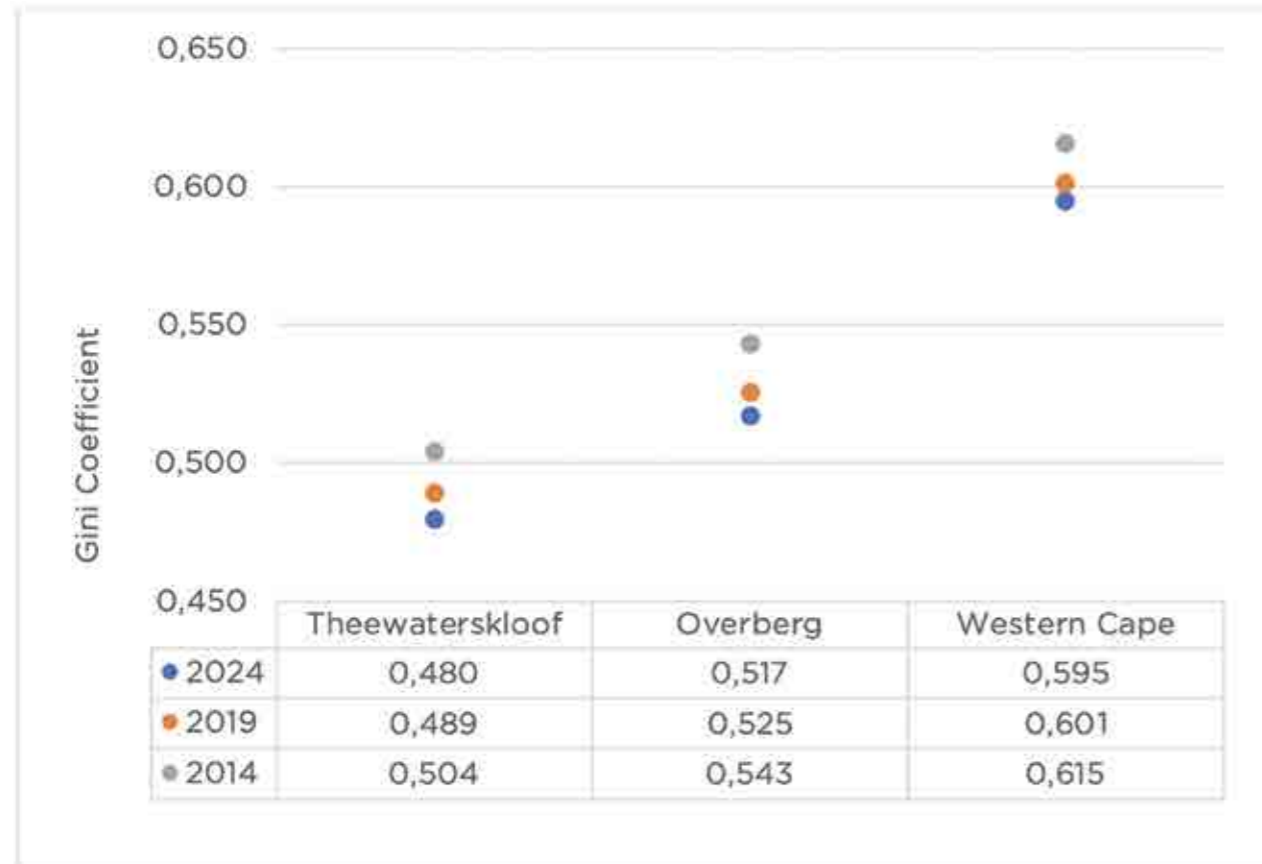
Source: Own calculations; MYPE and Quantec, 2025

GDPR per capita in the Theewaterskloof municipal area increased modestly between 2014 and 2024, indicating progress in overall living standards and economic wellbeing. Per person output, which stood at R64 980 in 2014, increased through 2018. However, it declined to R61 468 in 2020 during the economic disruptions caused by the COVID-19 pandemic. Further increases were recorded with the 2024 figure at R67 567. This suggests a degree of economic resilience, with some improvements in income levels.

While the District’s performance has been largely stagnant, showing volatility and a net decline over the period of 2014 to 2024, Theewaterskloof has demonstrated an upward trajectory. Starting at a base lower than the District average, Theewaterskloof generated growth that saw the area not only close the gap with the OD but ultimately surge ahead, finishing the period with a per capita GDPR of R67 567 that outperformed the District’s R63 875. Despite this positive performance, Theewaterskloof’s GDPR per capita remains consistently below the Western Cape average, even though the gap between municipal area and Province narrowed significantly from 2014 to 2024.

It is important to acknowledge that the distribution of GDP per capita within the Theewaterskloof municipal area is not uniform. Disparities persist, with some segments of the population experiencing relative affluence while others continue to face financial hardship within an economic climate marked by inflation, high interest rates and persistent unemployment.

**Figure 2.4.13:**  
**GINI COEFFICIENT, Theewaterskloof, 2014-2024**



Source: Quantec, 2025

The Gini coefficient is a measure of income inequality. It is a number between 0 and 1, where 0 corresponds to perfect equality (everyone has the same income) and 1 corresponds to perfect inequality (one person has all the income, and everyone else has none). While the Gini coefficient is widely used, other metrics are also available to assess the gap between wealthy and poor, each providing a different perspective on the economic conditions of a society.

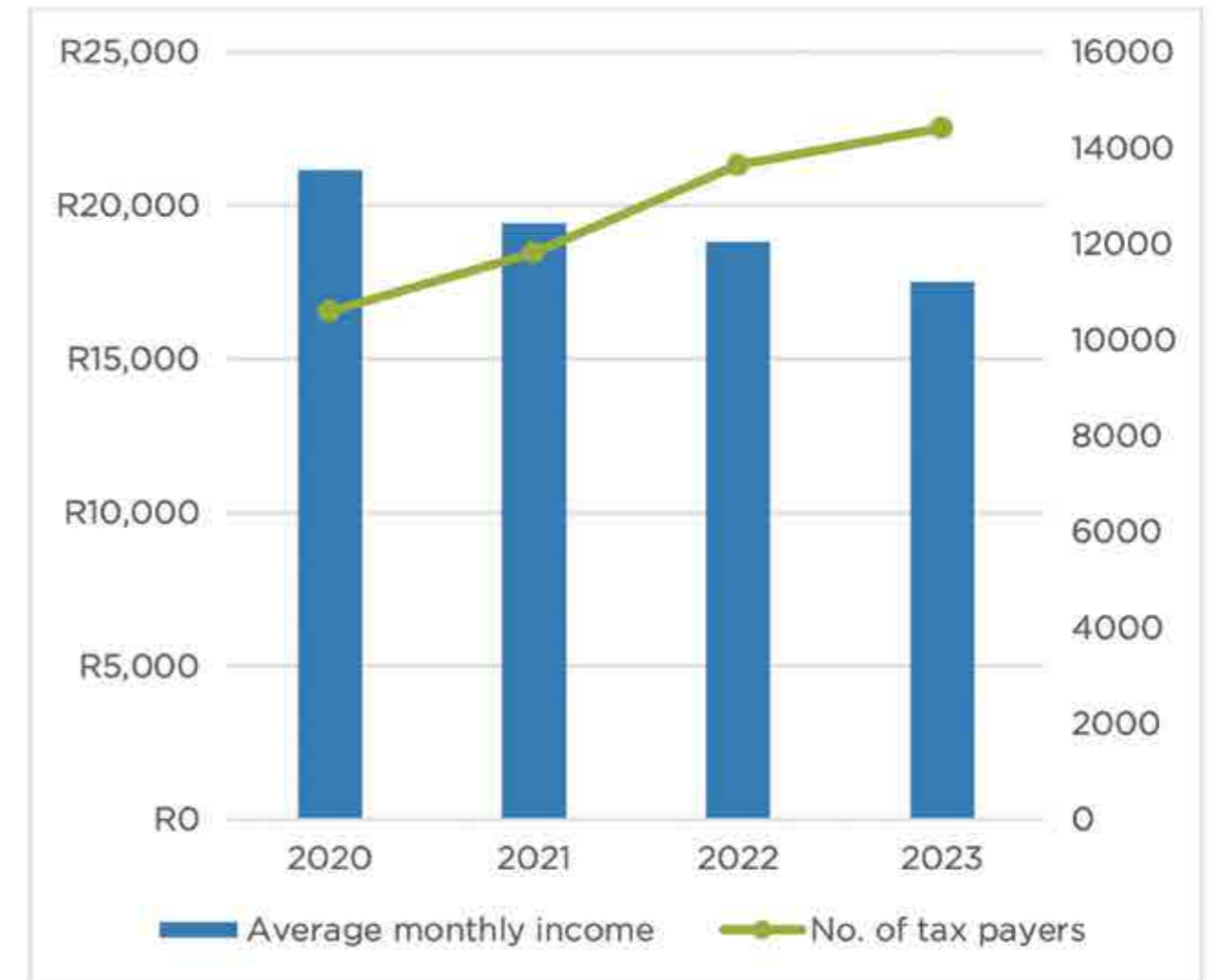
South Africa has one the highest levels of inequality in the world as measured by the Gini index. Inequality manifests itself through a skewed income distribution, unequal access to opportunities, and regional disparities. The National Development Plan 2030 (NDP) has set a target for reducing income inequality in South Africa, namely lowering the Gini coefficient from 0.700 (the figure recorded in 2010) to 0.600 by 2030.

Theewaterskloof’s Gini coefficient of 0.480 in 2024, while an improvement on previous performance, remains high and points to a pronounced divide between affluent households and vulnerable populations such as rural and farm workers.

### Income patterns

An examination of income distribution provides insights into how earnings are shared between households. This section explores median incomes, wage distribution and average taxable income along with the number of tax contributors, highlighting the patterns that drive economic disparities within the Theewaterskloof municipal area. A closer look at SARS income tax data reveals how inequality translates into everyday realities.

**Figure 2.4.14:**  
**INDIVIDUAL TAXPAYERS AND TAXABLE INCOME, Theewaterskloof, 2020-2023**



Source: Quantec, National Treasury, 2025

While the number of registered taxpayers in the Theewaterskloof municipal area increased steadily between 2020 and 2023, average monthly income declined. This divergence indicates that even though formal economic participation is growing, it is increasingly concentrated in lower-wage segments, potentially reflecting a decrease in higher-value employment opportunities.

That said, it should be remembered that these trends reflect statistical averages. An average can hide essential details about how income is actually distributed. While the data points to an increasing number of earners, it does not confirm whether this growth is helping to close the gap between the wealthiest residents of Theewaterskloof and everyone else. A snapshot of the wage distribution for 2024 is shown in the map indicating average monthly income per town below.

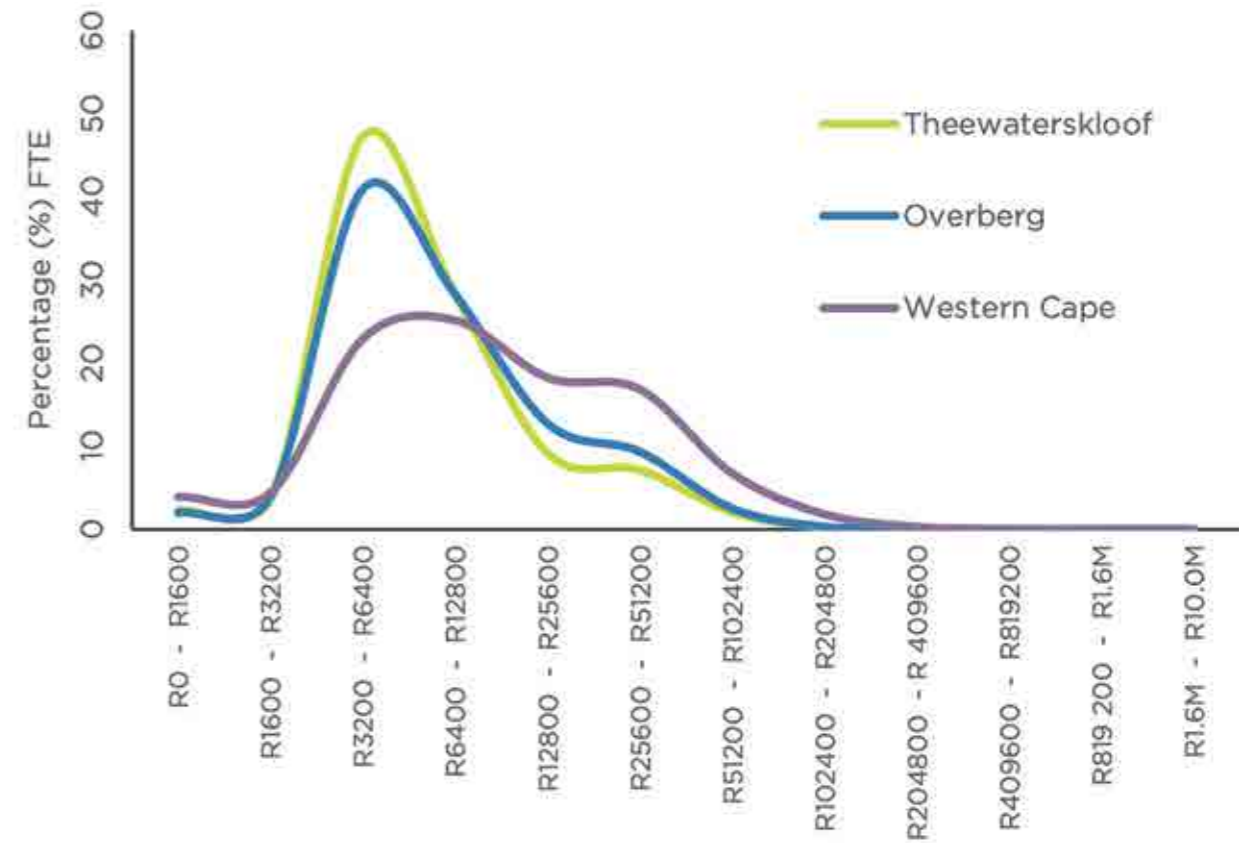
MAP 2.4.1: AVERAGE MONTHLY INCOME PER TOWN, Theewaterskloof, 2024



Source: Western Cape Department of the Premier, 2025



Figure 2.4.15: WAGE DISTRIBUTION, Theewaterskloof, 2024



Income Category	No. of FTE per income category
R0 - R1600	626
R1600 - R3200	1 010
R3200 - R6400	13 024
R6400 - R12800	7 761
R12800 - R25600	2 501
R25600 - R51200	1 949
R51200 - R102400	549
R102400 - R204800	68
R204800 - R409600	16
R409600 - R819200	6
R819 200 - R1.6M	6
R1.6M - R10.0M	8

Source: Spatial Tax Data, 2025

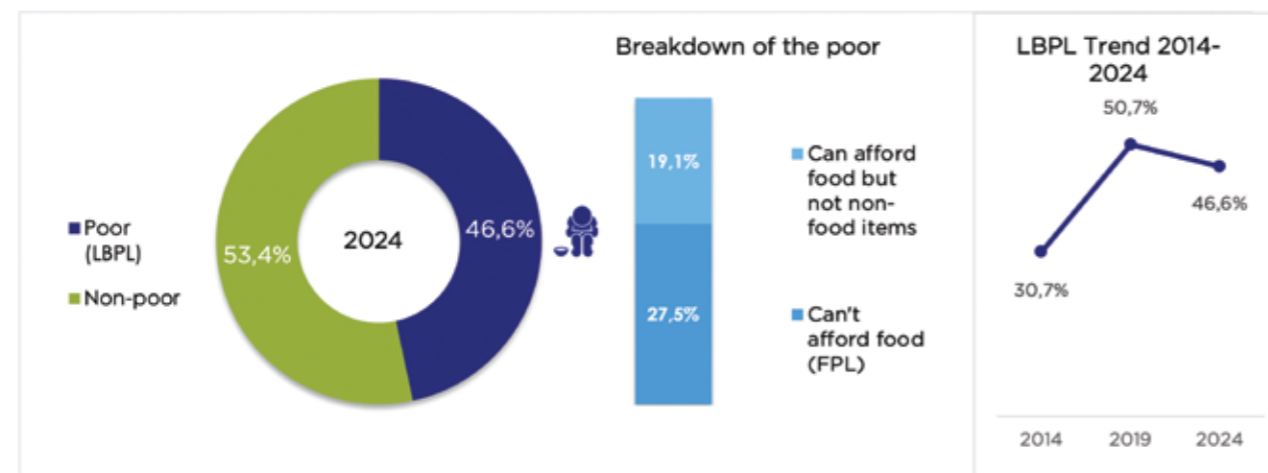
The wage distribution in Theewaterskloof shows a workforce primarily concentrated in the low-to middle -income brackets, this pattern differing somewhat from that of the broader District. While Theewaterskloof exhibits a sharper clustering in the lower brackets (R3 200 to R6 400 and R6 400 to R12 800), the District presents a comparatively flatter distribution, with a greater share of workers positioned in the middle to upper-middle ranges (R12 800 to R25 600 and R25 600 to R51 200). This suggests that the local economy of Theewaterskloof may be more reliant on sectors with lower average wages compared to the economic composition of the broader District. Consequently, the economic profile of the municipal area and the spending power of an average household are likely more constrained than the District-wide figures might suggest.

Within the municipal area, the highest average monthly income was recorded in Dennehof (R122 917), a small settlement near the Theewaterskloof Dam. This was followed by Greyton (R25 278) and Caledon (R18 469), the latter the administrative centre of the area. Other smaller towns, including Villiersdorp, Botrivier, Elgin, Middleton and Riviersonderend, reported average monthly incomes ranging from R13 014 to R8 028. In contrast, Grabouw (R6 319) and the nearby mission town of Genadendal (R6 169) had comparatively low income levels, while the rural settlement of Bereaville (R3 000) recorded the lowest average monthly income in Theewaterskloof.

## Poverty

Poverty remains a key challenge, with a significant proportion of the population living below the lower-bound poverty line (LBPL). The poverty headcount ratio measures the proportion of the population that does not earn enough to afford basic food and selected non-food items. The LBPL, specifically, represents the income threshold below which individuals cannot secure adequate levels of both food and essential non-food needs. As of May 2024, this threshold is set at R1 109 per person per month.

**Figure 2.4.16:**  
**POVERTY HEADCOUNT RATE, Theewaterskloof, 2014-2024**



Source: Quantec, 2025

In 2024, 46.6 per cent of the Theewaterskloof population lived below the LBPL, indicating that nearly half of residents could not afford basic food and essential non-food items. This represents a clear upward trend over the past decade, with the proportion of the population below the LBPL having risen from 30.7 per cent in 2014 to 50.7 per cent in 2019 before falling to the 2024 figure – highlighting a growing vulnerability among households. Of the population below the LBPL in 2024, a substantial 27.5 per cent was unable to afford even basic food, underscoring the persistence of food insecurity.

Although the Theewaterskloof municipal area records a marginally lower poverty rate than the District's 47.1 per cent, the situation remains concerning, as a substantial number of households continue to face the severe impacts of poverty. These include reduced life expectancy, malnutrition, food insecurity, increased vulnerability to crime and substance abuse, limited educational opportunities and inadequate living conditions. In response to these challenges, the NDP sets an ambitious target to eradicate poverty by 2030.

The national poverty lines were calculated using a cost-of-basic-needs approach that links welfare to the consumption of goods and services. The lines address both food and non-food components of household consumption expenditure.

- Food poverty line – R796 (in May 2024 prices) per person per month. This refers to the amount of money that an individual will need to afford the minimum required daily energy intake. The food poverty line is commonly referred to as the “extreme” poverty line.
- Lower-bound poverty line – R1 109 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount required for non-food items of households whose total expenditure is equal to the food poverty line.
- Upper-bound poverty line – R1 634 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount required for non-food items of households whose food expenditure is equal to the food poverty line.

## 2.4.5 Basic service delivery

The Constitution of the Republic of South Africa, 1996, guarantees every citizen the right to access adequate housing, and the state must employ reasonable legislative and other measures, within available resources, to progressively realise this right. Access to housing encompasses essential services such as the provision of clean water, basic sanitation, safe energy sources and waste removal, ensuring that households maintain a decent standard of living.

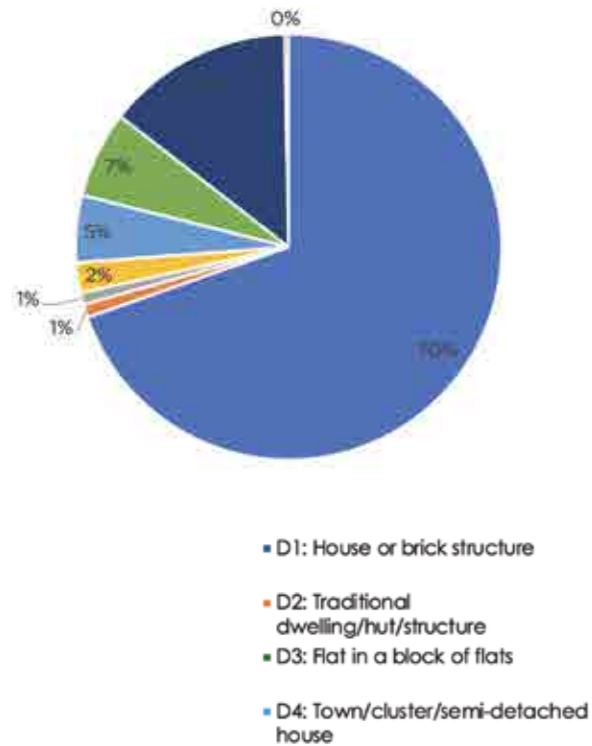
This section considers the extent to which these goals have been achieved. It draws on the most recent official statistics (as supplied by Census 2022), MYPEPPU 2025.2 and up-to-date estimates provided by Quantec Research. Information on indigent households was obtained from the Department of Local Government.



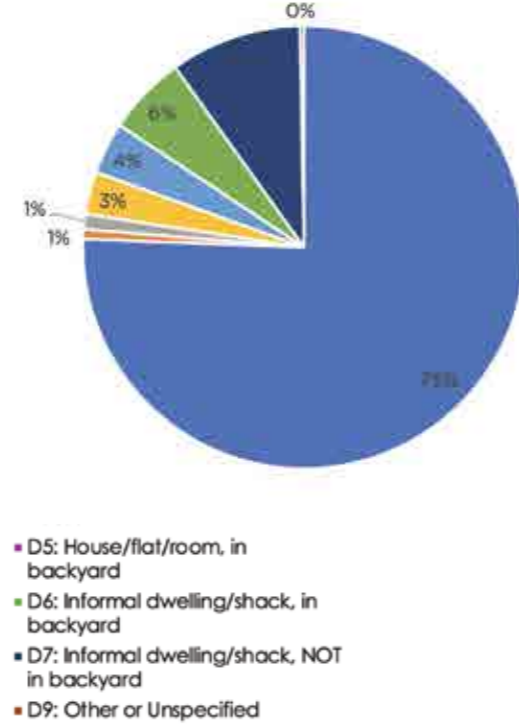
## Housing and household services

Figure 2.4.17:  
HOUSING TYPES, Theewaterskloof, 2024

### Theewaterskloof



### Overberg



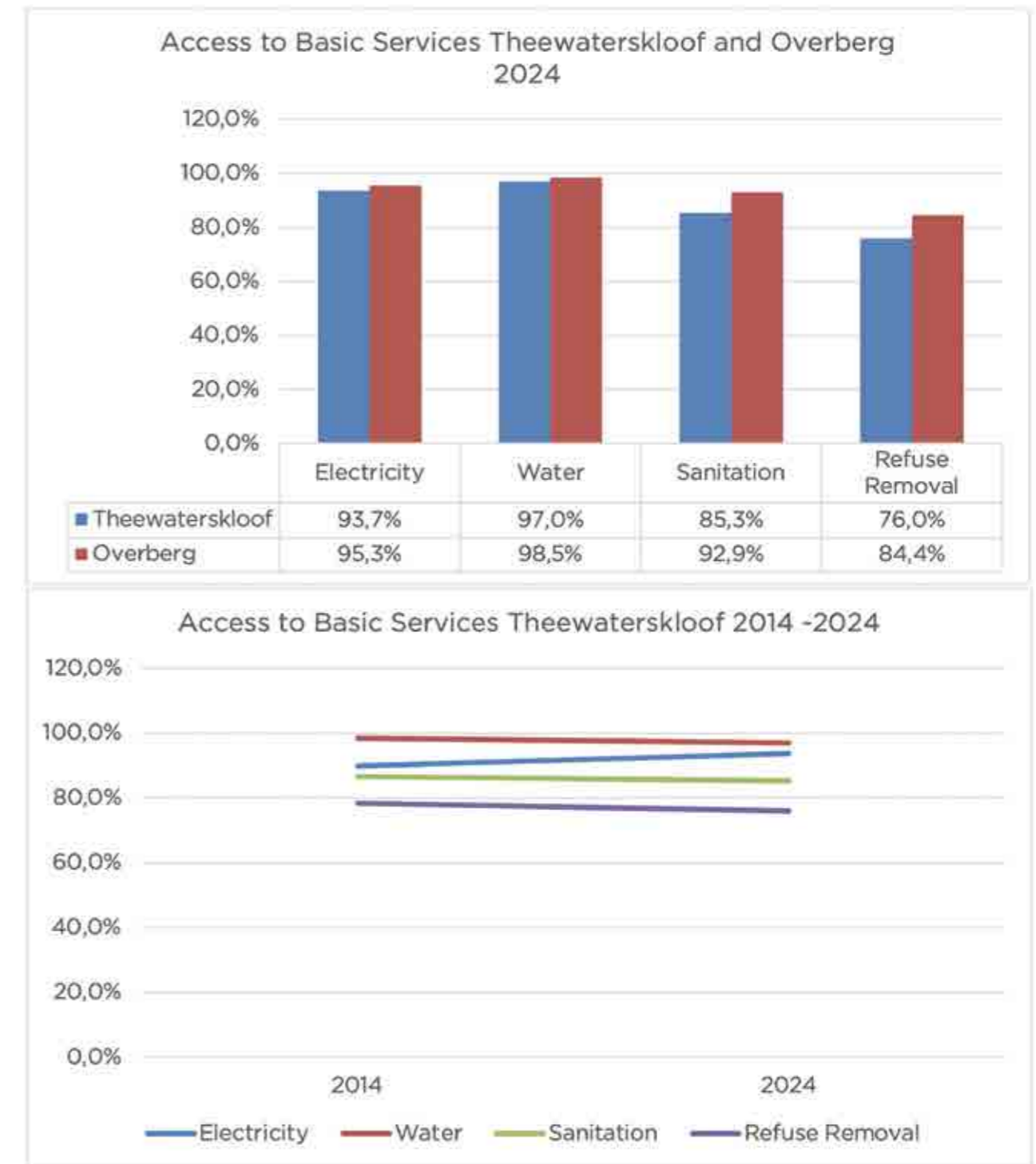
Source: Quantec, 2025

Of the 33 088 households in the Theewaterskloof area in 2024, 78.0 per cent had access to formal housing. This was below the rate observed in the broader OD, which stood at 83.6 per cent.

The municipal area demonstrated a very high prevalence of informal dwellings, which accounted for 20.8 per cent of the total, in contrast to the District's lower prevalence of 15.4 per cent. Both Theewaterskloof and the District have seen an increase in the proportion of informal housing. This upward trend suggests that pressure on affordable housing is intensifying, driven by factors such as population growth and the limited availability of affordable housing stock.

In 2025, a total of 14 321 households were registered on the Western Cape Housing Demand Database, up from 12 953 in 2022. This represented an average annual increase of 3.4 per cent, underscoring the need for expanded housing provision by the public and private sectors to enhance living conditions for vulnerable households within the municipal area.

Figure 2.4.18:  
ACCESS TO BASIC SERVICES, Theewaterskloof, 2024



Source: Quantec, 2025

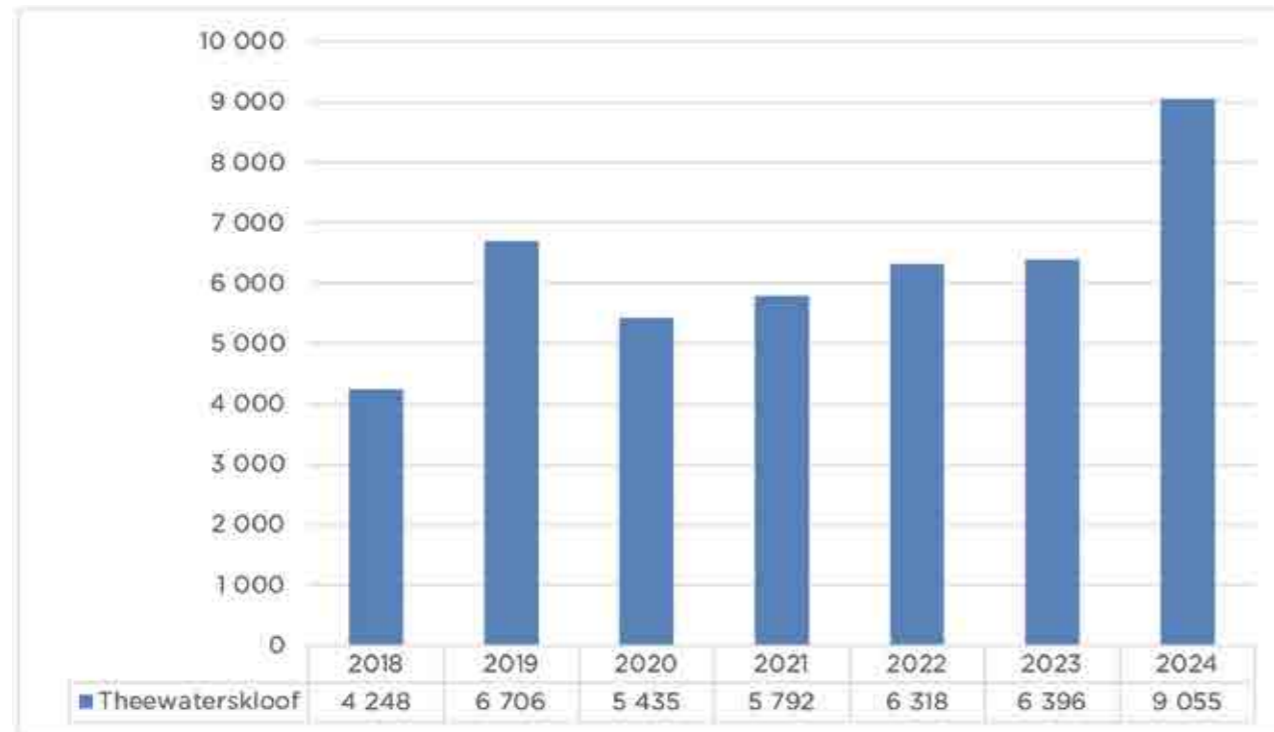
Theewaterskloof provides significantly greater access to most services than to formal housing, with generally good coverage for basic services.

In 2024, access to piped water stood at 97.0 per cent of households, such access ranging from having a source within a dwelling or yard to use of a public, communal or neighbour's tap.

For sanitation, 85.3 per cent of households had access to flush/chemical toilets or a pit latrine with ventilation, an increase from 83.9 per cent in 2023. Electricity for lighting was available to 93.7 per cent of households, reflecting a slight improvement from 93.2 per cent the previous year. Meanwhile, regular refuse removal by local authorities was reported in 76.0 per cent of households, marginally up from 75.4 per cent in 2023.

### Free basic services

**Figure 2.4.19:**  
**INDIGENT HOUSEHOLDS, Theewaterskloof, 2022-2024**



Source: Department of Local Government, 2025

In the context of free basic services, municipalities offer a suite of essential services to households facing financial vulnerability and challenges in affording such services. These households are categorised as indigent.

In Theewaterskloof, the number of households receiving free basic services experienced a notable increase between 2020 and 2024. Adverse economic conditions exerted additional pressure on household income, thereby amplifying the demand for free basic services.

This increasing dependency highlights the financial strain on the low-income workforce. The Municipality must therefore balance sustaining service quality and expansion with high and growing numbers of indigent households.

## 2.4.6 Safety and security

Crime plays a significant role in shaping the region’s social and economic environment. Its impact extends beyond individual victims, encompassing loss of life, personal trauma, and broader social and economic consequences. The latter include hampering economic growth and discouragement of investment. These effects weaken community safety, reduce overall wellbeing and impact the stability of the region.

**Figure 2.4.20:**  
**CRIMES PER 100 000 PEOPLE, Theewaterskloof, 2022 - 2024**

CRIME CATEGORY	Actual Numbers			Trend	Crime per 100 000 Population	
	2022	2023	2024		Over- strand	Overberg
Murder	65	77	56	↔	44	46
Sexual offences	104	114	85	↔	67	103
Drug-related crime	1 013	1 129	1 189	↑	934	1 481
Driving under the influence of alcohol or drugs	96	268	190	↔	149	203
Burglary at residential premises	602	622	647	↑	509	679
Common assault	573	671	639	↔	502	657
Malicious damage to property	395	461	385	↔	303	355
Commercial crime	212	229	220	↔	173	349

Source: Own calculations from Quantec (2025) and MYPEPPU (2025.2) data

Theewaterskloof’s crime profile presents a contrasting picture, with notable successes in controlling serious violent crime alongside emerging and persistent public safety threats. The municipal area records lower rates than the OD average in several key contact crime categories, including murder (44 versus 46 cases per 100 000 residents in 2024), sexual offences (67 versus 103) and common assault (502 versus 657). However, Theewaterskloof recorded a substantial reduction in murders from 65 in 2022 To 56 in 2024. The long-term sustainability of this improvement, however, remains uncertain.

Notable successes in the reduction of violent crime are counterbalanced by a concerning trend in drug-related crime, which rose steadily to 1 189 incidents in 2024 (934 cases per 100 000 people). This indicates a significant and growing substance abuse problem that probably fuels other criminal activities.

Beyond the drug epidemic, another area that demands attention is property crime. Burglary at residential premises exhibits a persistent upward trend, increasing to a rate of 509 per 100 000 residents when? and directly undermining the sense of security of households across the municipal area. Simultaneously, the data reveals a critical public safety risk on the roads. While the rate for driving under the influence appears to have decreased from a 2023 peak, the 2024 figure of 149 incidents per 100 000 people remains alarmingly high, nearly double the 2022 level. This signals an entrenched culture of impaired driving that poses a grave danger to all road users.

## 2.4.7 Concluding Remarks

Theewaterskloof is defined by a series of interconnected challenges and opportunities. Demographically, the municipal area benefits from a large and growing working-age population as well as a favourable dependency ratio. However, this is offset by a critical vulnerability, namely an economy characterised by a heavy concentration of workers in low-wage brackets and a GDP per capita that, despite recent growth, remains below provincial benchmarks. This underlying economic structure is evident in that nearly half of the population lives in poverty while a growing number of households rely on free basic services.

The strain is acutely felt in the health and education sectors. While basic service access is relatively good, health outcomes, particularly concerning maternal and child health, HIV/TB care continuity and teenage pregnancy, show concerning trends and setbacks. Similarly, the education system is grappling with a steady decline in learner retention, suggesting that socioeconomic pressures are pushing a significant number of young people out of the system before they can matriculate. This perpetuates a cycle of limited opportunity.

These human development challenges are further reflected in the community's safety and security. While successes in reducing certain violent crimes are commendable, the disturbing rise in drug-related crime and the persistently high rate of impaired driving point to severe social stressors. These crime trends are often symptomatic of the same poverty, unemployment and lack of opportunity that underpin other socioeconomic challenges in the area.

Ultimately, Theewaterskloof possesses a solid foundation of basic services and a potentially powerful asset in its young workforce. The central challenge is to move beyond service provision and directly address the key issue of fostering a local economy that generates higher-wage employment. This must be coupled with targeted interventions to support vulnerable households, keep learners in school and improve public health outcomes. Without this integrated approach, the demographic potential of this area may be lost, and existing inequalities will probably deepen.



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