



Western Cape
Government

FOR YOU



#KnowYourMunicipality: The 2023 Socio-Economic Profile

George Municipality



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George Municipality: At a Glance

Demographics

Population, 2022; Actual households, 2022



Population

294 929



Households

85 931

Education

2022



Matric Pass Rate

81.2%

Learner Retention Rate

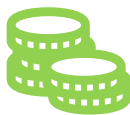
78.1%

Learner-Teacher Ratio

29.7

Poverty

2022



Gini Coefficient

0.61

Poverty Head Count Ratio (UBPL)

59.8%

Health

2022/23



Primary Health
Care Facilities

12

(excl. mobile/satellite
clinics)

Immunisation
Rate

77.1%

Maternal Mortality Ratio
(per 100 000 live births)

98.5

Teenage Pregnancies –
Delivery rate to women
U/18

13.0%

Safety and Security

Actual number of reported cases in 2022/23



Residential
Burglaries

1 233

DUI

567

Drug-related
Crimes

2190

Murder

100

Sexual Offences

359

Access to Basic Service Delivery

Percentage of households with access to basic services, 2022

Water

81.3%



Refuse Removal

88.3%



Electricity

95.5%



Sanitation

93.4%



Formal Housing

87.3%



Road Safety

2021/22

Fatal Crashes

42

Road User Fatalities

46

Labour

2022

Unemployment Rate
(narrow definition)

18.4%



Socio-economic Risks

Risk 1

Slow economic recovery

Risk 2

Crime

Risk 3

Low skills base

Largest 3 Sectors

Contribution to GDP, 2021

Finance, insurance, real estate
and business services

32.2%



Wholesale & retail trade,
catering and accommodation

16.8%



Manufacturing

14.8%



INTRODUCTION

This publication is produced by the Provincial Treasury for each of the Western Cape municipalities on an annual basis. These socio-economic profiles provide each municipality with up to date socio-economic data as well as analysis pertaining to the municipal area, to assist in planning, budgeting and the prioritisation of municipal services.

The profiles include information on recent trends in GDP and labour market performance, demographics, education and health outcomes. It further unpacks per capita income, inequality and poverty, access to housing and basic services as well as crime levels. A new addition to the profile is the inclusion of risk and vulnerability indicators related to climate change which is critical to development.

Valuable insight can be gained as to the developmental challenges faced by communities residing within a specific geographical area. While some developmental challenges are not within the municipality's mandate to address, these profiles also provide spatial information for other spheres of Government in order to improve the quality of lives of people within each municipal area.

This profile uses data primarily sourced from Statistics South Africa, administrative data from sector departments, the Municipal Review and Outlook (MERO), *Global Insight Regional Explorer* and Quantec. The data sourced from sector departments are the most recent that is available. The Statistics South Africa 2022 Census contains the latest survey data available at municipal level.

The format of the profile allows for easy readability with the data being displayed in infographics, followed by the relevant trend analyses.

The information contained in this profile highlights information for the George Municipality in relation to the broader Garden Route District.

DEMOGRAPHICS



Population 2022

294 929

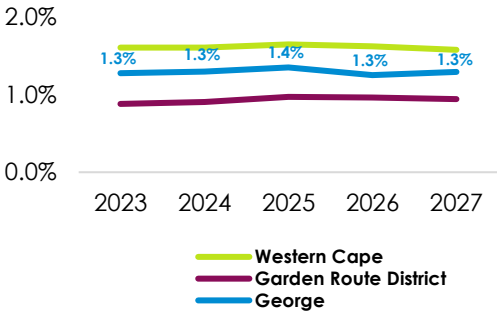
Estimated Population

314 604 2027

Estimated
Average Annual
Population
Growth Rate
2023 - 2027
1.3%



Estimated Population Growth

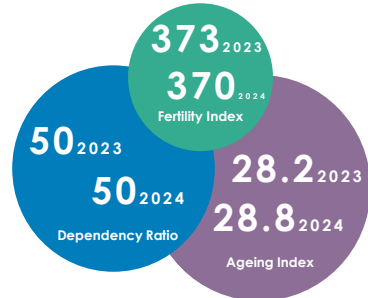


Gender and Age Dynamics

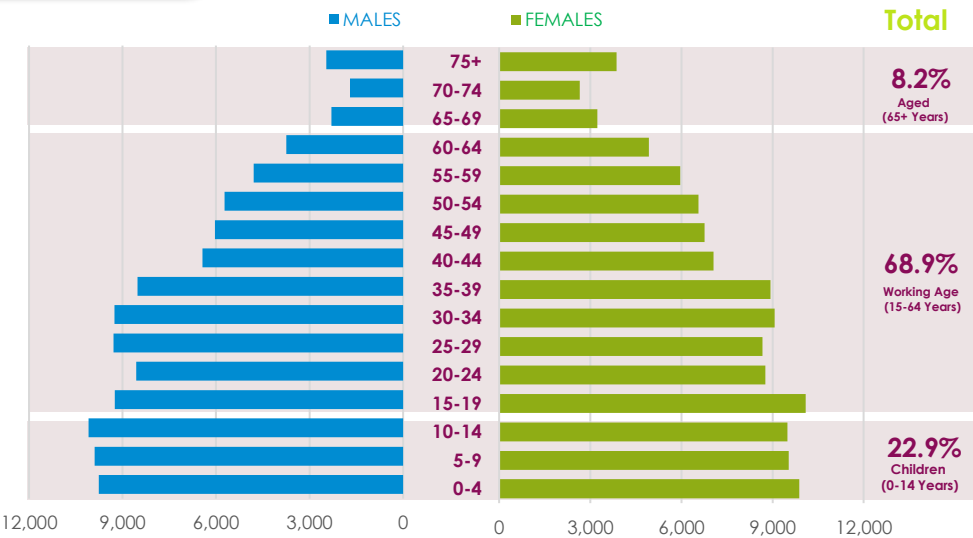


Female
50.8%

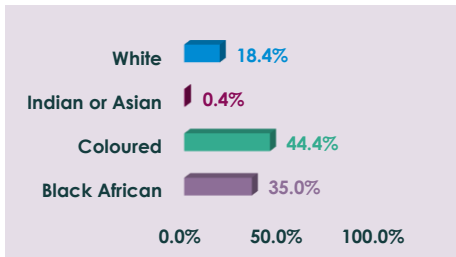
Male
49.2%



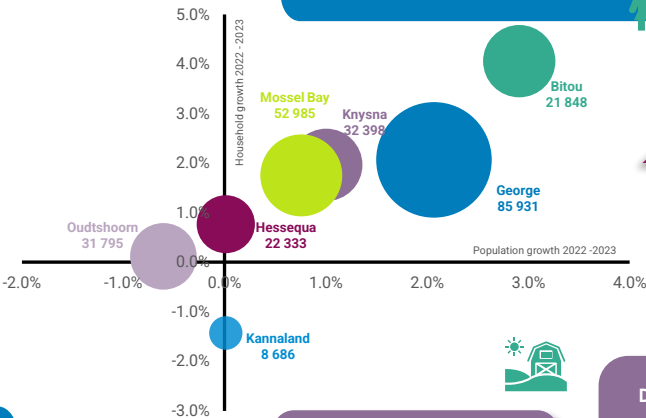
Population by Age 2022



Racial Split



Population and Household Growth 2022



3.4

Household Size

Level of Urbanisation 2021



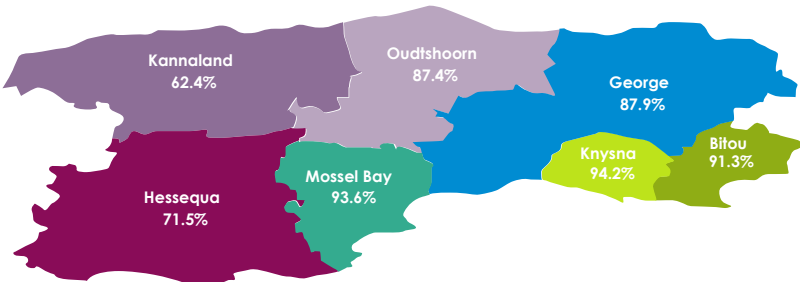
2023 43.6 people/km²

2024 44.1 people/km²

2025 44.7 people/km²

Largest Urban Settlement:
George (58%) & Thembalethu (23%)

Density change:
Highest and Largest increase in Thembalethu



Population and Household Growth

In 2022, the George Municipality was home to 294 929 individuals, making it the most densely populated municipal area within the region. This demographic prominence can be attributed to its pivotal role as the administrative and economic hub of the Garden Route District (GRD). Notably, George stands as the second fastest expanding municipal jurisdiction in the District. Projections suggest that the populace will experience an average annual growth rate of 1.3 per cent during 2023 to 2027 period, predominantly driven by semigration into this locale.

With a total of 85 931 households registered in 2022, the George municipal area exhibits an average household size of 3.4 persons. This figure positions George as the third highest in terms of household size when compared to the other municipal areas within the District. Nevertheless, this metric is anticipated to diminish by 2024, potentially due to a surge of single working-age individuals relocating to the municipal area and shrinking family sizes. Consequently, the expansion of households is forecast to surpass the growth of the overall population. Furthermore, it is noteworthy that the number of households recorded during the 2022 Census exceeds the count utilised in the Local Government Equitable Share calculations by 18.4 percent, signifying a higher-than-projected rise of households over the interval 2011 to 2022. This divergence bears implications for the provisioning of municipal services and the requisite infrastructure.

Gender, Age and Race Dynamics

A more in-depth analysis of the demographic composition within the municipal area reveals that 68.9 per cent of its residents fall within the economically active age group of 15 to 64 years. The presence of a substantial working-age population is of particular significance within a burgeoning economic hub. While the overall population distribution leans slightly in favour of females, there is a notable surplus of males within the 25 to 34 age bracket, indicative of an influx of working-age males migrating to the municipal area, ostensibly in pursuit of employment opportunities. Moreover, a segment comprising 22.9 per cent of the population is aged below 14 years, thereby engendering a comparatively high dependency on the working-age cohort. This sizable youth contingent underscores a mounting demand for educational resources and future employment prospects within the George municipal area. Additionally, a sizable elderly population, constituting 8.2 per cent of the total, signifies that the municipal area is an attractive destination for retirement, a pattern observed across the scenic expanse of the Garden Route. The insights derived from the age distribution patterns are instrumental for municipal planning, particularly concerning the availability of housing and government services tailored to meet the diverse needs of distinct age groups.

Furthermore, the prominent racial demographic category in the municipal area is the coloured population, representing 44.4 percent of the total population, followed by the black African population at 35 per cent and the white population at 18.4 per cent. The Indian or Asian demographic group is the minority, accounting for merely 0.4 per cent of the municipal populace.

Level of Urbanisation and Population Density

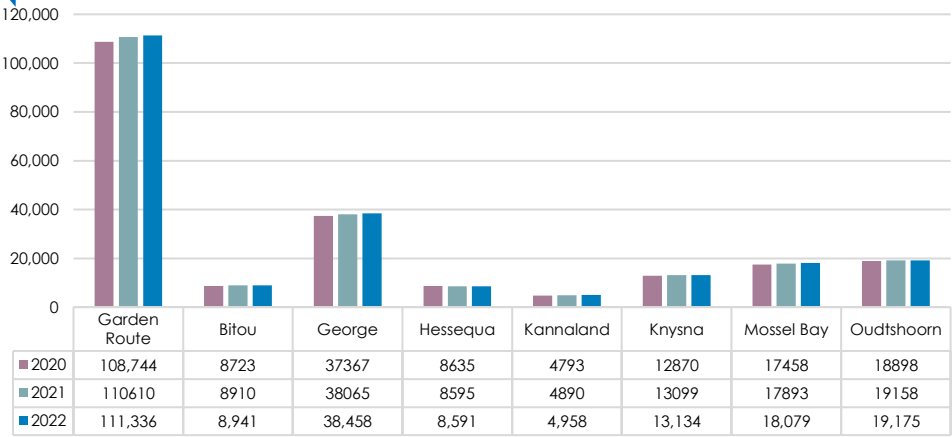
The George municipal area stands out because of its unique circumstances. Despite it being the economic hub, it has the fourth highest level of urbanisation (87.9 per cent) in the District. Although the urban population grew, certain developments around the town of George extended into the rural area, thereby raising the rural share. Notably, there was a significant urban population within the town of George, where the majority of people (57.9 per cent) reside. It is worth highlighting that Thembaletu, in particular, stands out for its elevated population density, which has surged from 21.4 per cent of the George municipal population in 2001 to 23.3 per cent in 2021.

The George municipal area is 5191 km² and spans the Southern Cape and Little Karoo regions of the Western Cape. In 2023, it had a population density of 43.6 persons per km² and is expected to rise to 44.7 by 2025. The concentration of the population gravitates toward the town of George, magnetized by the economic opportunities, social amenities, and connectivity advantages it offers. However, Thembaletu distinguishes itself as the most densely populated locale, potentially fueled by growth in informal settlements as individuals migrate into the municipal area.

EDUCATION



Learner enrolment



Educational facilities 2022

50

Number of schools

72.0%

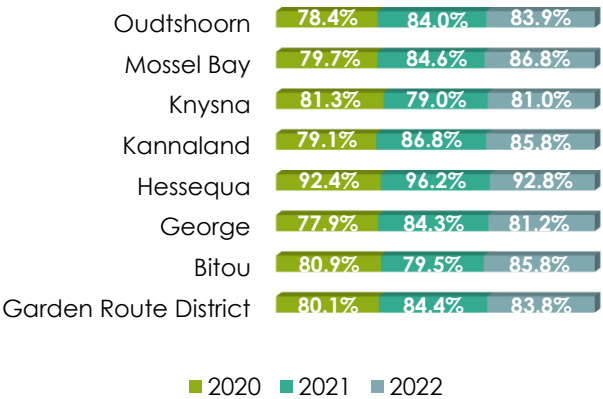
Proportion of no-fee schools

Number of schools with libraries

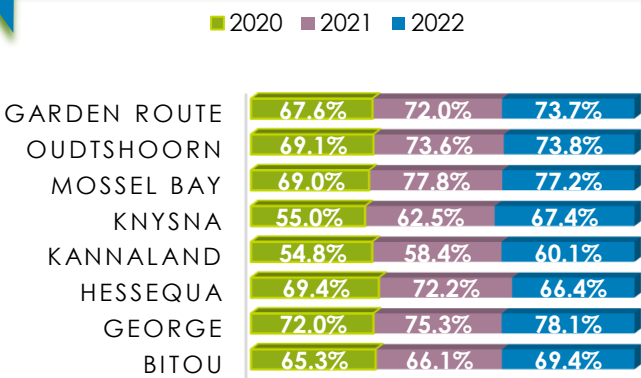
28



Education outcomes



Learner retention 2020 - 2022

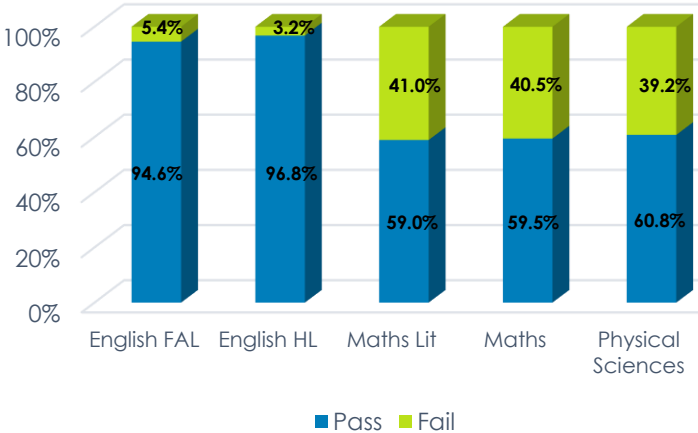


Learner-Teacher Ratio 2020- 2022

Garden Route District	30,1	30,2	29,82
Bitou	32,3	32,4	31,82
Mossel Bay	30,2	30,9	30,13
George	30,0	29,7	29,67
Hessequa	29,1	28,9	28,73
Knysna	30,1	30,3	28,99
Kannaland	30,9	31,7	31,18
Oudtshoorn	29.6	29.7	29.7



Subject Outcomes



Learner enrolment and learner-teacher ratio

Ensuring that school aged children have access to schools and are enrolled in schools allows the community to meet the future skills demands in a growing economic hub. A more informed and productive society is instrumental in improving the overall quality of life. In 2022, the George municipal area had the highest number of enrolled learners within the GRD, a natural consequence of the greater population size. It experienced notable growth in learner enrollment, witnessing an increase of 1 091 pupils between 2020 and 2022. This expansion is attributed to the concurrent growth of the working-age population in the locality, a phenomenon driven by the availability of employment opportunities and enhanced economic prospects. Typically, families relocating to the area for employment often include school-age children, thereby amplifying the enrollment of learners.

This influx of learners has fortunately been accompanied by an increased number of teachers, resulting in a reduction in the learner-teacher ratio, which, by 2022, had descended below the provincial and GRD average.

Education infrastructure and facilities

Education and skills development play a vital role in shaping the future socioeconomic landscape of the municipal area. They empower the population and significantly impact the local economy's development and its human resource capacity. The Western Cape Education Department is committed to this cause, ensuring access to education for the children of the municipal area with the availability of 50 schools. Nearly three-quarters (72.5 per cent) of these schools operate as no fee schools. This is positive to note, given that a substantial 24 per cent of learners cited financial constraints as the primary reason for prematurely dropping out of school in 2021. A concerning trend of urban sprawl in the municipal area is however impinging on open land zoned for school developments, concurrently with a lag in the construction of schools. This affects the future availability of proximate schools for a growing populace. Additionally, it is noteworthy that there is a preference for schools situated within the Central Business District, thereby leading to insufficient space available to meet demand.

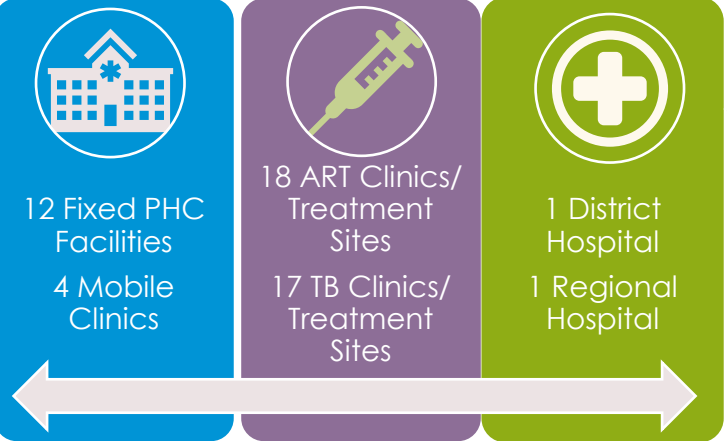
Learner Retention

Economic centres such as George offers economic incentives for completing education more so than is present for its more rural counterparts. The George municipal area by implication has the highest learner retention rate in the District. It is also noteworthy that the learner retention rate has been on an upward trend, boding well for the future economic potential of the municipal area.

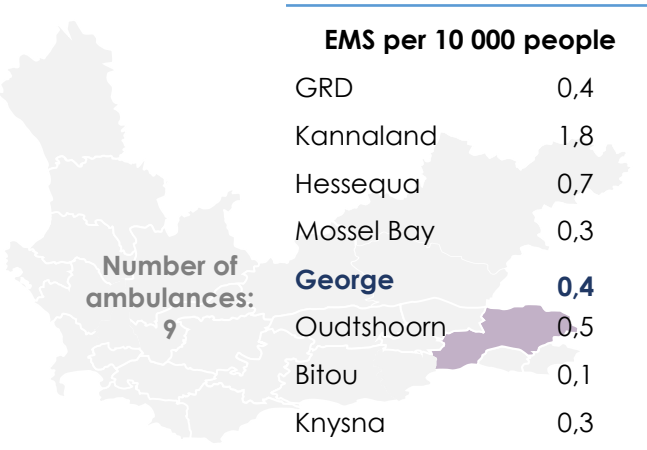
Education Outcomes

Lower learner-teacher ratios typically foster robust learner-teacher relationships, enabling the utilisation of personalised teaching approaches, and ultimately contributing to improved academic performance. This effect is not fully present in the George municipal area which has the second lowest matric pass rate in the region and saw a slight dip in both the matric pass rate and the bachelor pass rate between 2021 and 2022. Furthermore, subject outcomes reflect that a major reason for this is poor mathematics, mathematical literacy and physical science outcomes. This needs to be addressed as high performance in these subjects, in particular, are crucial in the enfolding fourth industrial revolution. With a growing demand for skilled labour in the municipal area, matric certificates and higher education qualifications are becoming increasingly important as a lever to lift families out of poverty and contribute to economic development. It is imperative that the determinants influencing the overall quality of education be considered in the quest for optimal educational outcomes. It is however positive to note that over the 2011 to 2022 period, the percentage of persons over the age of 20 without schooling (2.4 per cent) has declined and those with higher education (13.9 per cent) increased, albeit by small margins of less than 2 per cent in both instances.

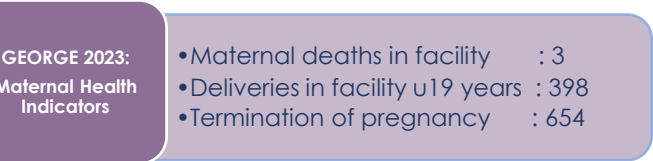
Healthcare Facilities



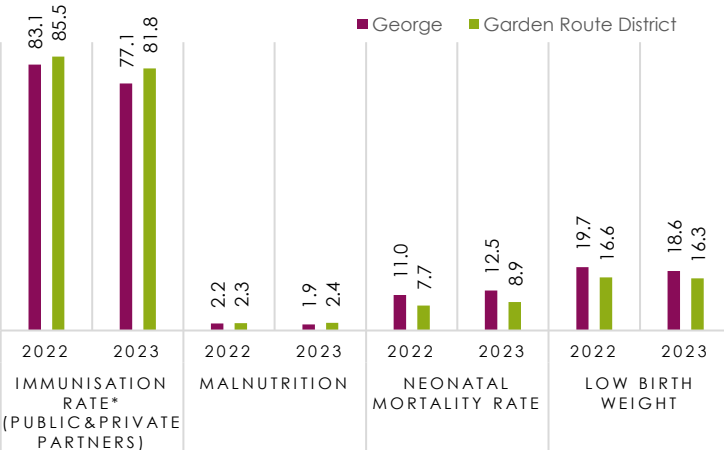
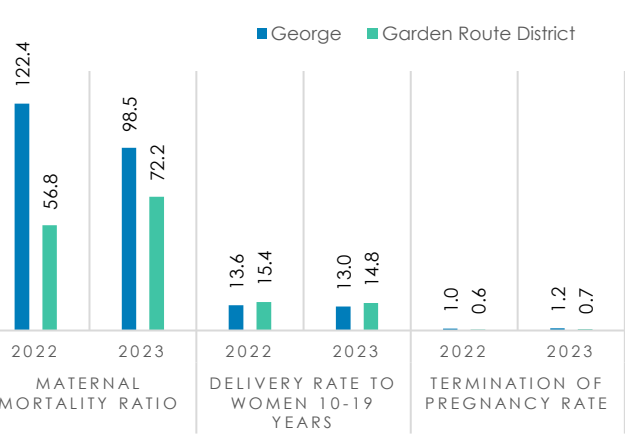
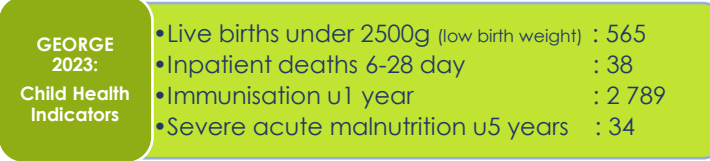
Emergency Medical Services



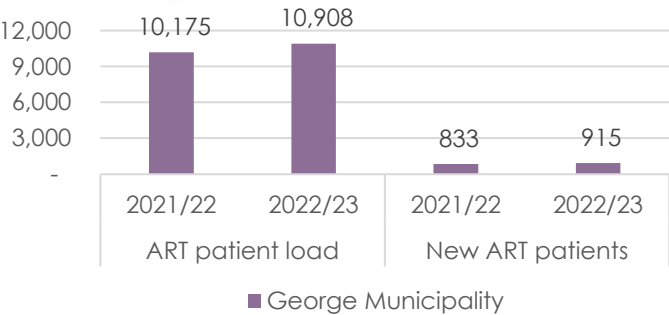
Maternal Health



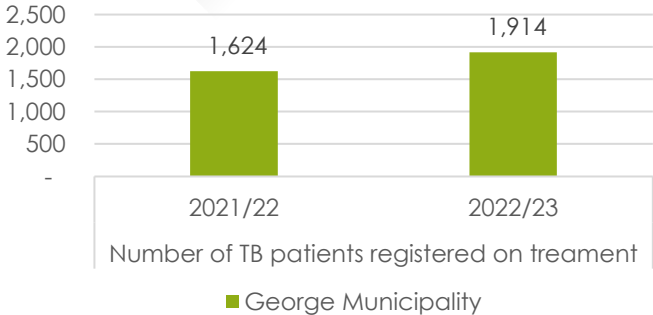
Child Health



HIV/AIDS



Tuberculosis



Healthcare facilities

In 2022, a mere 15.8 per cent of the South African population had access to medical aid, underscoring the significance of government healthcare facilities in delivering essential primary healthcare services to the majority of the country's residents. Within the George municipal area, there was a total of 12 primary healthcare facilities. Additionally, the George municipal area had 4 mobile/satellite clinics, along with one district hospital and one regional hospital, catering to the healthcare needs of the residents. It is noteworthy that this municipal area accounted for 20.8 per cent of the healthcare facilities present in the broader Garden Route District.

Furthermore, with the development of one additional ART treatment site and 2 additional TB clinics, the residents in the municipal area had access to 18 ART treatment sites and 15 TB clinics in 2022, further enhancing the availability of critical TB and ART treatment services available for households. This is especially necessary with the rising number of ART and TB patients registered for treatment within the municipal area from 2021/22 to 2022/23.

Enhancing the quantity of functional ambulances contributes to an expanded reach of emergency medical services across the municipal area. In the 2022/23 fiscal year, the area had 9 Provincial ambulances, translating to 0.4 ambulances per 10 000 residents. This represents a decline compared to the prior fiscal year, hereby reflecting the challenge in keeping pace with the expanding population. It should however be noted that this figure pertains exclusively to Provincial ambulances and does not include private service providers.

Maternal health and Child health

Within the George municipal area, there has been an observable decline in teenage pregnancies. In 2022/23, 398 deliveries (13 per cent) occurred among females under the age of 20, which is slightly lower than the District rate of 14.8 percent. The decrease in teenage pregnancies coincided with an increase in pregnancy terminations, with 652 pregnancy terminations reported in 2022/23. The high rate of teenage pregnancies reflects a need for expanded family planning initiatives and support services within the municipal area and greater GRD, as unplanned pregnancies poses a risk to the future quality of life of teenagers.

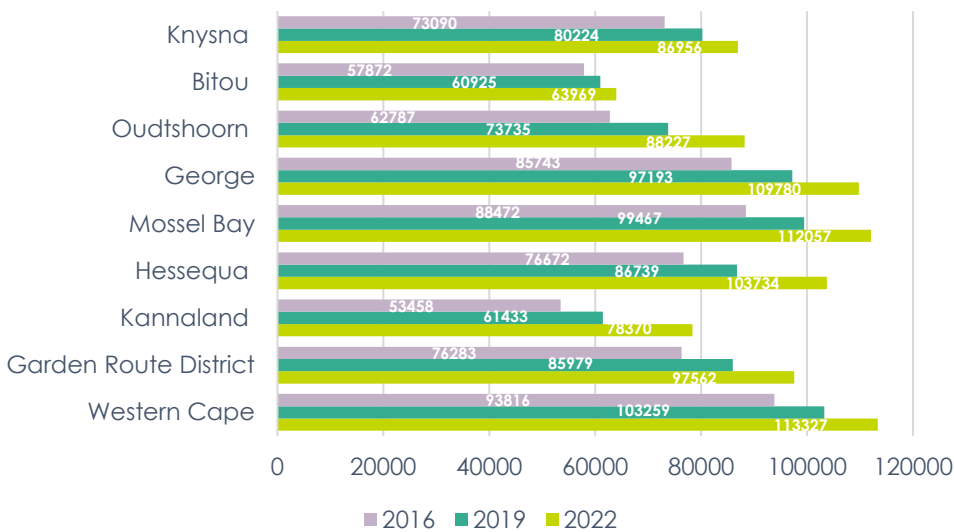
2 789 children under the age of one were immunised, translating to an immunisation coverage rate of 77.1 per cent. This exhibits a reduction thereby placing a greater proportion of young children at risk of serious illness. The prevalence of malnourished children under the age of five, particularly those suffering from severe acute malnutrition, per 100,000 individuals in the municipal area, saw a marginal decline from 2021/22 to 2022/23. Furthermore, the percentage of infants born with a birth weight of less than 2.5 kilograms also decreased over this period. In both cases, the municipal area has not yet reverted to pre-pandemic levels. While the reductions in poverty and government feeding schemes have contributed to the marginal decline in malnourished children, there remains a continued challenge in terms of households' access to nourishing food.

With 3 maternal deaths and 38 babies dying before 28 days of life, the municipal area has amongst the highest maternal and neonatal mortality rates in the Province, presenting a concerning development especially as these rates have increased from 2021/22 to 2022/23. This emphasizes the need for improved antenatal and postnatal care.

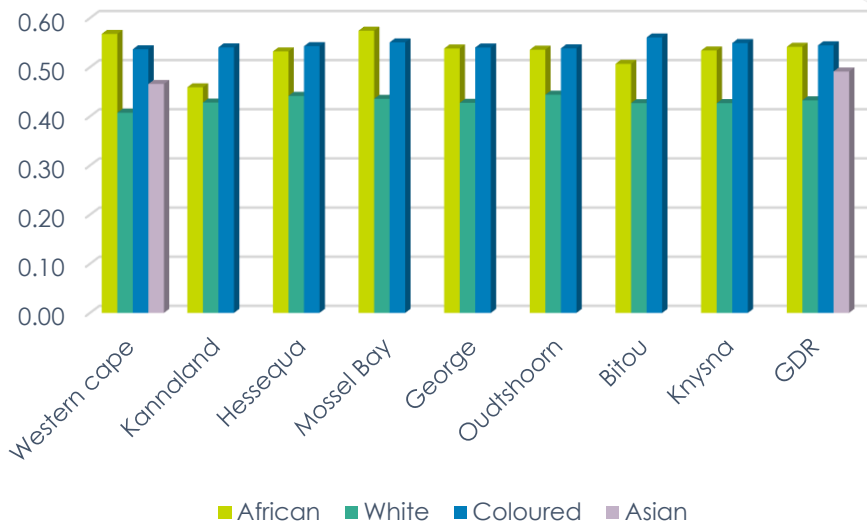
POVERTY



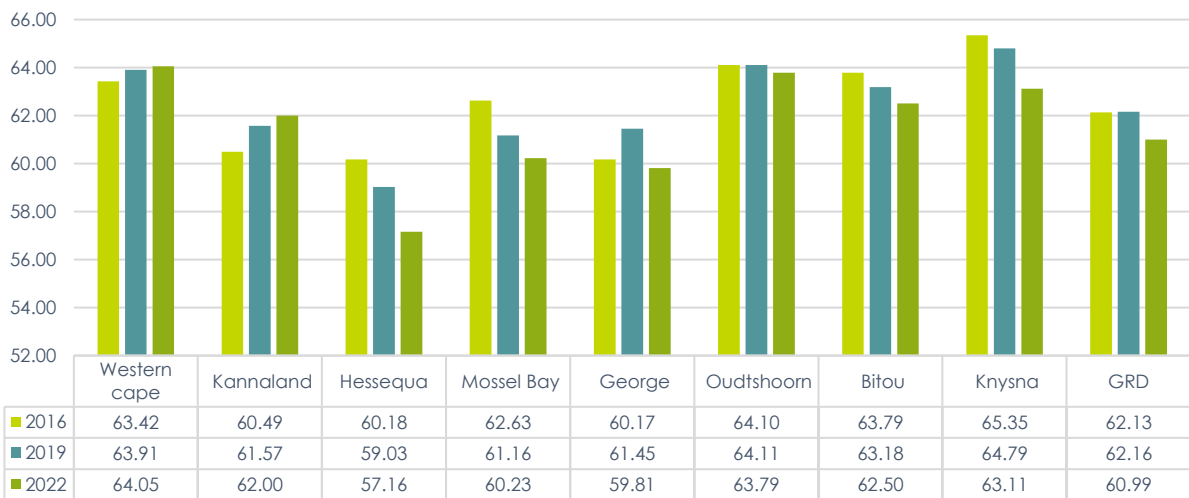
GDP per capita



Income Inequality



Poverty Line



GDPR Per Capita

During the timeframe spanning from 2016 to 2022, the regional economy exhibited a growth rate surpassing that of the population, resulting in a notable upswing in the GDPR per capita i.e., GDPR per person. Over this period, GDPR per capita experienced a robust increase of 21.9 per cent, indicative of enhanced standards of living and heightened economic well-being within the George municipal area. At R109 780, the GDPR per capita exceeded the District average (R97 562) but remained below that of the Western Cape (R113 327), pointing to potential areas for further improvement.

However, it is imperative to acknowledge that the distribution of GDPR per capita within the George municipal area is not uniform. Disparities prevail, with a segment of the population enjoying affluence, while others grapple with financial challenges in an economic landscape characterized by inflation, escalating interest rates, and unemployment.

Income Inequality

South Africa suffers 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, endeavouring to lower the Gini coefficient from 0.7 in 2010 to 0.6 by 2030. The George municipal area nearly meets that goal at 0.61 but has amongst the most unequal distributions of income in the Province. This reflects the discrepancy between persons with well remunerated jobs in George as well as affluent households living on the coast, compared to the lower income earned by rural farm workers in areas such as George Rural, Haarlem and Uniondale as well as households residing in the numerous informal settlements across the municipal area. Income inequality is also more pronounced among the coloured and black African demographic groups where some households have built wealth, whilst others have yet to escape the poverty trap.

Poverty

The Upper Bound Poverty Line (UBPL) head count ratio is the proportion of the population living below the UBPL i.e., that cannot afford to purchase adequate levels of food and non-food items. The UBPL in South Africa is R1 417 (in April 2022 prices) per person per month. In 2022, 59.8 per cent of the George municipal population fell below the UBPL. This figure improved marginally from the 61.5 per cent recorded in 2019, indicating progress despite the challenging economic conditions facing households across the country.

While the municipal area exhibits lower levels of poverty compared to the District and Western Cape rates, the situation is far from comforting, given the significant number of households experiencing the adverse effects of poverty. These consequences include lower life expectancy, malnutrition, food insecurity, heightened exposure to crime and substance abuse, reduced educational attainment, and substandard living conditions. Therefore, the NDP sets the ambitious goal of eradicating poverty by 2030. To alleviate these negative impacts of poverty, the Department of Social Development George SASSA office issues grants to 137 236 individuals. Beneficiaries of child support grants constituted 61.1 per cent of this total, with 32 110 pensioners receiving old age grants, thus offering vital income support to these households.

BASIC SERVICE DELIVERY

85 931
George

255 977
Garden Route District

Total number of households

Formal main dwelling

87.3%

75 014
George

227 812
Garden Route District

89.0%

87.3% George
89.0% Garden Route

Formal Dwelling

0.9% George
1.2% Garden Route

Traditional dwelling

11.6% George
9.6% Garden Route

Informal dwelling

0.2% George
0.2% Garden Route

Other/Unspecified



Piped water inside dwelling/yard or communal/neighbor's tap

George 81.3%
Garden Route 85.0%



Electricity (incl. generator) as primary source of lighting

George 95.5%
Garden Route 95.5%



Flush/chemical toilet

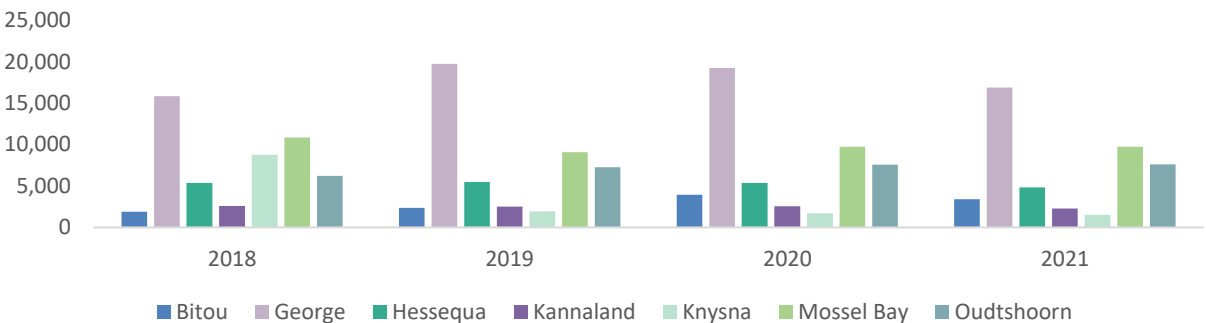
George 93.4%
Garden Route 93.7%



Refuse removal at least once a week

George 88.3%
Garden Route 88.8%

Indigent Households Garden Route Municipalities



Introduction

The Constitution stipulates 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. Access to housing also includes access to services such as potable water, basic sanitation, safe energy sources and refuse removal services, to ensure that households enjoy a decent standard of living.

This section assesses the extent to which this objective has been realised by examining the progress reflected in the 2022 Census data.

Housing and Household Services

There has been a notable rise in the percentage of households with access to formal housing, escalating from 83.9 per cent in 2011 to 87.3 per cent in 2022. This achievement is attributed to a substantial volume of housing units constructed by the state, catering to the housing needs of low-income households. It is noteworthy that within the George city area, all but 6 per cent of properties within the entry-level market (valued under R300,000) are government-subsidized properties, as reported in the Housing Market Studies for Intermediate Cities/ Larger Towns in the Western Cape: George City Area Report of 2022.

Nonetheless, there is still room for improvement within the George municipal area, as it trails behind the GRD, where 89.0 per cent of households inhabit formal dwellings. This discrepancy can be primarily attributed to the presence of informal settlements in the municipal area, where the supply of entry-level housing fails to keep pace with the escalating demand in this growing economic hub. The 2022 George City Area Report further underscores the insufficient supply of residential properties valued between R300 000 and R1.2 million, accounting for 22 per cent of the housing stock. Concurrently, the demand for housing within this more affordable price range is substantial due to the income levels of households residing in the municipal area.

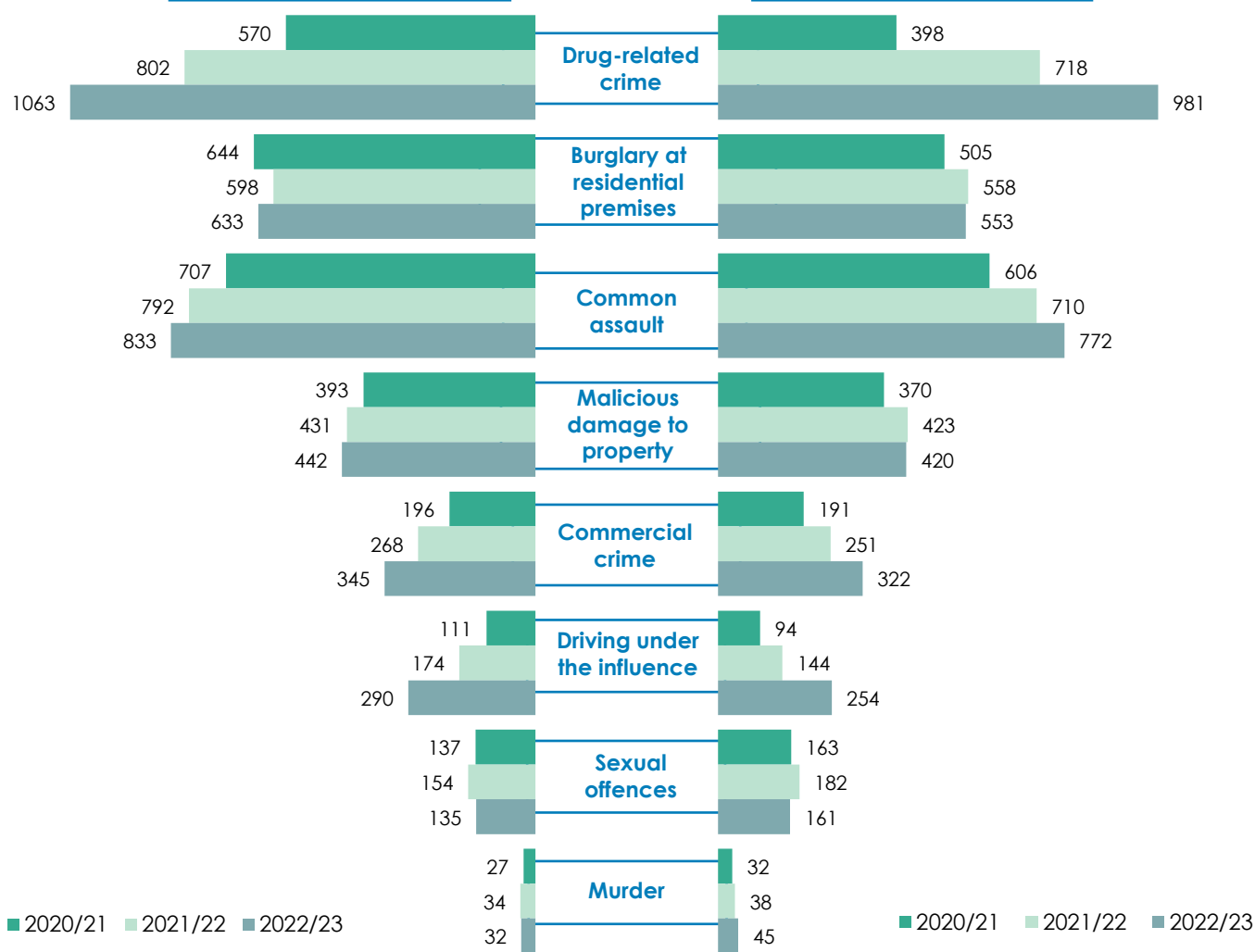
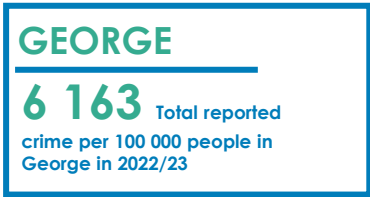
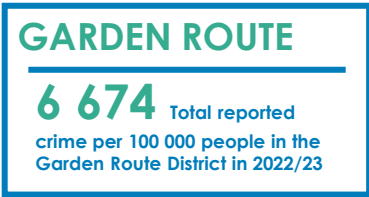
The increase in the proportion of households residing in formal dwellings was accompanied by a 5.4 per cent surge in households equipped with flush toilets, a 4.5 per cent upswing in households using electricity for lighting, and a substantial 11 per cent increment in households enjoying access to piped water within their dwellings. In contrast, access to regular refuse removal showed only a modest increase of 0.2 per cent. However, it remains pertinent to acknowledge that the George municipal area still lags the GRD in terms of providing essential services across all categories. This lag underscores the challenges faced by the Municipality in keeping pace with the growing demand for services, as well as the difficulties associated with extending services to rural farmlands and informal settlements. The considerable surge in informal structures during the COVID-19 pandemic further intensified this challenge.

Free Basic Services

Municipalities also provide a package of free basic services to households who are financially vulnerable and struggle to pay for services. The George Municipality's basket of rebates and allowances for the indigent are amongst the highest in the Province.

There was a significant surge in registered indigent households in 2020 attributable to the adverse economic impact of the COVID-19 pandemic, which resulted in income losses impeding households' capacity to cover their municipal service expenses. In 2021, a slight reduction occurred, and by 2022, a return to levels resembling the pre-COVID period was evident. The stressed economic conditions will however continue to exert pressure on household incomes and thereby keep demand for free basic services at elevated levels.

SAFETY AND SECURITY



Crime Rates in GRD and George Municipality

The high levels of poverty and inequality give rise to elevated crime levels necessitating the development of the Western Cape Safety Plan. In it, the Western Cape Government (WCG) expresses their vision to ensure that the Province is a place where all people feel secure and live free from fear. The George Municipality shares this goal, as it is not spared from the safety concerns present throughout the Province and GRD.

Crime levels in the George municipal area rose from 2021/22 to 2022/23. It is important to highlight that COVID-19 lockdown regulations implemented in 2020/21 played a role in the overall decrease in crime during that year. The primary factors contributing to crime in the George Municipality and greater region of the Garden Route include the absence of surveillance cameras in high-risk areas, inadequate lighting, high unemployment rates, drug and alcohol abuse, instances of domestic violence, repeat offences by released prisoners, the seasonal influx of labourers and social intolerance.

The George municipal area exhibits elevated occurrences of contact crimes such as murder and sexual offences, when compared to the GRD. However, the GRD contends with elevated crime rates across all other categories delineated in the infographic. It is essential to acknowledge that these other crime categories, including drug-related offenses, burglaries, and commercial crimes, are exacerbated by elevated poverty levels, which are more pronounced in other municipal areas relative to George.

Total Reported Cases of Crimes

Murder is defined as the unlawful and intentional killing of another person. 100 murders were reported in the municipal area, largely attributed to gangsterism. The George community speaks out against gang related violence, indicating that they are tired of being victimized in their own communities. Similarly, common assault (assault that involves the use of force or violence against another person without causing serious bodily harm) is at elevated levels with 1 724 cases reported, influenced by gangsterism, substance abuse as well as gender-based violence.

South Africa is amongst the top 5 countries in the world with respect to reports of rape. George is no exception with 359 cases of sexual offences (including rape, sex work, pornography, public indecency and human trafficking) reported within the George municipal area, down from 401 in 2021/22. It should be noted that many cases of sexual offences go unreported. Substance abuse drives up drug-related crimes (a situation where the perpetrator is found to be in possession of, under the influence of, or selling illegal drugs) with 2 190 cases reported, and saw the largest rise from the 2021/22 levels. In addition, Driving under the influence of drugs or alcohol (where the driver of a vehicle is found to be over the legal blood alcohol limit) had 567 reported cases. Alcohol use is a leading factor in road traffic crashes. Substance abuse places a burden on health care and police services, disrupts families and bears significant social and economic costs within communities.

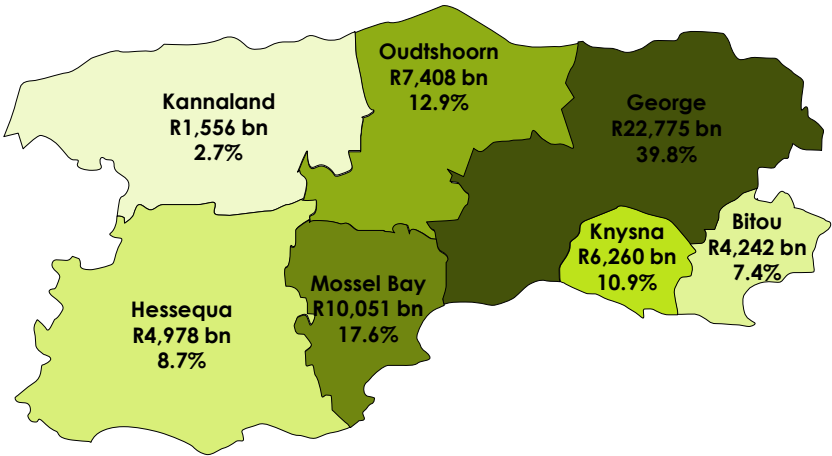
Substance abuse and poverty further contribute to residential burglaries (the unlawful entry of a residential structure with the intent to commit a crime, usually a theft) with 1 234 cases reported in the George municipal area, while difficult economic times is met with a rise in commercial crimes (theft, fraud or dishonesty committed against a business by an employee that results in the business suffering financial loss) as an easy way for employees to maintain their standard of living. In addition to this, 937 cases of malicious damage to property, severely impact local businesses, especially SMMEs. Failure to curb such crimes can lead to a vicious cycle of declining economic activity and joblessness that fuels poverty and gives rise to other crimes across the District.

Curbing crime is crucial to realizing the vision of the WCG that is *"a safer Western Cape where everyone prospers"*.

GDPR PERFORMANCE



GDPR Contribution 2021



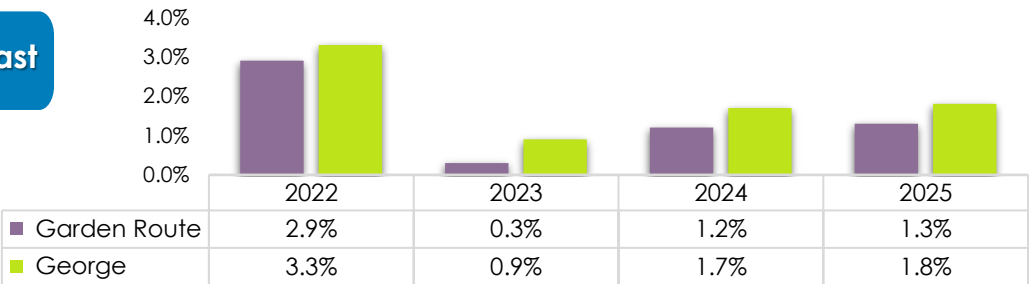
Sectoral contribution to GDPR 2021



GDPR Growth 2019-2022e



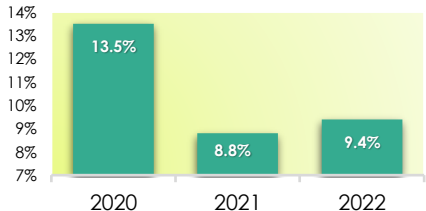
GDPR forecast



International Trade, 2022



Tourism spend % of GDP



The George municipal economy was valued at R22.8 billion in 2021, constituting 39.9 per cent of the GRD economy and serving as the commercial hub of the region. Sectors such as finance (32.2 per cent), trade (16.8 per cent) and manufacturing (14.8 per cent) are leading the way in terms of GDPR contributions.

In 2022, the finance sector was one of only four sectors (along with transport; community services, and agriculture) that have recovered beyond pre-pandemic levels. It was boosted by developments in the call centre industry as well as high interest rates.

The trade sector is also central to George municipal area, but following a 13.0 per cent contraction in 2020, it has not yet fully recovered from the impacts of COVID-19. Several new stores opening, including a Spar in George and Wilderness and a Pick n Pay in Pacaltsdorp bodes well for the sector in 2022. As part of the trade sector, tourism flourishes in the beautiful landscape of the George municipal area. It is crucial, particularly in the coastal town of Wilderness as it is dependent on short term accommodation activities. The tourism sector was however heavily impacted by the COVID-19 lock-down regulations and showed only a marginal improvement as a percentage of GDPR from 2021 to 2022. In some measure, this is a reflection of reduced purchasing power on the part of households that have been battered by high inflation and rising interest rates.

The George municipal area has a thriving agriculture sector specialising in mixed farming and non-perennial crops, vegetable production and cultivating pome and stone fruits. The municipal area is considered a hub for dairy processing, with Clover and Lancewood, amongst others, operating in the area. Herolds Bay, Uniondale, Haarlem and Waboomskraal economies rely extensively on agriculture. The sector was the best performing in terms of growth from its 2019 value due to favourable commodity prices and farming conditions. A decline is anticipated in 2022, due to rising input costs and commodity price reductions. The agriculture sector has nevertheless made a significant contribution to international trade in 2022, as it was the only sector to record a positive trade balance in 2022.

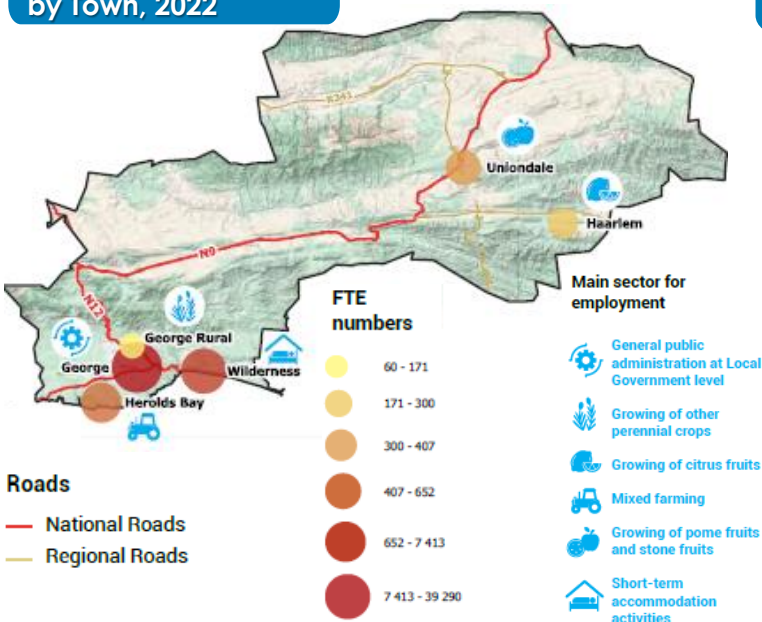
The overall trade balance of the George municipal area has been deteriorating in recent years, primarily because of the declining trade balance of the manufacturing sector, despite it being the third largest sector in the municipal area. Local farmers and agricultural manufacturers specialise in, inter alia, the production and export of berries and machinery used in beer-making. Imports into the George municipal area are largely everyday consumer goods such as trunks, suitcases, vanity cases and the like (R96.6 million), knitted or crocheted shirts (R90.5 million) and coffee (R87.2 million) for resale nationally.

The transport sector performed well, having recovered from pre-pandemic levels and having the highest estimated GDPR growth in 2022. The transport sector benefited from an increase in arrivals at George Airport, which grew from 539 637 in 2021 to 747 848 in 2022. The local freight industry benefits from the fact that both the N2 and the N12 pass through George. Despite the comparatively good performance, the sector remains vulnerable amid the slow recovery of tourism and high petrol prices.

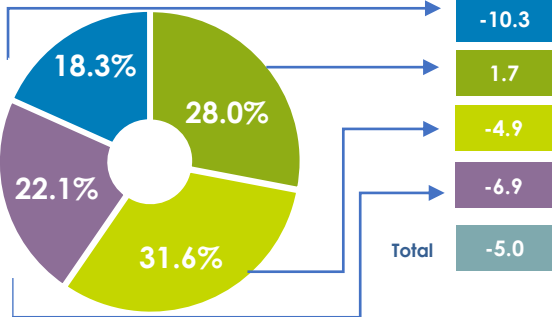
Sectors that have yet to recover from the contractions in GDPR growth recorded in 2020, include the general government, mining, manufacturing, electricity, gas and water and construction sectors. Amid load-shedding concerns and a fiscally constrained government sector, the GDPR of the George municipal area is forecast to expand by only 0.9 per cent in 2023. Continued decline is anticipated for the agriculture sector, given high input prices and a reduction in international commodity prices. However, this trend is expected to ease in 2024 as markets normalise. Strong growth on the part of the finance, transport and community services sectors is expected to stabilise the economy in 2024, with GDPR growth of 1.7 per cent forecast for the year and 1.8 per cent forecast for 2025.

LABOUR MARKET PERFORMANCE

Formal Employment by Town, 2022

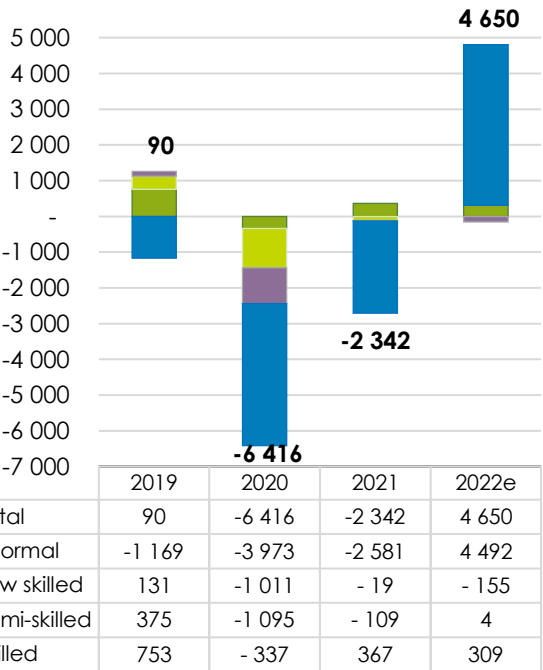


Skill Level % Contribution, 2022

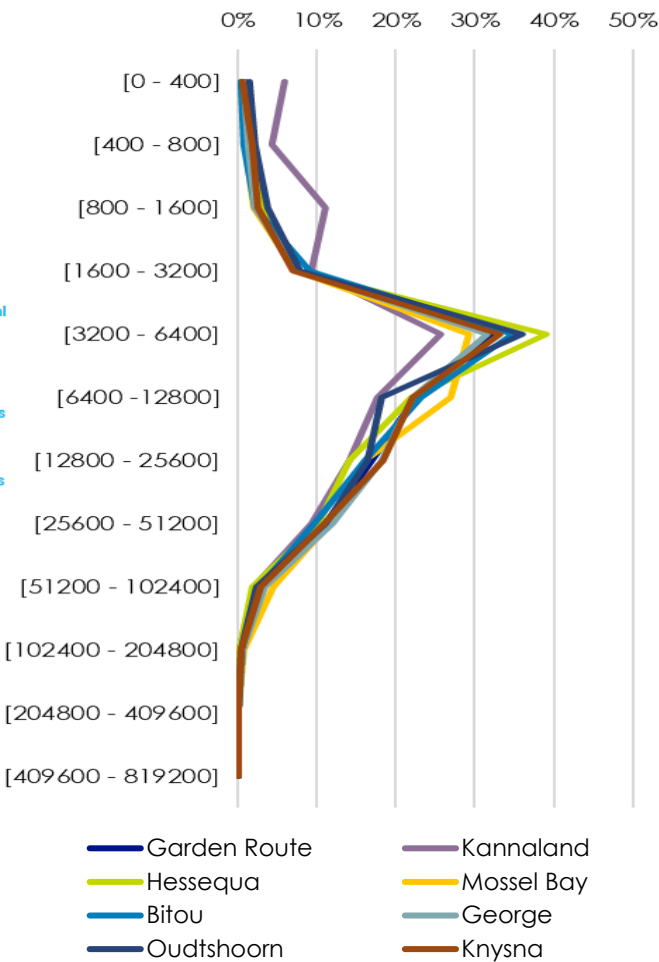


Total Persons Employed 2022	Skilled	Semi-skilled	Low-skilled	Informal
	20 790	23 121	16 037	17 895

Net employment per sector, 2019-2022



Wage Distribution per municipal area, 2022



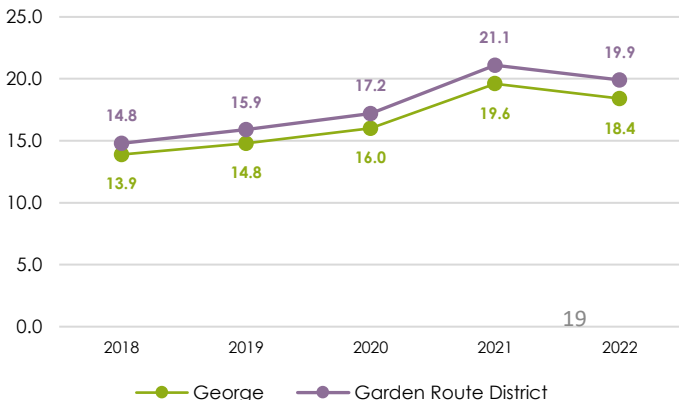
Top 5 Sectors



Sector	No. of FTE Jobs
Administration of the state and the economic and social policy of the community	5 192
Mixed farming	2 100
Growing of non-perennial crops	1 600
Growing of perennial crops	1 348
Retail sale of other goods in specialized stores	1 227



Unemployment rate 2018-2022



Labour Market Performance

The town of George is the epicentre of general government services and retail activities. The larger municipal area, in turn, has a thriving agriculture sector specialising in mixed farming and non-perennial crops. The municipal area is considered a hub for dairy processing, providing 829 formal jobs in 2022. Beyond George, tourism is an important local employer, with the short-term accommodation industry being the largest employer in Wilderness. The Herolds Bay, Uniondale, Haarlem and Waboomskraal economies rely extensively on agriculture, largely creating jobs in mixed farming, vegetable production and cultivating pome and stone fruits. It is estimated that George's total employed will amount to 77 843 workers in 2022. Since the tertiary sector is the largest contributor to GDP and employment, most workers in the George municipal area are either semi-skilled (31.6 per cent) or skilled (28.0 per cent). Over the last decade, most new formal employment opportunities have been for skilled workers – a testament to George's growth as a commercial hub in the GRD.

In 2022, GDP grew by 3.3 per cent, facilitating the post-COVID-19 economic recovery. However, when compared to the 2019 GDP level, the growth was modest at 3.0 per cent. Even so, employment recovery has not kept pace with the GDP rebound. In 2022, the economy added 4 560 jobs, marking the first year of job creation since 2020. Nevertheless, it remains 5.0 per cent below pre-pandemic employment levels. From 2019, the skilled cohort was the only category to recover from the COVID-19 pandemic with 1.6 per cent growth in employment levels since 2019. This reflects the resilience of skilled employment during times of economic decline. The semi-skilled (-4.9 per cent) and low-skilled cohorts (-6.9 per cent) have yet to reach pre-pandemic levels. The informal sector also plays an integral role in employment, with 18.3 per cent of workers being employed informally, typically in the construction, trade and transport sectors. Informal traders are a valuable source of employment in the trade sector – with licensed traders increasing from 80 in 2021 to 102 in 2022. Unfortunately, the informal sector has not been the required buffer during 2020 and 2021, resulting in its employment levels still at 10.3 per cent below its 2019 totals.

The resurgence in job creation in 2022 was however predominantly driven by the informal sector, which added 4 493 jobs, signifying a substantial rebound following a period of poor performance from 2020 to 2021. This resurgence contributed to the first decline in the unemployment rate since 2018. Beginning at 13.9 per cent in 2018 and peaking at 19.6 per cent in 2021, the unemployment rate registered a welcome decrease to 18.4 per cent in 2022, aided by the strong job growth. This contributed to the observed decline in poverty levels within the municipal area.

Wage Distribution

As the administrative capital of the GRD, George naturally has a concentration of government offices and administrative functions. This led to more government jobs, with workers here earning the highest median incomes. In 2022, around 12.1 per cent of them earning salaries ranging from R25 600 to R51 200. Skilled professionals found meaningful employment in various government departments, contributing to the area's economic strength. In 2021, the George municipal area also had the highest number of taxpayers in the District, accounting for 35.3 per cent of the taxpayers in the GRD.

RISK AND VULNERABILITY FACTORS



VULNERABILITY*

Local municipalities are ranked according to their vulnerability relative to all 25 municipalities in the province (Rank). A higher ranking (out of 25) indicates the municipality is comparatively worse off.

An additional score (out of 10) is provided for vulnerability factors relative to all 213 municipalities in the country (Score).

Municipality	Socio-Economic		Economic		Physical		Environmental	
	The indicator shows the vulnerability of households living in the municipality with regards to the household's age composition, education and health status, access to basic services, and safety and security (2011 baseline)		Vulnerability of the municipality to external shocks is based on the economic diversity, size of the economy, labour force, GDP growth rate and the income inequality present in the municipality (2011 baseline)		Physical vulnerability addresses the physical fabric and connectedness of the settlements in the municipality. The more remote and/or structurally vulnerable, the higher the physical vulnerability score		Env. vulnerability represents the conflict between preserving natural environment & growth pressures associated with population growth, urbanisation, and econ development. It measures air quality, env. governance, & the competition between the ecology and urban encroachment	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Bitou	19	2.32	25	6.50	24	7.17	21	6.84
George	9	1.60	16	3.38	22	6.03	8	4.36
Hessequa	10	1.60	13	2.96	11	5.28	16	5.12
Kannaland	24	2.90	4	1.24	6	4.66	11	4.72
Knysna	14	1.92	24	5.66	19	5.93	23	8.13
Mossel Bay	5	1.26	11	2.82	13	5.40	19	6.10
Oudtshoorn	21	2.68	9	2.63	5	4.57	13	5.00



HAZARDS*

George Overall Population Growth Pressure:
Continuous Medium growth pressure in most settlements *

Six of the Top 10 Risks in the Garden Route are environmental in nature (Provincial Disaster Risk Register)	George's identified Hydro-meteorological Hazards to settlements in as observed by the CSIR (The Greenbook *)
1. Human Diseases (Covid-19)	
2. Hazmat Incidents: Roads / Rail / Sea	
3. Alien Invasive Plants	An overall increased drought tendency.
4. Wildfires	Subject to possible wildfires occurring in wildland-urban interface with settlements, with low potential increase in exposure of settlements to wildfires.
5. Coastal Erosion	Low to moderate increase in short-term coastal erosion exposure.
6. Sanitation/Waste Disruption	
7. Drought	Low potential increase in exposure to heat extremes, whilst having an overall increased drought tendency, with high potential increase in exposure of settlements to drought.
8. Electricity Disruption	
9. Floods (Stormwater/Riverine/Coastal)	Low to moderate increase in short-term coastal flooding exposure. Very low increase in exposure to flooding in settlements.
10. Severe Wind	

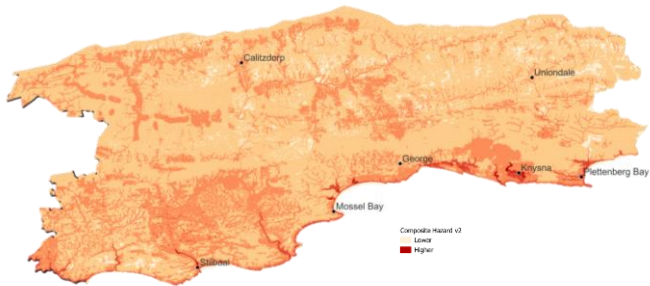
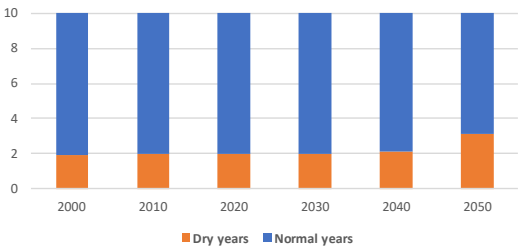
Garden Route no. of dry years per decade[†]

	2000	2010	2020	2030	2040	2050
Dry years	1.9	2	2	2	2.1	3.1
Wet years	8.1	8	8	8	7.9	6.9

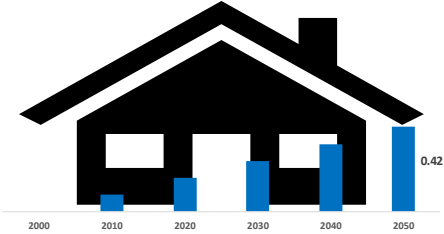
Temperature change (2050 compared to historic)[†]

Mean temperature increase (District)	1.2 °C higher
Additional days per year with daily maximum temperature above 30 °C (George)	19 days

Dry years per decade



Sea Level Rise (m)



* Le Roux, A., van Niekerk, W., Arnold, K., Pieterse, A., Ludick, C., Forsyth, G., Le Maitre, D., Lötter, D., du Plessis, P. & Mans, G. 2019. Green Book Risk Profile Tool. Pretoria: CSIR. Available at: riskprofiles.greenbook.co.za
[†] Jack, C., Van Aardenne, L., Wolski, P., Pinto, I., Quagrain, K. & Kloppers, P. 2022. SmartAgri: Updated Climate Change Trends and Projections for the Western Cape. Cape Town: University of Cape Town. Available at <https://www.elsenburg.com/wp-content/uploads/2022/08/SmartAgri-Climate-Change.pdf>

Sea-level rise and Storm Surges

Although we expect fewer storm systems to reach the Western Cape in future, increased sea temperatures could mean increased storm activity and slightly stronger winds. At the same time the thermal expansion of the oceans will result in 0.25m – 0.75m of sea level rise by 2050, with associated swash run up of roughly 3.0m – 3.5m above the mean sea level (excluding tidal influence). Sandy shores are most affected – some areas in the Garden Route have seen beaches retreat landward at a rate of 0.6 m per year. This directly affects infrastructure and detracts from the amenity value of the coastline - during the September 2023 storm surge, extensive damage was caused and beaches were closed.

Drought

According to the CSIR Green Book, George has a high potential exposure to an increase in drought. Currently 1.9 years per decade are at risk of drought, and this will increase to 3.1 out of every 10 years by 2050. Water, and related sanitation services, is a key ingredient for socio-economic development, food security and healthy ecosystems, and is vital for reducing the burden of disease and improving the health, welfare and productivity of populations. A deteriorating water catchment system, through ecosystem loss (transformation or land use change) and alien infestation, or watercourse and wetland modification, will lead to lower inputs into the water supply systems, and a lower overall water security due to lower natural retention and lower quality of water. During extended drought periods, even end users far from major source areas are likely to experience shortages as the overall system runs low.

Temperatures

Average temperature has been increasing since the 1900s. Projections indicate that George can expect an additional 19 extremely hot days per year by 2050, which will affect food security, exposure to extreme heat, health and water quality.

Vegetation Fires

Although critical for a healthy ecosystem, fire is a significant threat to human lives, food security, socio-economic activities and livelihoods, as well as infrastructure and other assets. Furthermore, in many areas land has been converted from natural vegetation to other land-cover types - some of which significantly modify the fuel loads (e.g., the establishment of forest plantations and the spread of several introduced tree species such as pines, hakea, wattles and eucalypts). Fires in vegetation with high fuel loads increase soil erosion and run-off, which negatively affects ecosystem services and increases the impact of floods, among other factors. Where severe fires have occurred due to high fuel loads, resulting soil erosion leads to the sedimentation of rivers and dams and therefore declining water quality (and increased water treatment costs).

Floods

Floods result in millions or billions of Rands' damage to built structures or lost productivity, the loss of livelihoods and in some cases the loss of lives. A 2016 report calculated that four severe weather events between 2011 and 2014 caused more than R1.6 billion worth of damage in the Western Cape, and in the recent September 2023 severe weather event, flood-related infrastructure damage alone amounted to R2 billion. Flooding is also one of the main disaster risks affected by climate change. Changes in rainfall volume, intensity and timing will alter flood risk profiles, and necessitate a constant reconsideration of risks and risk reduction measures.

George, a coastal municipal area nestled amid picturesque hills and the Indian Ocean, stands as a distinctive and promising locale. As a growing economic hub within the GRD, the George municipal area faces the dynamic challenges of an expanding population, giving rise to amplified demands for housing, municipal services, and essential government provisions like education and healthcare. Despite these challenges, diligent efforts have expanded the range of services to accommodate the burgeoning population, rendering the area an appealing destination for residents, workers, and prospective investors.

The municipal economy has effectively rebounded from the adverse consequences of the COVID-19 pandemic. Although employment recovery initially lagged behind the economic resurgence, it has since returned to pre-pandemic levels, primarily due to a notable upswing in informal employment opportunities. This has exerted a favorable influence on the unemployment rate, reduced poverty rates, and decreased the proportion of households registered as indigent. Consequently, these improvements have also contributed to lower rates of child malnutrition. Nevertheless, it remains imperative to address the persistent issue of elevated inequality within the municipal area, as it engenders concerns related to safety and security, manifesting in escalating crime rates, particularly in contact crimes such as murders, sexual offenses, and common assaults. The promotion of safety and security holds paramount importance for both the Municipality and the Western Cape Government.

Significant strides have been made in education, signaling positive prospects for meeting the surging demand for skilled individuals in the expanding tertiary sector of the municipal economy. Learner retention rates have improved, partly attributed to declining rates of teenage pregnancies. However, it is unfortunate that the matriculation pass rates experienced a decline from 2021 to 2022. This decline primarily stems from underperformance in mathematics and maths literacy, necessitating targeted interventions.

To effectively address the developmental challenges outlined above and further enhance the well-being of municipal area residents, sustained collaboration among the Municipality, other tiers of government, and the private sector is imperative.

1. Demographics

- Population: *Department of Social Development, 2023; Census 2022*
- Sex ratio: *Department of Social Development, 2023*
- Age cohorts: *Department of Social Development, 2023*
- Number of households: *Department of Social Development, 2023*
- Household size: *Department of Social Development, 2023*
- Urbanisation: *Department of Social Development, 2023*
- Population density: *Department of Social Development, 2023*

2. Education

- Learner enrolment: *Western Cape Education Department, 2021; Annual Survey of Public and Independent Schools (ASS), 2023*
- Learner-teacher ratio: *Western Cape Education Department, 2020; Annual Survey of Public and Independent Schools (ASS), 2023*
- Learner retention: *Western Cape Education Department, 2020; Annual Survey of Public and Independent Schools (ASS), 2023*
- Educational facilities: *Western Cape Education Department, 2020; Annual Survey of Public and Independent Schools (ASS), 2023*
- No-fee schools: *Western Cape Education Department, 2020; Annual Survey of Public and Independent Schools (ASS), 2023*
- Schools with libraries: *Western Cape Education Department, 2020; Annual Survey of Public and Independent Schools (ASS), 2023*
- Educational outcomes: *Western Cape Education Department, 2020; Annual Survey of Public and Independent Schools (ASS), 2023*

3. Health

- Healthcare facilities: *Department of Health and Wellness, 2023*
- Emergency medical services: *Department of Health and Wellness, 2023*
- HIV/AIDS: *Department of Health and Wellness, 2023*
- Tuberculosis: *Department of Health and Wellness, 2023*
- Child health: *Department of Health and Wellness, 2023*
- Maternal health: *Department of Health and Wellness, 2023*

4. Poverty

- GDP per capita: *Statistics South Africa, 2023*
- Income Inequality (Gini-coefficient): *Quantec Research, 2023*
- Human Development (Human Development Index): *Quantec Research, 2023*

5. Basic services

- Households: Quantec Research, 2023
- Access to housing: Quantec Research, 2023
- Access to water: Quantec Research, 2023
- Access to electricity: Quantec Research, 2023
- Access to sanitation: Quantec Research, 2023
- Access to refuse removal: Quantec Research, 2023
- Free Basic Services: *Statistics South Africa, Non-Financial Census of Municipalities 2020*
- Housing Market Studies for Intermediate Cities/Larger Towns in the Western Cape, George City Area Report: Centre for Affordable Housing Finance and Western Cape Department of Environmental Affairs and Development Planning, 2022.

6. Safety and security

- Murder: *South African Police Service (SAPS), 2023, own calculations*
- Sexual offences: *South African Police Service (SAPS), 2023, own calculations*
- Drug-related crimes: *South African Police Service (SAPS), 2023, own calculations*
- Driving under the influence: *South African Police Service (SAPS), 2023, own calculations*
- Residential burglaries: *South African Police Service (SAPS), 2020, 2023 calculations*

7. GDPR Performance

- GDPR Sector Performance: Quantec Research, 2023
- GDPR Forecasts: Quantec Research, 2023
- International Trade: Quantec Research, 2023
- Tourism spend: S&P Global, 2023

8. Labour Market Performance

- Wage distribution: Nell, A. Visagie, J. *Spatial Tax Panel 2014-2022 [dataset]. Version 3. National Treasury - Cities Support Programme and Human Sciences Research Council [producer and distributor], 2023.*
- Formal Employment: Nell, A. Visagie, J. *Spatial Tax Panel 2014-2022 [dataset]. Version 3. National Treasury - Cities Support Programme and Human Sciences Research Council [producer and distributor], 2023.*
- Trends in labour force skills: Quantec Research, 2023
- Unemployment rates: Quantec Research, 2023