



Western Cape Government
Provincial Treasury

Socio-economic Profile
City of Cape Town

2014

Working paper

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City of Cape Town

City of Cape Town at a glance

POPULATION

Population size (2014)	3 882 662
Share of provincial population (2014)	64.2 per cent
Average annual population growth 2001 - 2014	2.3 per cent

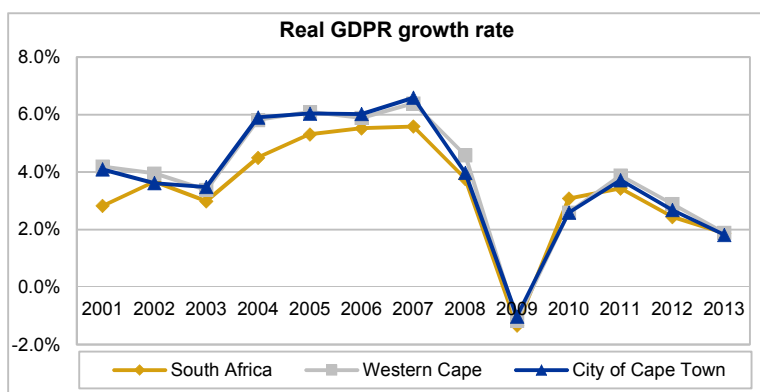
ECONOMY

Gross Domestic Product 2013 (2005 constant prices)

R194.647 billion

Share of provincial economy

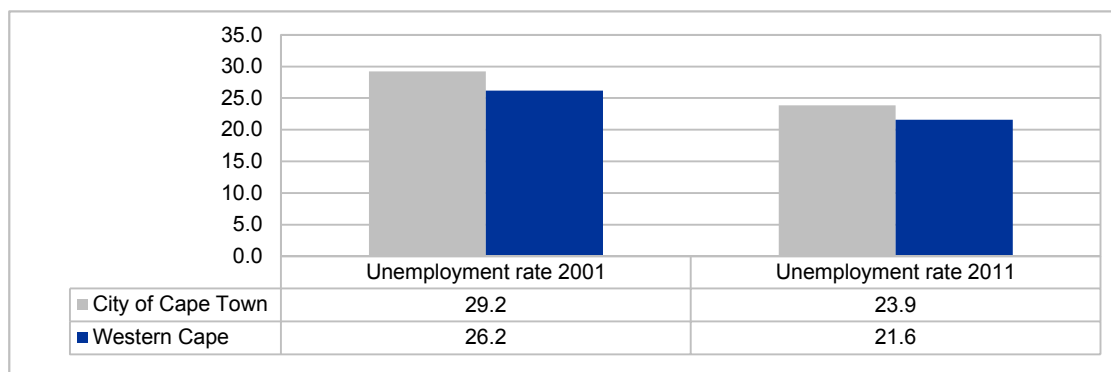
73.1 per cent



Top contributing sectors (GVA)

- Finance, insurance, real estate and business services (33.7%)
- Wholesale and retail trade, catering and accommodation (19.3%)
- General government (11.7%)
- Manufacturing (11.5%)

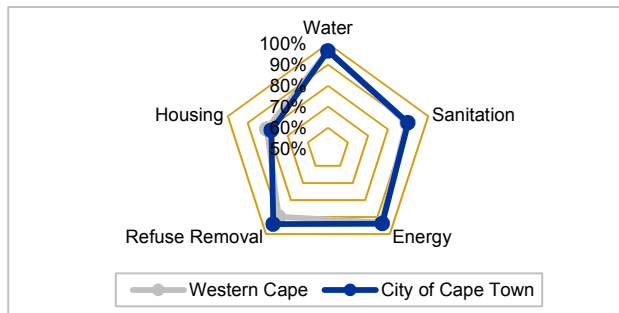
LABOUR MARKET



DEVELOPMENT

Indicator	City of Cape Town	Western Cape
Literacy rate (2011)	90.5%	87.2%
Poverty rate (2010)	19.7%	22.1%
Human Development Index (2010)	0.74	0.71
Gini coefficient (2010)	0.57	0.58

ACCESS TO BASIC SERVICES, 2013



Introduction

Regional profiles provide the Western Cape municipalities with data and information which may assist in planning, budgeting and the prioritisation of municipal services. It is acknowledged that municipalities across the Western Cape have different capacities and therefore will use the information in this publication to suit their own needs.

The areas covered in this profile include information on demographics, education, health, crime, poverty, housing, municipal services, labour force, economy and environmental management. Furthermore, the population projections 2013 – 2017, updated administrative data relating to health, education and South African Police Service Crime Statistics are updates from the Socio-economic Profile (SEP-LG) 2013. These updates complement Chapter 7: Socio-economic analysis and economic performance of the Municipal Economic Review and Outlook (MERO) 2014 which was published in October 2014.

The indicators reflect the socio-economic reality of municipalities. As such valuable insight can be gained as to the developmental challenges faced by communities residing within a specific geographical area.

This profile uses data primarily sourced from Statistics South Africa, administrative data from sector departments, the MERO, Global Insight Regional Explorer and Quantec. The data sourced from sector departments are the most recent that is available. The latest survey data available at municipal level from Statistics South Africa include the 2011 Census; whilst comparisons are also made with the 2001 Census.



The format of the profiles has been adjusted to focus the analysis at regional/district level whilst municipal specific profiles will also be made available separately.

The information contained in this profile therefore highlights information for the City of Cape Town in relation to the broader Western Cape Province.

1. Demographics

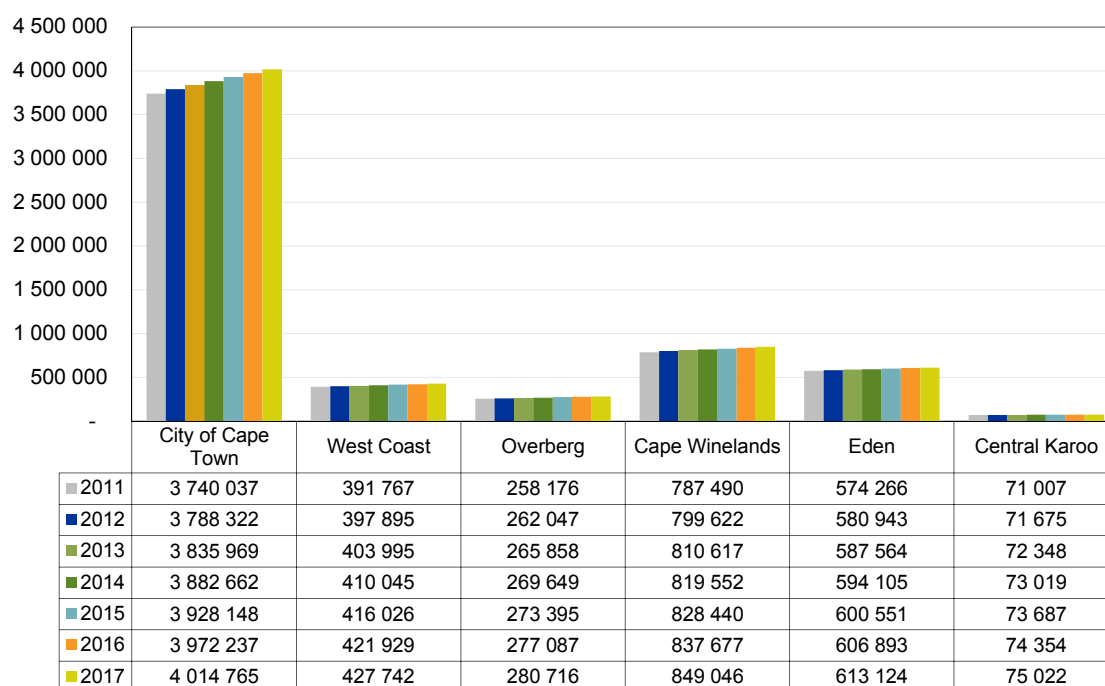
The demographics of a population refer to selected population characteristics such as age, gender, population group and income levels. Demographic characteristics inform key policy decisions, for example, a household's income level determines whether or not the household qualifies to be classified as indigent. Having indigent status in turn entitles that household to certain benefits, such as free basic services as stipulated in the Indigent Policy of the municipality. A thorough understanding of population changes is necessary to ensure that planning is informed.

In 2011, the Western Cape population comprised 11.25 per cent of the 51.8 million persons in the country. Over the preceding decade, from 2001 to 2011, while South Africa's population grew at an annual average rate of 1.5 per cent, the Western Cape grew at a significantly faster rate of 2.6 per cent, at least part of which can be ascribed to inter-provincial migration where people are drawn to the Western Cape with the hope of finding employment and better standards of living. The City's growth matched that of the Province, growing at 2.6 per cent per annum, from 2 893 247 in 2001 to 3 740 026 in 2011.

1.1 Population projections

According to forecasts by the Department of Social Development, the City's population will continue to grow, however average annual growth between 2011 and 2017 will be at a lower 2.4 per cent per annum, lower than average growth (2.6 per cent) over the previous decade. The City's population will grow with the additional of almost 180 000 people to 4 014 765 people, between 2013 and 2017.

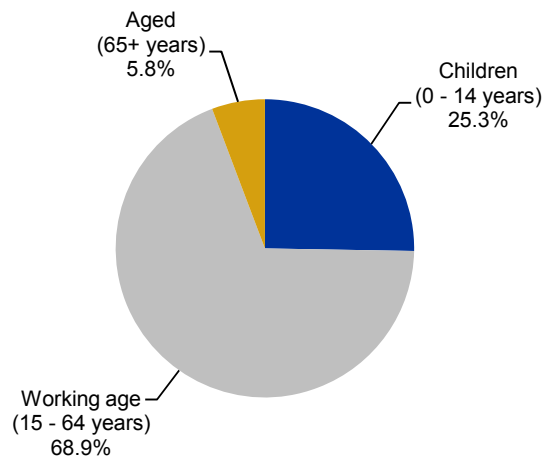
Figure 1 Population projections



Source: Western Cape Department of Social Development, 2014

The City's population age distribution in 2013 was as follows: Children (aged 0 - 14 years) 25.3 per cent, Working age population (aged 15 - 64 years) 68.9 per cent and the Aged (aged 65 years and above) 5.8 per cent.

Figure 2 Population age distribution for the City of Cape Town, 2013



Source: Western Cape Department of Social Development, 2014

2. Education

Education and training improves access to employment opportunities and helps to sustain and accelerate overall development. It expands the range of options available from which a person can choose to create opportunities for a fulfilling life. Through indirect positive effects on health and life expectancy, the level of education of a population also influences its welfare.

2.1 Literacy

Literacy is used to indicate a minimum education level attained. A simple definition of literacy is the ability to read and write, but it is more strictly defined as the successful completion of a minimum of 7 years of formal education. Since most learners start school at the age of 7 years, the literacy rate is calculated as the proportion of those 14 years and older who have successfully completed a minimum of 7 years of formal education. At 90.5, the City's literacy rate is slightly above the Province's 87.2.

2.2 Learner enrolment, the learner-teacher ratio and learner dropout rate

Population dynamics, which include knowledge of the current population profile and projected learner growth, provide a basis for sound education planning. Knowing the learner enrolment numbers of a municipality enables the Western Cape Education Department (WCED) to determine the level of demands placed on schools for the current year as well as anticipated demands for future years. Having a sense of the exit points allows the WCED to plan more effectively with respect to Further Education and Training (FET). The learner-teacher ratio is very important, because it is closely related to the amount of money spent per child. It also has an impact on the education outcomes.

Learner enrolment in the City has increased from 633 999 in 2013 to 648 056 in 2014. For the same period, the average learner-teacher ratio in the City has fallen from 31.7 in 2013 to 27.5 in 2014. The 2014 ratio is more in line with the Provincial average of 28.1.

The City's dropout rates are extremely high, with a dropout rate of 40.1 in 2012 and a rate for dropouts in the FET phase in 2013 of 38.5.

Table 1 Education indicators for the City

	Learner enrolment (Gr 1-12 + LSEN)		Average learner- teacher ratio		Average dropout rate	Drop in FET phase	% Matric pass rate		% Literacy rate	No. of schools with libraries		No. of no fee schools	
	2013	2014	2013	2014	2012	2013	2012	2013	2011	2012	2014	2012	2014
City of Cape Town	633 999	648 056	31.7	27.5	40.1%	38.5%	80.6	83.2	90.5	640	644	180	185
Western Cape	936 515	1 008 107	27.2	28.1	38.9%		82.3	84.7	87.2	1 030	1 034	734	671

Source: Western Cape Department of Education, 2014

2.3 Educational outcomes (matric pass rate)

Education remains one of the key avenues through which the state is involved in the economy. In preparing individuals for future engagement in the labour market, policy choices and decisions in the sphere of education play a critical role in determining the extent to which future economic and poverty reduction plans can be realised. The 2013 results showed some improvement in the matric pass rate from the previous year, increasing from 80.6 in 2012 to 83.2 in 2013.

2.4 No fee schools

No fee schools make provision for learners who live in low income communities where the majority of learners are unable to make a financial contribution towards the cost of education. No fee school status ensures extra state support to schools where contributions in the form of school fees are not possible.

The number of no fee schools gives a sense of the extent to which the Department of Education has identified and prioritised support to households who are unable to contribute towards the cost of education. The City's share of no fee schools within the Province increased from 24.5 to 27.6 per cent from 2012 to 2014. Although it has increased, compared to the City's enrolment numbers, this share is still relatively low.

3. Health¹

3.1 Healthcare facilities

Access to healthcare facilities is directly dependent on the number and spread of facilities within a geographic space. South Africa's healthcare system is geared in such a way that people have to move from primary, with a referral system to secondary and tertiary levels; the first point of contact is at the primary healthcare level.

Table 2 Healthcare facilities

Metro/District	Community health centres	Community day centres	Number of PHC clinics - fixed	Number of PHC clinics - non-fixed (satellites)	Number of PHC clinics - non-fixed (mobiles)	Total number of PHC facilities (Fixed Clinics, CHCs and CDCs)	Number of district hospitals	Number of regional hospitals
City of Cape Town	9	38	84	18	4	131	9	2
West Coast	0	1	26	22	18	27	7	0
Cape Winelands	0	6	42	6	27	48	4	2
Overberg	0	1	22	11	14	23	4	0
Eden	0	6	36	12	21	42	6	1
Central Karoo	0	1	8	3	8	9	4	0
Western Cape	9	53	218	72	92	280	34	5

Source: Western Cape Department of Health, 2014

In 2014, there are 164 healthcare facilities operational in the City. These include 84 fixed clinics, 9 community health centres, 38 community day centres, 18 satellite and 4 mobile clinics. The City also has 9 district and 2 regional hospitals.

3.2 HIV/AIDS treatment and Tuberculosis and care

The information presented in Table 3 presents the patient load and number of treatment facilities for HIV/AIDS and tuberculosis.

At the end of June 2011, the Province highlighted that antiretroviral treatment (ART) was provided to over 100 000 persons. By the end of March 2014, this number increased to a patient load of 159 581. Of this total, 116 421 (73.0 per cent) were in the City, administered from 73 treatment sites.

¹ Although healthcare is provided by both public and private institutions, information provided by the Department of Health pertains only to public sector healthcare institutions. Any privately provided facilities or services are not reflected in the information below.

Table 3 HIV/AIDS and TB treatment and care

Metro/District	HIV - Antiretroviral treatment			Tuberculosis		
	ART patient load March 2013	ART patient load March 2014	Number of ART clinics/ treatment sites 2014	Number of TB patients 2012/13	Number of TB patients 2013/14	Number of TB clinics/ treatment sites 2014
City of Cape Town	99 223	116 421	73	27 510	26 305	208
West Coast	4 561	5 553	39	3 508	3 573	85
Cape Winelands	14 170	17 463	41	7 213	7 327	88
Overberg	4 907	6 182	20	2 175	2 103	48
Eden	10 402	12 788	63	4 825	4 909	89
Central Karoo	949	1 174	7	621	590	27
Western Cape	134 212	159 581	243	45 852	44 807	545

Source: Western Cape Department of Health, 2014

Tuberculosis (TB) patient numbers both in the Province and the City has, over the past few years, been on the decline, with a total of 44 807 patients in the Province and 26 305 in the City in 2013/14, administered from 545 Provincial and 208 City facilities.

3.3 Child health

Immunisation² and malnutrition

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, as well as the need to encourage parents to have their young children immunised. In 2014, full immunisation rates for the Western Cape was 80.3, the City with an even lower 76.6.

Malnutrition (either under- or over nutrition) refers to the condition whereby an individual does not receive adequate amounts or receives excessive amounts of nutrients. The number of malnourished children under five years in the Western Cape in 2014 was 180 per 100 000 population. Although, because of its size, the City had the highest number of malnourished children, the rate per 100 000 was lowest (144) across all districts.

² The immunisation rate is calculated as the number of children immunised as a percentage of the total number of children less than one year of age. If children who are one year or older are immunised, the immunisation rate for that year could be greater than 100 per cent because more than 100 per cent of children aged less than one year would have been immunised in that particular year.

Table 4 Child and maternal health

	Child health			Maternal health				
	Full immunisation coverage rate	Number of severely malnourished children under 5 years	Severe malnutrition for children < 5 years per 100 000 population	Maternal mortality per 100 000 live births	Number of deliveries to women under 18 years	Delivery rate woman under 18 years	Number of termination of pregnancies performed	Termination of pregnancy per 100 000 population
City of Cape Town	76.6	544	144	73	3 470	5.5	11 722	1 187
West Coast	96.7	75	254	39	415	8.4	352	448
Cape Winelands	100.2	218	300	43	1 087	7.7	1 650	839
Overberg	81.6	60	156	64	241	8.2	332	580
Eden	86.3	168	319	105	730	7.9	1 123	821
Central Karoo	77.2	22	164	0	83	7.6	2	15
Western Cape	80.3	1 087	180	69	6 026	6.3	15 181	1 033

Source: Western Cape Department of Health, 2014

3.4 Maternal health

Maternal health refers to the health of women during pregnancy, childbirth and the postpartum period. Even though it may not strictly fit the definition, information on births to teenage mothers and termination of pregnancies is also included here.

Maternal mortality

In 2013/14, the City's maternal mortality rate was relatively high when compared to other Western Cape districts. The City's rate of 73 per 100 000 live births was second only to the Eden District's 105, while the Provincial average was at 69.

Births to teenage mothers

Teenage pregnancy is almost always unplanned; as a result when young parents are placed in a position to care for their children, they often have to postpone or sacrifice their own lives' dreams. For these young people life can become particularly tough, especially if they do not have family or social support. Women with unplanned pregnancies, whether teenage or other, may also opt to terminate their pregnancy.

Of the 6 026 deliveries to women under 18 years in the Province, 3 470 deliveries were in the City. Although the City's numbers are large compared with other districts, the delivery rate was lowest across the district, with a rate of 5.5 compared to the Provincial average of 6.3.

Termination of pregnancy

The City's termination of pregnancy rate was highest compared with other Western Cape districts; a total of 11 722 termination of pregnancies were performed in the City at a rate of 1 187 per 100 000 population. The Cape Winelands and Eden districts also had relatively high rates per 100 000 population – 839 for the Cape Winelands and 821 for Eden.

4. Poverty

4.1 People living in poverty

The poverty rate represents the percentage of people living in households with an income less than the poverty income. The poverty income is defined as the minimum monthly income needed to sustain a household and varies according to household size; the larger the household the larger the income required to keep its members out of poverty.

The poverty income used is based on the Bureau of Market Research's Minimum Living Level (BMR report No. 235 and later editions, Minimum and Supplemented Living Levels in the main and other selected urban areas of the RSA, August 1996). For example, the monthly income needed to keep a one person household out of poverty in 2010 is estimated³ to be R1 315, while for a two person household it is R1 626; a four person household requires an estimated income of R2 544 to stay out of poverty while a household with eight or more person requires an estimated R4 729.

As seen in Table 5, the percentage of people living in poverty has declined since the mid-2000s. In 2010, the proportion of people in the City living in poverty was just under 20 per cent.

Table 5 Poverty rate - percentage of people living in poverty, 2001, 2007 and 2010

Municipality	2001	2007	2010
Western Cape Province	26.7%	22.7%	22.1%
City of Cape Town Metropolitan	23.9%	20.2%	19.7%
West Coast District	32.0%	30.5%	30.4%
Cape Winelands District	30.9%	26.4%	25.7%
Overberg District	31.0%	30.3%	29.6%
Eden District	31.6%	23.4%	21.7%
Central Karoo District	38.7%	34.0%	32.5%

Source: *Global Insight Regional Explorer, 2011*

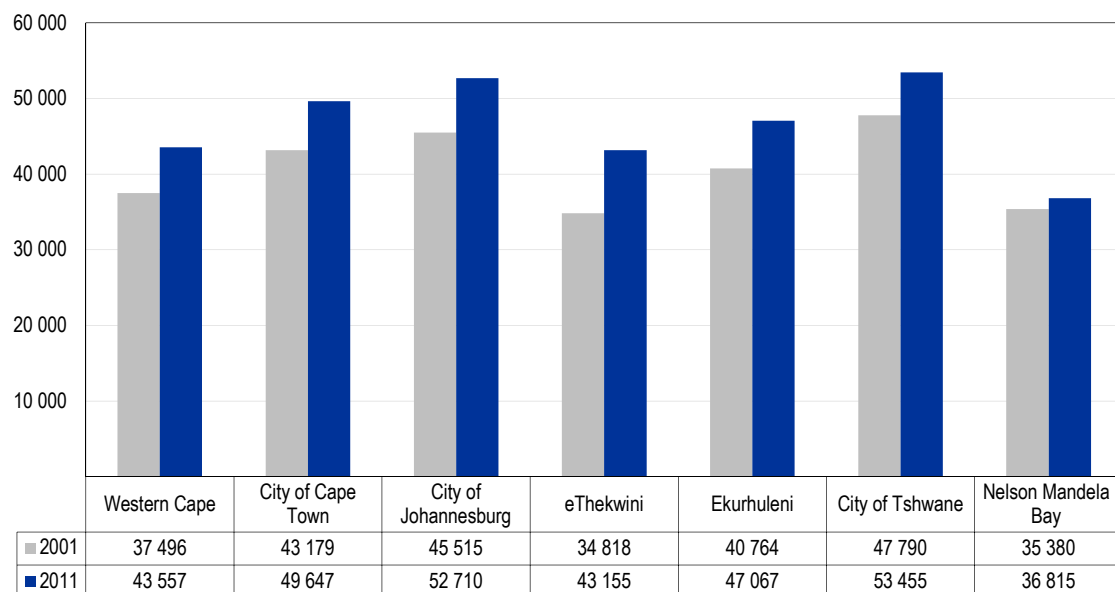
Compared to Western Cape districts, the City had smallest proportion of people living in poverty at 19.7 per cent. This was below the provincial average of 22.1 per cent and significantly lower than the Central Karoo District's 32.5 per cent which represented the highest proportion in the Province.

³ Global Insight estimates. The City uses a different poverty measure – households with a monthly income of less than R3 500 are said to be living in poverty. In 2009, this percentage was 34.9 per cent.

4.2 Household income

According to Statistics South Africa Census 2011, average household income in the country has doubled over the last decade; however, high levels of income inequality still persist. Most informed observers would agree that economic resources should be more evenly distributed amongst the inhabitants of the country and that such a redistribution policy should make a real positive difference to the livelihoods of the poor.

Figure 3 Metro GDP per capita (constant 2005 prices), 2001 and 2011



Source: Quantec, 2013

The GDP per capita in the Western Cape was estimated at R43 557 per annum in 2011 (2005 prices) compared with R49 647 for the Cape Metro. This placed the City of Cape Town third, after Tshwane and Johannesburg, in terms of per capita GDP amongst the country's six metros.

Table 6 Household income, 2011

Municipality	None income	R1 - R4 800	R4 801 - R9 600	R9 601 - R19 600	R19 601 - R38 200	R38 201 - R76 400	R76 401 - R153 800	R153 801 - R307 600	R307 601 - R614 400	R614 001 - R1 228 800	R1 228 801 - R2 457 600	R2 457 601+
City of Cape Town	13.7%	2.7%	4.0%	10.6%	16.0%	14.5%	13.0%	11.9%	8.7%	3.6%	0.9%	0.5%
City of Johannesburg	16.8%	3.1%	4.4%	10.7%	16.8%	14.2%	10.5%	9.1%	7.7%	4.5%	1.6%	0.8%
eThekweni	17.1%	4.2%	6.2%	14.3%	16.9%	13.4%	10.7%	8.6%	5.7%	2.0%	0.6%	0.3%
Ekurhuleni	17.8%	3.8%	5.3%	11.6%	16.9%	15.0%	10.8%	8.7%	6.3%	2.7%	0.7%	0.4%
City of Tshwane	14.9%	2.9%	4.2%	10.6%	15.5%	13.3%	11.8%	11.3%	9.3%	4.5%	1.2%	0.6%
Nelson Mandela Bay Metro	15.8%	4.4%	6.1%	15.9%	17.2%	12.9%	10.7%	9.0%	5.6%	1.6%	0.4%	0.3%

Source: Statistics South Africa Census 2011

Table 6 shows that in 2011 the largest proportion of households in the Cape Metro earned between R19 601 and R307 600 per annum. The large proportion of households in each of the metros earning no income raises concern.

5. Safety and security

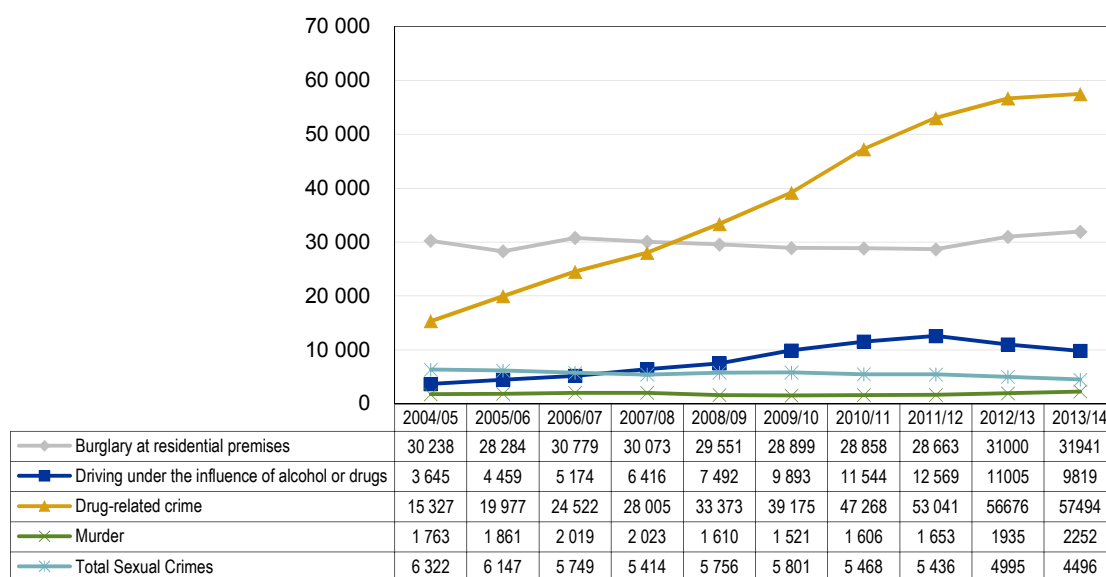
The safety of persons and property is vitally important to the physical and emotional well-being of people and business. Without the respect of person and property, it is impossible for people to live peacefully, without fear of attack. Peoples' general impressions, as well as official statistics on safety and crime issues mould perceptions of areas as living spaces as well as places in which to establish businesses.

In this way, crime can also have a significant impact on the economy. It can hamper growth and discourage investment and capital accumulation. If it is not tackled with seriousness, it has the potential to derail both social and economic prosperity.

The discussion on recorded crimes in this section is limited to contact and property related crime such as murder and sexual crimes, as well as crime heavily dependent on police action for detection such as drug-related crimes and driving under the influence of alcohol/drugs; these are detailed in Figure 4.

The City continued to see an increase in most of the crime categories (as indicated in Figure 4). In particular, the number of murders and residential burglaries continued to increase from the previous year, while the total number of sexual crimes remained on a downward trend since 2009/10.

Figure 4 Crime in the City of Cape Town: April 2003/04 to March 2013/14



Source: South African Police Service, 2013/14

Of great concern is the sharp increase in drug-related crime which increased steadily from 15 327 in 2004/05 to 57 414 cases in 2013/14. Although the number of drivers found to be driving under the influence of alcohol or drugs increased steadily between 2004/05 and 2011/12 from 3 645 to 12 569 incidents, the number of incidence dropped in 2012/13 and fell further to a total of 9 819 in 2013/14.

It should however be noted that drug-related crime and driving under the influence of alcohol or drugs are heavily dependent on police for detection and increases in these recorded crimes are likely to be from a combination of an increase in the level of crime and an increase in level of policing in the area.

6. Basic services

Access to services such as potable water, basic sanitation, safe energy sources and refuse removal services ensures that households enjoy a decent standard of living.

6.1 Water

Access to potable water is essential to maintaining a healthy life. The water supplied and made available to communities should be safe so as to prevent the contraction and spread of diseases.

From Table 7 it can be seen that access to potable water in the Western Cape is relatively good with the City's proportional household access (96.5 per cent in 2013) on par with other districts in the Province.

6.2 Sanitation

Sanitation is a means of promoting health through the provision of safe disposal and treatment of human waste. Access to a toilet advances physical health and also provides the user with a sense of human dignity. Where sanitation systems are inadequate, negative health effects can be extremely serious.

Approximately 90 per cent of households in the City have access to basic sanitation services. Compared to other districts across the Province, access levels are second only to that of the Cape Winelands District, which was projected to be at 90.8 per cent in 2013.

Table 7 Access to minimum basic services, 2011 - 2013

Region	Water		Sanitation		Housing		Energy		Refuse removal	
	2011	2013	2011	2013	2011	2013	2011	2013	2011	2013
City of Cape Town	96.6%	96.5%	90.1%	90.0%	78.7%	78.3%	94.0%	93.9%	94.2%	94.2%
West Coast District	98.4%	98.3%	87.4%	87.4%	88.5%	88.3%	94.5%	94.4%	76.5%	76.6%
Cape Winelands District	97.2%	97.1%	90.9%	90.8%	82.9%	82.6%	92.8%	92.6%	80.0%	79.9%
Overberg District	97.4%	97.4%	89.5%	89.4%	83.2%	82.9%	91.2%	91.1%	79.7%	79.7%
Eden District	95.2%	95.2%	85.2%	85.1%	84.4%	84.1%	91.0%	89.4%	86.4%	86.5%
Central Karoo District	98.1%	98.1%	88.9%	88.9%	97.3%	97.3%	89.2%	89.2%	78.5%	78.6%
Western Cape	96.7%	96.6%	89.5%	89.4%	80.8%	80.5%		93.3%	89.9%	89.8%

Water: Piped water on community stand less than 200 m from dwelling

Sanitation: Flush toilet with septic tank

Energy: Electricity

Refuse removal: Removed by local authority at least once a week

Housing: Formal dwelling

Source: Statistics South Africa, Census 2011; Quantec 2014

6.3 Housing

The Constitution of the Republic of South Africa states that every citizen has the right to access to adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. Still, there are many South Africans who lack this basic right.

Information from Statistics South Africa Census 2011 and Quantec are used here to provide estimates of the extent of the lack of adequate housing within the City of Cape Town. Access to formal housing in the City is the lowest in the Province when comparing to the Western Cape districts. Household access to formal housing in the City was at 78.3 per cent in 2013. Although the level of access to formal housing is lower compared to the other regions in the Western Cape, the performance must be viewed in light of the high levels of migration into the City.

6.4 Energy

Energy is essential for human life; commonly identified uses include energy for cooking, heating and lighting. Given the harmful environmental impacts of certain identifiable energy sources, as well as growing energy demand and needs, the use of clean and sustainable energy is becoming increasingly important. Different energy sources also have other usage risks; e.g. health and safety risks especially in the use of paraffin and open flame usage.

Household electricity access levels are generally good across the Province, with the City's 2013 household access level at 93.9 per cent.

6.5 Refuse removal

Refuse removal is an essential service that ensures that health related problems are kept at bay. It also ensures the protection of the physical environment. A lack of/inadequate service is likely to result in uncontrolled and unregulated dumping.

Given the environmental limitations in the creation of landfill sites, recycling is strongly encouraged; recycling extends the lifespan of landfill sites. By reducing the need for the creation of 'new' products, recycling also strongly encourages the preservation of our natural resources; in this sense it could best be used as part of the broader 'Reduce – Reuse – Recycle' environmental approach, that firstly encourages non-wasteful consumption practices (reduce), the reuse of products where possible (reuse) and the recycling of the product where its use in current form has been exhausted (recycle).

At 94.2 per cent in 2013, the City's household access level to refuse removal services is significantly above all other districts; the West Coast has the lowest district access level with only 76.6 per cent on households accessing this minimum basic service in 2013.

7. Economy⁴

In line with the downward revision of the global economic outlook and the substantial downward revision of the outlook for growth nationally and in the Province, the Cape Metro GDP growth forecast for the period 2014 - 2019 has been reduced to 3.0 per cent per annum, from 3.6 per cent per annum at the time of the 2013 MERO study (for the period 2012 - 2017). The growth performance of the Cape Metro (1.8 per cent) was below that recorded for the Western Cape Province (2.1 per cent) in 2013.

The main reasons for the slower growth have been highlighted as weak global growth and domestic issues such as labour unrest. Given the strong links between the Metro and the global economy, the region is exposed to the uncertain global economic conditions.

The Cape Metro economy is the largest in the Province, contributing an average of 73 per cent of the Western Cape GDP in 2013 and 11 per cent to national gross domestic product in 2013. Hence the growth performance of the region by sector mirrors that of the Western Cape Province.

Table 8 Cape Metro GDP and employment trends 2000 – 2013

Sectors	GDP (yoy %)			Employment (net change)		
	Trend	Recession	Recovery	Trend	Recession	Recovery
	2000 - 2013	2008 - 2009	2010 - 2013	2000 - 2013	2008 - 2009	2010 - 2013
Agriculture, forestry and fishing	9.3	21.9	2.2	16 618	1 923	-1 451
Mining and quarrying	-0.4	-7.2	1.5	-503	48	-48
Manufacturing	2.4	-3	2.7	-68 342	-20 229	-7 105
Electricity, gas and water	3	-1.4	1	1 499	-1 462	440
Construction	5.8	4.3	1.5	-38 824	-6 752	-18 075
Wholesale and retail trade, catering and accommodation	4	-0.7	3.4	29 569	3 948	3 255
Transport, storage and communication	4.6	1.9	2.3	11 238	5 517	6 888
Finance, insurance, real estate, business services	5	3.1	3	81 744	-7 005	17 042
Community, social and personal services	2.5	1.1	1.4	39 770	15 197	-4 462
General government	2	4	2.7	31 420	6 852	2 546
Total Cape Metro	3.9	1.5	2.7	104 188	-1 963	-969

Source: Quantec Research 2014 (MERO 2014)

Table 8 shows the sectoral composition of GDP growth and net employment creation in the Cape Metro economy over the period 2000 – 2013. The Cape Metro has not fully recovered to its trend growth rate (3.9 per cent per annum, 2000 - 2013) and has under-performed during the economic recovery thus far. During the recession years (2008 - 2009) real growth slowed to 1.5 per cent per annum and recovered to 2.7 per cent per annum over the period 2010 - 2013, compared to 5.0 per cent per annum recorded over the period 2000 - 2007, i.e. the previous business cycle expansion.

⁴ This section is taken from MERO 2014.

From a sectoral perspective, the agriculture, forestry and fishing sector was the fastest growing sector (9.3 per cent) in the region over the 2000 - 2013 period. Other sectors that grew above or equal to average during the 2000 - 2013 period are Construction (5.8 per cent), Wholesale and retail trade, catering and accommodation sector (4.0 per cent), Transport, storage and communication (4.6 per cent) and the Finance, insurance, real estate and business services sectors (5.0 per cent).

The Cape Metro is commonly referred to as the gateway to South Africa and is a preferred destination for companies and people. The region's locational attributes and quality of infrastructure ensure it is globally connected.

8. Labour market⁵

The Cape Metro is the largest employer within the Western Cape, contributing 66 per cent to total formal and informal employment in 2013 (i.e. 1 238 040 workers). The district recorded an expansion in its workforce over the period 2000 - 2013 (see Table 8). The largest employer in the region is the wholesale and retail, catering and accommodation sector and is closely followed by the finance & business services sector.

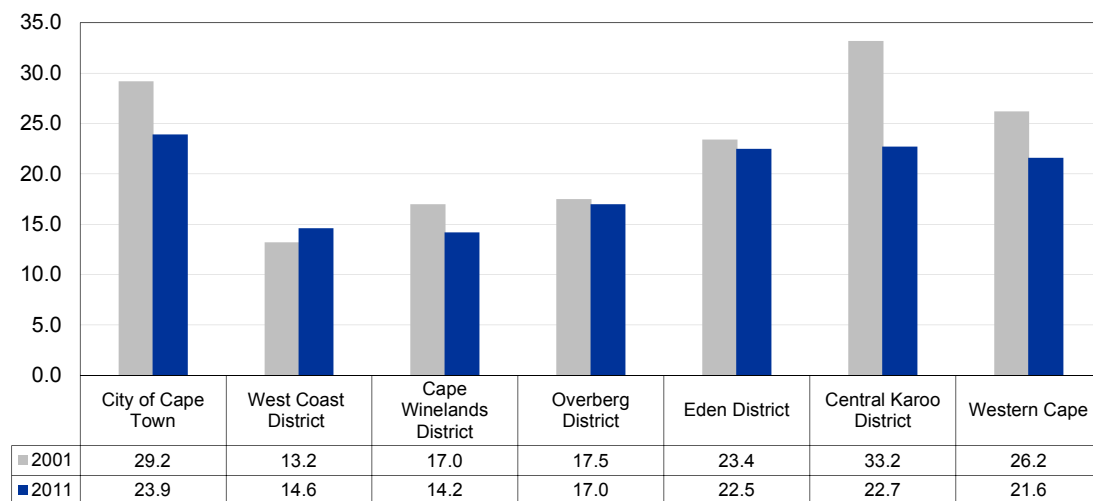
The sector that shed the most jobs was the manufacturing sector (68 340 workers) followed by the construction sector (38 820 workers). The net job growth in the services sector (including general government) was much higher than the retrenchments in manufacturing and construction, resulting in a net cumulative growth of 104 189 jobs over the 2000 - 2013 period.

In terms of employment the region took a serious hit from the 2008 - 2009 recession. The outlook is for stronger global economic growth, which will benefit the Cape Metro given the region's exposure to global economic developments. It is expected that the Construction sector will be the highest growth sector and will be closely followed by the Transport, storage and communication sector and the Finance, insurance, real estate and business services sector.

8.1 Unemployment

In 2011, the City represents almost two thirds (66.3 per cent) of the Province's labour force. While the City's share of the Province's employed roughly corresponds with proportional share of the labour force, with 73.5 per cent of the Western Cape's unemployed, the City is over-represented in its proportion of the Province's unemployed.

⁵ This section is taken from MERO 2014.

Figure 5 Western Cape unemployment rates, 2001 and 2011

Source: Statistics South Africa, Census 2001 and 2011

Compared to other Western Cape District, the City's 2011 unemployment rate is the highest.

9. Concluding remarks

According to forecasts by the Department of Social Development, the City's population will continue to grow at an average annual rate of 2.4 per cent between 2011 and 2017.

Education indicators show that although the literacy rate in the City has reached 90 per cent, education outcomes as measured by the matric pass rate is still relatively low (80 per cent). This outcome is a real cause for concern especially since the school dropout rate in the City is extremely high (39 per cent in 2013).

When considering health indicators for the City, of particular concern is the low immunisation rate of 76.6, the lowest when comparing against other districts in the Province. Also of concern is the City's relatively high maternal mortality rate. Termination of pregnancy rate is also highest in the Province.

Within the City, the number of patients on ART has steadily increased over time; this increase in patient load is seen in a positive light as the estimates of HIV infected persons far exceeds current patient load. As also seen above, the TB patient load has steadily decreased over time, a probable indicator of a decline in the disease.

Although declining, poverty rates within the City are still high implying a large number of indigent households placing strain on municipal resources to provide free basic services. This is highlighted by the fact that 13.7 per cent of households in the City have no income.

In terms of employment, the region took a serious hit from the 2008 - 2009 recession. The net job growth in the services sector (including general government) was much higher than the retrenchments in manufacturing and construction, resulting in a net cumulative growth of 104 189 jobs over the 2000 - 2013 period. However, unemployment in the region remains a challenge.

Crime, particularly the increasing number of murders, residential burglaries and drug-related crime in the City is worrisome.

Although most households (90 per cent +) have access to basic services (water, sanitation, electricity and refuse removal), housing remains one of the City's critical challenges.

The economic growth performance of the Cape Metro (1.8 per cent) was below that recorded for the Western Cape Province (2.1 per cent) in 2013. In line with the downward revision of the global economic outlook, nationally and in the Province, the Cape Metro GDP growth forecast for the period 2014 - 2019 has been reduced to 3.0 per cent per annum.

Appendix

SOCIO-ECONOMIC SNAPSHOT

Municipality	Population size 2001	Population size 2011	Average annual growth (2000 – 2011)	Unemployment rate		Real GDP growth (2000 - 2011)	Literacy rate		Percentage of household with minimal service level as per Stats SA Census				Poverty rate						
				2001	2011		2001	2011	Water	Sanitation	Energy	Refuse	Housing	2001	2010				
				2001	2011		2001	2011	2001	2011	2001	2011	2001	2011	2001	2010			
City of Cape Town	2 893 247	3 740 026	2.6	29.2	23.9	4.1	85.0%	90.5%	98.7%	99.3%	88.8%	94.2%	93.0%	94.0%	83.0%	89.5%	23.9%	19.7%	
West Coast District	282 673	391 766	3.3	13.2	14.6	3.3	71.0%	79.1%	98.0%	99.2%	81.4%	94.8%	66.0%	76.0%	93.0%	93.0%	32.0%	30.4%	
Matzikama	50 207	67 147	2.9	16.5	14.0	1.5	69.0%	76.4%	92.0%	96.0%	97.8%	98.7%	59.0%	68.0%	89.9%	88.4%	35.3%	31.7%	
Cederberg	39 320	49 768	2.4	10.2	10.5	2.2	66.0%	73.2%	96.0%	98.0%	98.4%	96.4%	98.0%	57.0%	68.0%	93.3%	87.1%	41.2%	42.7%
Bergvliet	46 330	61 897	2.9	7.6	6.8	2.8	70.0%	76.4%	94.0%	99.0%	98.8%	98.8%	57.0%	67.0%	93.4%	93.4%	34.2%	33.8%	
Saldanha Bay	70 439	99 193	3.5	21.5	23.4	4.6	79.0%	86.7%	95.0%	99.0%	95.0%	99.3%	94.0%	97.0%	84.5%	81.7%	22.3%	23.9%	
Swartland	72 118	113 762	4.7	10.2	12.7	3.7	69.0%	78.0%	93.0%	99.0%	96.8%	99.5%	70.0%	76.0%	93.4%	90.9%	32.8%	26.8%	
Cape Winelands District	629 490	787 490	2.3	17.0	14.2	3.9	72.0%	81.7%	98.0%	99.2%	88.5%	93.2%	70.0%	80.0%	82.7%	91.2%	30.9%	25.7%	
Witzenberg	83 570	115 946	3.3	13.6	7.6	3.0	65.0%	75.5%	94.9%	98.0%	95.7%	97.5%	58.0%	71.0%	89.0%	86.2%	29.8%	27.4%	
Drakenstein	194 416	251 262	2.6	22.8	17.6	3.0	77.0%	84.8%	92.0%	99.0%	92.0%	97.3%	76.0%	86.0%	82.0%	85.0%	27.2%	20.7%	
Stellenbosch	117 715	155 733	2.8	16.9	15.2	5.5	80.0%	84.9%	90.3%	94.9%	95.9%	95.3%	80.0%	97.0%	81.4%	75.1%	34.6%	25.8%	
Breede Valley	146 034	166 825	1.3	19.7	14.4	2.4	71.0%	82.1%	93.4%	96.5%	95.1%	92.5%	66.0%	76.0%	87.2%	77.9%	31.5%	27.0%	
Langeberg	81 274	97 724	1.9	12.2	11.3	5.1	62.0%	75.3%	92.8%	96.5%	97.7%	98.5%	62.0%	73.0%	92.9%	90.7%	34.1%	32.0%	
Overberg District	203 520	258 176	2.4	17.5	17.0	5.2	73.0%	81.1%	98.8%	99.2%	83.9%	91.5%	77.0%	83.0%	87.9%	91.3%	31.0%	29.6%	
Theewaterskloof	93 276	108 790	1.6	18.6	14.9	3.7	68.0%	78.4%	90.0%	96.9%	90.6%	92.8%	70.0%	79.0%	77.8%	80.3%	35.3%	35.0%	
Overstrand	55 735	80 432	3.7	22.0	23.3	6.8	81.0%	87.5%	95.1%	98.6%	92.8%	94.8%	88.0%	92.0%	83.6%	80.1%	25.6%	25.5%	
Cape Agulhas	26 183	33 038	2.4	13.6	13.8	5.7	76.0%	81.1%	97.3%	97.4%	99.1%	99.1%	79.0%	80.0%	91.3%	85.2%	25.1%	19.1%	
Swellendam	28 077	35 916	2.5	15.7	11.4	4.8	65.0%	74.2%	93.2%	96.2%	99.0%	99.1%	71.0%	74.0%	88.4%	88.3%	33.6%	30.7%	
Eden District	454 919	574 265	2.4	23.4	22.5	5.2	74.0%	82.6%	95.7%	97.8%	85.6%	91.4%	81.0%	86.0%	77.9%	91.1%	31.6%	21.7%	
Kamalland	23 975	24 767	0.3	13.9	17.3	5.5	60.0%	72.5%	92.0%	94.0%	93.3%	98.1%	58.0%	66.0%	96.9%	96.3%	43.8%	29.9%	
Hessequa	44 108	52 642	1.8	14.0	14.1	1.3	70.0%	76.5%	96.0%	98.0%	88.9%	98.4%	71.0%	79.0%	93.2%	93.8%	28.9%	16.0%	
Mossel Bay	71 498	89 430	2.3	24.7	22.9	7.6	79.0%	85.7%	96.0%	96.0%	87.3%	97.0%	89.0%	93.0%	85.5%	85.9%	27.3%	12.4%	
George	135 402	193 672	3.6	27.8	20.7	4.2	76.0%	83.4%	92.0%	96.0%	87.3%	94.1%	85.0%	88.0%	80.9%	83.9%	26.2%	20.4%	
Oudtshoorn	84 691	95 933	1.3	33.7	25.3	3.8	71.0%	79.4%	93.0%	95.0%	87.6%	96.9%	81.0%	78.0%	87.0%	88.5%	43.8%	34.1%	
Bhou	29 180	49 162	5.4	26.3	30.1	8.4	76.0%	85.8%	90.0%	93.0%	86.9%	90.6%	85.0%	88.0%	79.8%	72.2%	33.5%	27.2%	
Knysna	51 475	68 669	2.9	28.3	24.8	6.1	78.0%	85.1%	84.0%	94.0%	81.0%	88.3%	85.0%	93.0%	68.6%	73.8%	24.2%	15.0%	
Central Karoo District	60 482	71 011	1.6	33.2	22.7	4.0	63.0%	73.0%	98.9%	99.4%	83.9%	83.7%	77.7%	78.7%	96.9%	96.7%	38.7%	32.5%	
Laingsburg	6 679	8 289	2.2	26.3	17.9	2.5	58.0%	70.4%	98.2%	99.4%	73.4%	83.1%	63.1%	59.5%	96.6%	96.6%	37.8%	36.1%	
Prince Albert	10 518	13 136	2.2	35.0	19.4	4.2	59.0%	69.9%	98.0%	99.3%	80.0%	90.1%	71.6%	73.4%	93.9%	94.2%	44.1%	43.3%	
Beaufort West	37 110	49 586	2.9	38.2	25.5	4.1	68.0%	74.9%	99.0%	99.4%	87.2%	93.4%	85.4%	83.7%	95.8%	97.9%	37.5%	29.1%	
Western Cape	4 524 335	5 822 734	2.6	26.2	21.6	4.1	85.0%	87.2%	85.2%	88.4%	78.8%	86.9%	88.8%	91.1%	81.3%	80.4%	26.7%	22.1%	
South Africa	44 819 778	51 770 560	1.5	41.6	29.8	3.6	70.1%	80.9%	61.3%	73.4%	53.8%	62.6%	57.0%	63.6%	68.5%	77.6%	32.5%	27.4%	
Average	179 703	232 145	2.6	20.7	17.6	4.3	71.1%	79.6%	93.8%	97.2%	84.3%	89.7%	73.9%	79.6%	87.6%	86.5%	32.5%	27.4%	
Min	6 679	8 289	0.3	7.6	6.8	1.3	58.0%	69.9%	84.0%	93.0%	73.4%	83.3%	50.0%	58.0%	68.6%	72.2%	22.3%	12.4%	
Max	2 893 247	3 740 026	5.4	38.2	30	8.4	85.0%	90.5%	99.0%	99.4%	99.1%	99.5%	94.0%	97.0%	96.9%	97.9%	44.1%	43.3%	