



Western Cape
Government

FOR **YOU**



#KnowYourMunicipality: The 2023 Socio-Economic Profile

Hessequa Municipality



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Hessequa: At a Glance

Demographics

Population Estimates, 2022; Actual households, 2022



Population
71 918

(Source: Census 2022)



Households
22 333

(Source: Hessequa Municipality)

Education

2022



Matric Pass Rate **92.8%**
Learner Retention Rate **66.4%**
Learner-Teacher Ratio **28.7**

Poverty

2022



Gini Coefficient **0.58**
Poverty Head Count Ratio (UBPL) **57.1%**

Health

2022/23



Primary Health
Care Facilities

3

(excl. mobile/satellite
clinics)

Immunisation
Rate

89.0%

Maternal Mortality Ratio
(per 100 000 live births)

0.0%

Teenage Pregnancies –
Delivery rate to women
U/18

19.6%

Safety and Security

Actual number of reported cases in 2022/23



Residential
Burglaries

328

DUI

120

Drug-related
Crimes

797

Murder

9

Sexual Offences

30

Access to Basic Service Delivery

Percentage of households with access to basic services, 2022

Water

94.5%



Refuse Removal

92.3%



Electricity

98.5%



Sanitation

97.5%



Housing

95.3%



Labour

2022

Unemployment Rate
(narrow definition)

9.4%



Socio-economic Risks

Risk 1
Risk 2
Risk 3

Slow population growth
Declining Learner enrolment
Declining immunisation rate

Largest 3 Sectors

Contribution to GDP, 2021

Finance, insurance, real estate
and business services

26%



Wholesale & retail trade,
catering and accommodation

17%



Manufacturing

15%



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 Hessequa Municipality in relation to the broader Garden Route District.

DEMOGRAPHICS

Population 71 918 2022

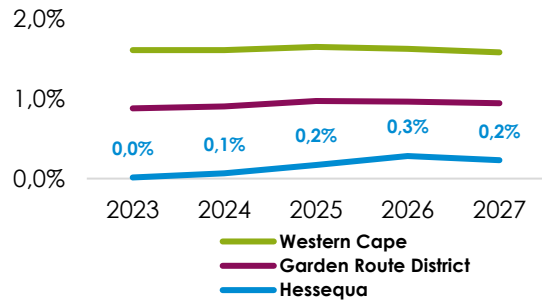


Estimated Population
72 640 2027

Estimated
Average Annual
Population
Growth Rate
2023 - 2027
0.2%



Estimated Population Growth

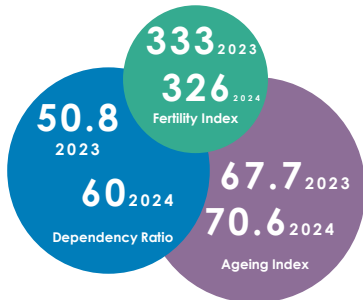


Gender and Age Dynamics

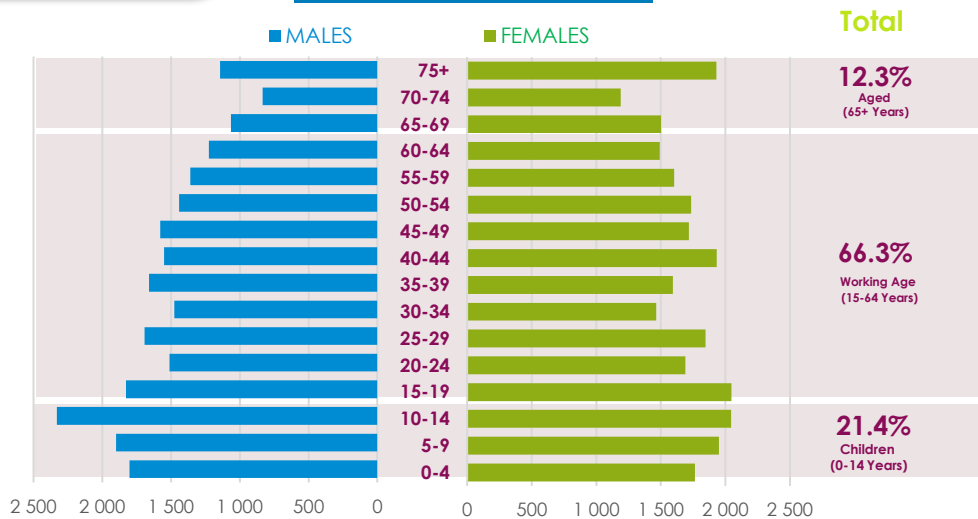


Female
51.8%

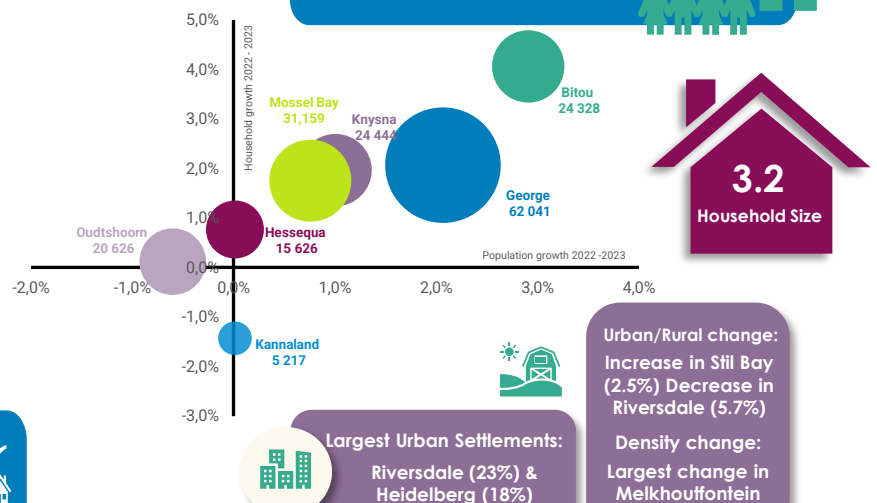
Male
48.2%



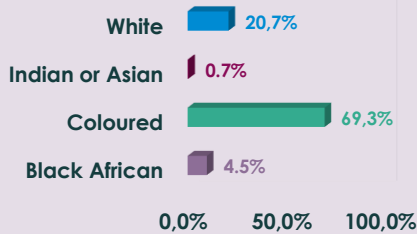
Population by Age 2022



Population and Household Growth 2022



Racial Split



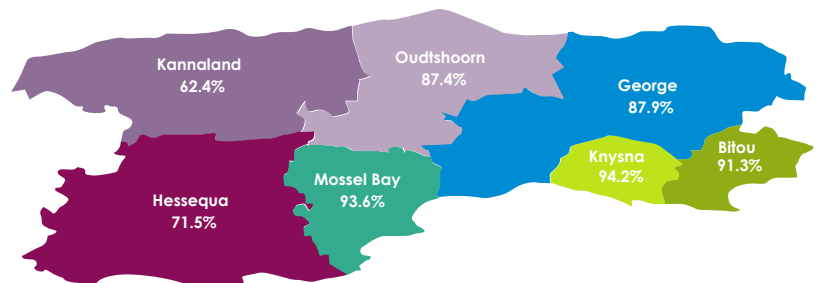
Level of Urbanisation 2021



9.1 2023
people/km²

9.1 2024
people/km²

9.1 2025
people/km²



Population Growth

In the context of the Census 2022 findings, Hessequa Municipality's population amounted to 71 918 individuals in 2022, positioning it as the third smallest municipal jurisdiction within the Garden Route District, following Bitou and Kannaland. Projections indicate that this number is expected to grow at a slow pace to 72 640 people by 2027, reflecting an average annual growth rate of 0.2 percent during this timeframe. The slow population growth can have various complex and multifaceted implications such as an ageing population which may have negative implications for the municipality's revenue sources, skill shortages in the productive sectors of the economy, reduced demand for goods and services, a reduced demand for housing, etc. Policymakers from the different spheres of government need to consider a holistic approach to address the challenges associated with slow population growth and promote sustainable socio-economic development.

Gender, Age and Race Dynamics

In economic terms, the sex ratio (SR) provides a measure of the proportion of males to females in a given population. The available data suggests that in the Hessequa municipal area, there is a lower representation of males compared to females, with a distribution of 48.2 per cent for males and 51.8 per cent for females. The sex ratio in Hessequa has exhibited a gradual downward trend in the years leading up to 2022, according to the Census 2022 results. This phenomenon may be attributed to diverse factors, including a demographic changes, health and environmental factors, etc.

In terms of age representation, the largest share of the population, consists of the working age population (15 -64 years) at 66.3 per cent, followed by the young children (0-14 years) aged cohort at 21.4 per cent and the elderly at 12.3 per cent. The significant working-age population can contribute to higher economic productivity and are more engaged in the labour force, leading to increased output and economic growth. The lower dependency ratio (sum of children and the elderly relative to the working-age population) is generally favourable to economic development. Hessequa's age distribution suggests that the working-age population may have a significant influence on consumption patterns and market demand. Businesses may need to adapt to cater to the preferences of this demographic. Intergovernmental policy should allocate resources to strategically address the needs of both the younger and older age cohorts, balancing investments in education, healthcare and social services.

Level of Urbanisation

In an economic context, urbanisation refers to the process of population concentration and development in urban areas. Specifically, in Hessequa, the degree of urbanisation is estimated to remain constant at 9.1 people per square kilometer between 2023 and 2025. This may lead to limited economic opportunities and fewer employment options. Slow urbanisation may also lead to inadequate infrastructure development especially in the rural areas around Hessequa, including transportation, healthcare and educational facilities.

Population density

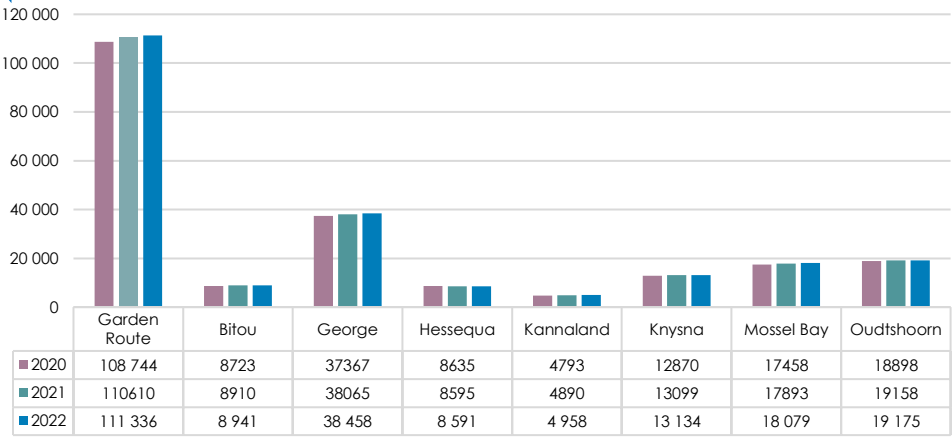
In the context of the Western Cape's ongoing urbanisation trend, population density data becomes a valuable tool for public sector policymakers. This information helps in addressing environmental concerns, individual health factors, and optimising service delivery. In 2022, the population density in the Hessequa municipal area was 9 individuals per square kilometre indicating an extremely low population density, little urbanisation with more rural characteristics. This data provides critical insights into the socio-economic landscape and resource allocation within the region. Policymakers should consider combining population density with other socio-economic indicators to gain a better understanding of the area before decisions are made.

• Garden Route	27 people/km²
• Hessequa	9 people/km²
• Knysna	69 people/km²
• Mossel Bay	48 people/km²
• George	43 people/km²
• Oudtshoorn	25 people/km²
• Kannaland	5 people/km²
• Bitou	72 people/ km2

EDUCATION: Hessequa



Learner enrolment



Educational facilities 2022

18

Number of schools

66.7%

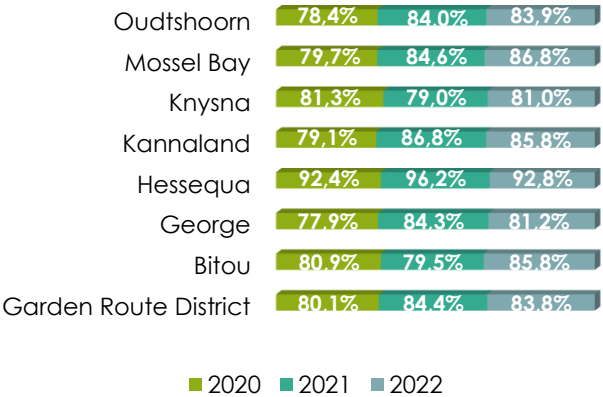
Proportion of no-fee schools

Number of schools with libraries

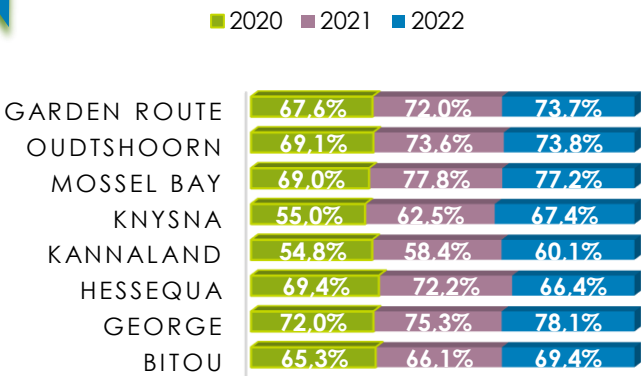
10



Education outcomes



Learner retention 2020 - 2022

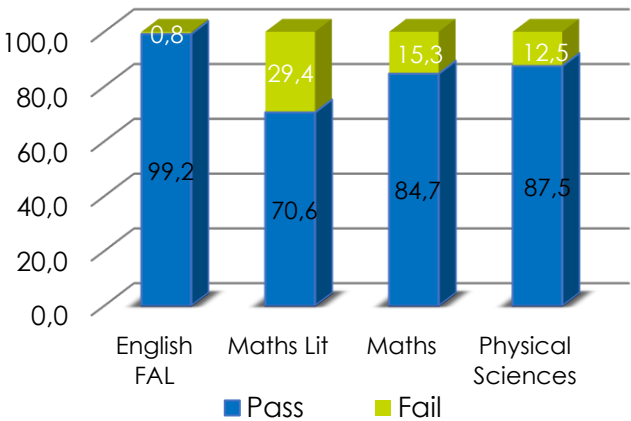


Learner-Teacher Ratio 2020- 2022

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



Introduction

Education is one of the primary resources of change, a powerful driver of development and one of the strongest instruments for reducing poverty and improving health, gender equality, peace and stability. Its role is to help people acquire knowledge and skills, which can, in turn be used to acquire jobs, start businesses and produce goods and services.

Learner enrolment

From 2020 to 2022, Hessequa witnessed a steady decline in student enrollment, with the pupil count dropping from 8 635 to 8 591, representing an annual decline rate of 0.3 per cent. The decline in learner enrolment numbers could be ascribed to various factors such as slow population growth, migration patterns, urbanisation, etc. Addressing a decline in learner enrollment often requires a comprehensive approach that considers these various factors. Strategies may include community engagement, improving educational infrastructure, addressing economic challenges, and ensuring inclusive and equitable access to education.

Education infrastructure and facilities

Within the Hessequa municipal area, there are a total of 18 schools, of which 66.7 per cent operate as no-fee schools. This noteworthy statistic holds significant socio-economic implications, particularly in light of the fact that 24 per cent of students cited financial constraints as the reason for discontinuing their education, as per the General Household Survey of 2021.

Furthermore, out of the 18 schools in the area, 10 have been furnished with libraries. The provision of library resources within these schools plays a vital role in ameliorating the socio-economic disparity in academic achievements, as it affords students access to valuable information. This access, in turn, is directly correlated with enhanced educational outcomes.

Learner Retention Rate

The learner retention rate serves as a metric to gauge the proportion of Grade 12 students who were enrolled in Grade 10 two years earlier. Various socio-economic factors, student attitudes toward education, cognitive abilities, study techniques, and personal circumstances can all influence this rate, potentially hindering a learner's ability to remain engaged in their education. Additionally, the issue of overcrowded classrooms is frequently identified as a significant contributor to elevated dropout rates among students.

The learner retention rate in the Hessequa municipal area were inconsistent between 2020 and 2022, varying from 69.4 per cent in 2020, improving to 72.2 per cent in 2021 and then dropping to 66.4 per cent in 2022, it is essential to recognise that over half of learners either left school, relocated from the municipal area, or repeated a grade between Grade 10 and Grade 12. This underscores the persistent challenges and socio-economic complexities that continue to impact educational continuity within the region and requires a coordinated effort from educators, communities and policymakers to create a supportive and inclusive educational environment that meets the diverse needs of learners.

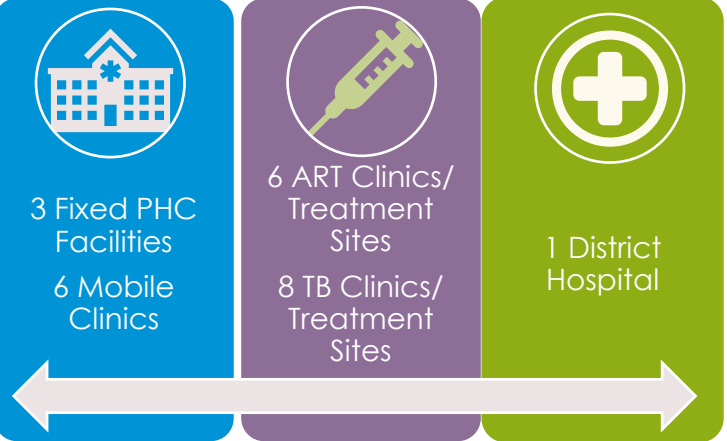
Learner teacher ratio

In the context of South African schools, the prescribed learner-to-teacher ratio typically falls within the range of 35:1 to 40:1; nonetheless, this standard is not consistently adhered to in the majority of Western Cape schools. It is worth noting that the learner-to-teacher ratio exhibited a slight decline between 2020 and 2022, falling below the recommended threshold. This positive shift has set in motion a ripple effect, encompassing reduced dropout rates, heightened academic performance, and other favorable outcomes.

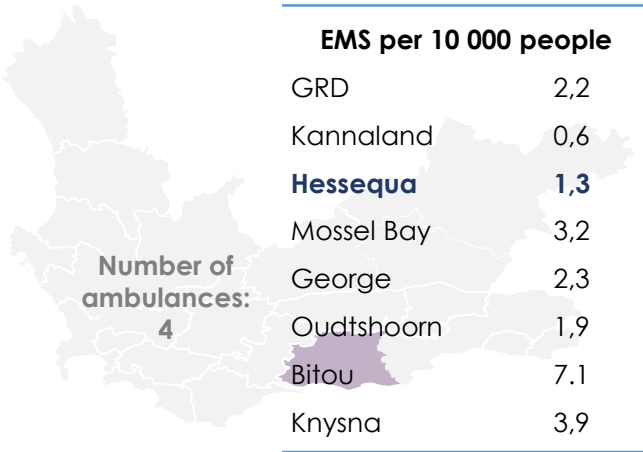
Education outcomes

Education continues to serve as a pivotal channel through which the government participates in the economy. The policymaking and strategic determinations made in the realm of education carry significant weight in shaping the level to which forthcoming economic objectives and poverty alleviation initiatives can be actualised. Notably, Hessequa's matriculation pass rate, remained constant above 90- per cent between 2020 to 2022. This improvement underscores the potential socio-economic benefits of a well-performing education system.

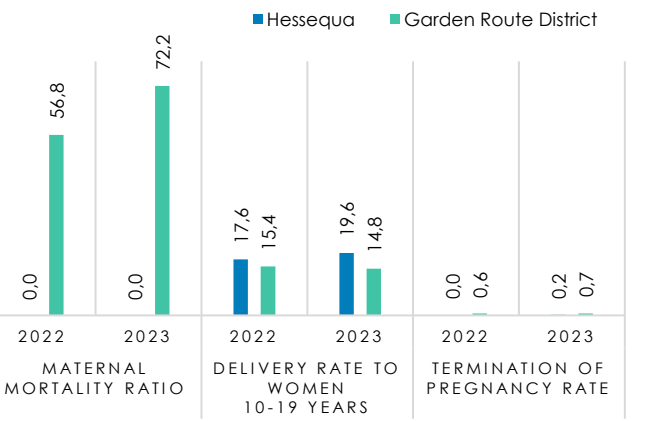
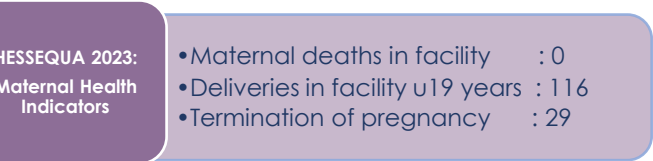
Healthcare Facilities



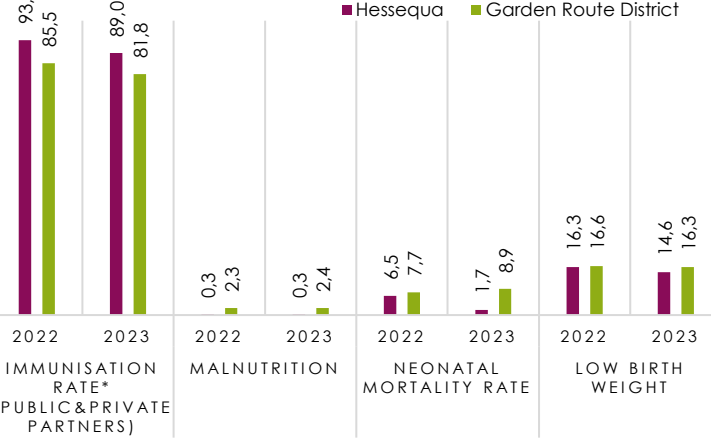
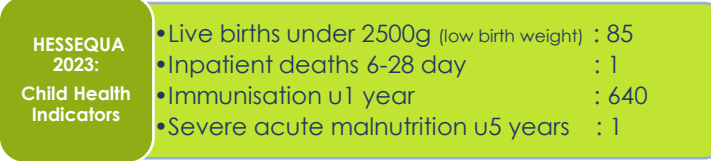
Emergency Medical Services



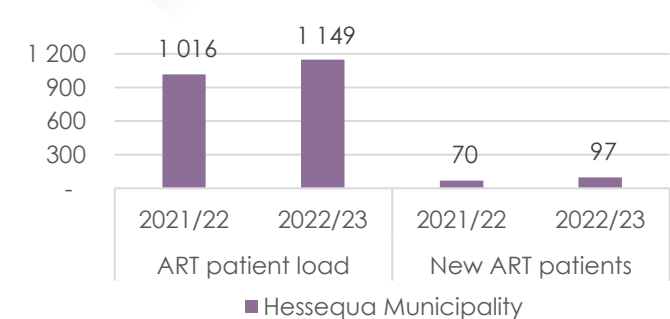
Maternal Health



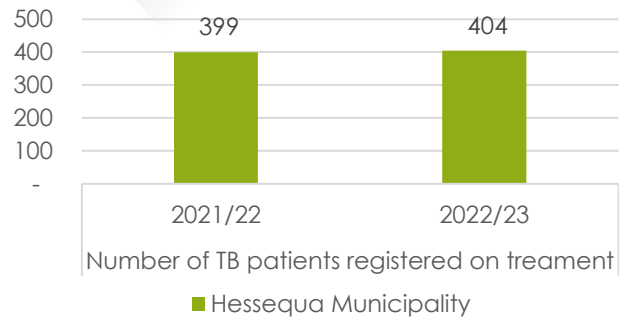
Child Health



HIV/AIDS



Tuberculosis



Healthcare facilities

In the year 2022, the Hessequa municipal area was equipped with a total of 3 fixed primary healthcare facilities. Moreover, the area boasted 6 mobile/satellite clinics, 6 sites dedicated to Antiretroviral Treatment (ART), and 8 clinics specifically designated for tuberculosis (TB) treatment. It's important to note that there was one district and no regional hospitals present in the municipal area. Hessequa accounted for 137 out of the 1301 healthcare facilities, representing approximately 10.5 per cent of the healthcare infrastructure within the broader Garden Route region. This distribution has socio-economic implications for healthcare access and services within the municipality.

Emergency medical services

Increasing the availability of operational ambulances can expand the scope of emergency medical service coverage. In 2022, the Hessequa municipal area had a total of 4 ambulances, while the Garden Route District had 28 ambulances during the same period. When considering the ratio of ambulances per 10 000 people, Hessequa had 1.3 ambulances, whereas the Garden Route had 2.2 in 2021. It's essential to note that this calculation exclusively pertains to provincial ambulances and does not encompass the presence of private service providers. This difference in ambulance provision has implications for emergency healthcare accessibility in the respective regions.

Maternal health

Maternal health has significant socio-economic implications for an area, influencing the well-being of both mothers and their communities. Maternal health, furthermore, has implications for healthcare expenditure, employment, childcare development, poverty alleviation, etc. The number of maternal deaths per 100 000 live births in Hessequa, was impressive at zero in 2022 and 2023 compared to the Garden Route average of 72.2 over the same period. On the other hand, the percentage of babies born to mothers under the age of 18 years remained above the district average in both 2022 and 2023. The termination of pregnancy rate remained below the district average between 2022 and 2023. Addressing maternal health issues involves a comprehensive approach, including improving healthcare access, promoting education, and addressing social determinants of health. Such efforts contribute not only to the health of mothers but also to the overall socio-economic development and resilience of communities.

Child health

There were slight shifts in key health metrics between 2022 and 2023 as Immunisation coverage for infants under one year declined modestly from 93.4 per cent to 89.0 per cent during this period. It's worth noting, however, that this rate remains considerably higher than the overall 85.5 per cent coverage in the Garden Route District. The number of malnourished children under five years per 100 000 people remained at 0.3 between 2022 and 2023 lower than the Garden Route District of 2.4 during the same period.

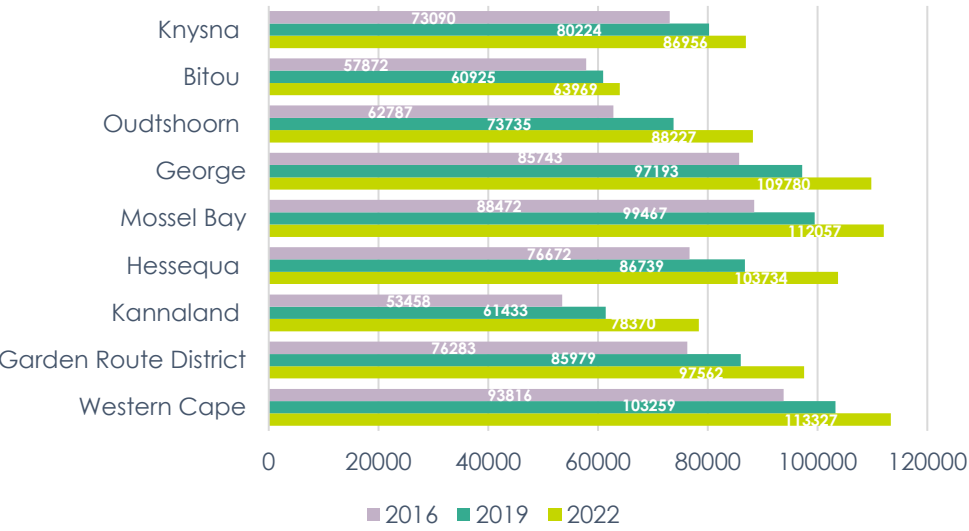
The neonatal mortality rate, measuring deaths per 1000 live births within 28 days, displays a declining trend between 2022 and 2023, however the Garden Route District displays the opposite and is growing over the same period. Furthermore, the rate of low-birth-weight infants, those born under 2 500 grams, within Hessequa is declining marginally along with the district average over the same period.

HIV/AIDS & Tuberculosis

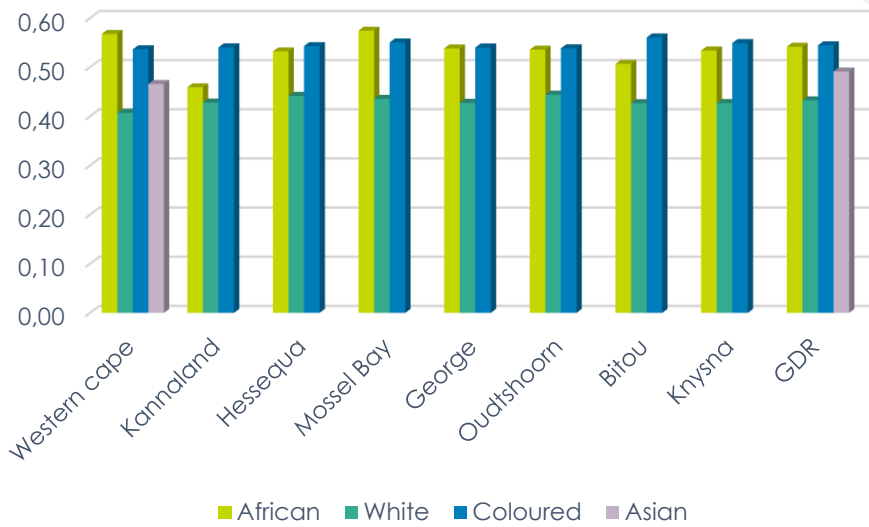
The number of registered patients receiving antiretroviral treatment (ART) in the Hessequa municipal area increased by 133 patients between 2021/22 to 2022/23. In total, 70 new registered patients received antiretroviral treatment in the Hessequa municipal area in 2021/22 growing to 97 in 2022/23. There has been an average annual increase of 1.2 per cent between 2021/22 (399) and 2022/23 (404) in the number of registered patients receiving TB treatment in the Hessequa municipal area.

POVERTY

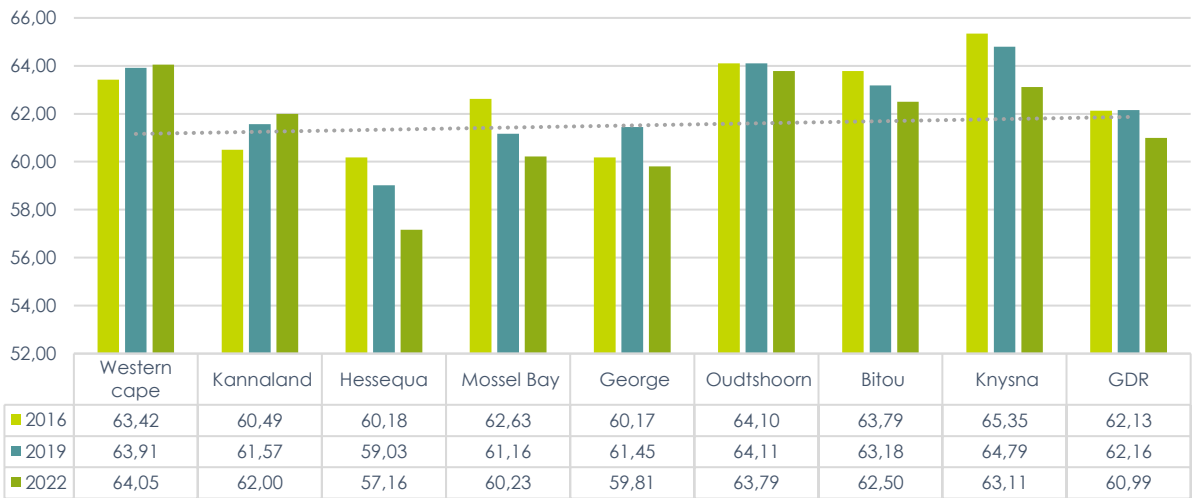
GDP per capita



Income Inequality



Poverty Line



GDPR Per Capita

The per capita Gross Domestic Regional Product (GDPR) only sees an increase when the rate of economic growth surpasses the rate of population growth. In 2022, Hessequa Municipality had a real GDPR per capita of R103 734 in 2022, which is lower than both the Garden Route District's figure of R97 562 and the Western Cape's R113,327 for the same year. The rise in Hessequa's GDPR per capita between 2016 and 2019 suggests a higher standard of living amongst individuals in the area, improved access to infrastructure as well as goods and services, however GDPR per capita does not reveal how evenly or unevenly income is distributed among the population.

Income Inequality

South Africa grapples with some of the most severe levels of income inequality worldwide, as indicated by the widely utilised Gini coefficient index. This inequality is evident in a skewed income distribution, disparities in access to opportunities, and regional economic gaps.

The National Development Plan (NDP) has established a goal of decreasing income inequality in South Africa, aiming to reduce the Gini coefficient from 0.7 in 2010 to 0.6 by 2030. In the Garden Route District, income inequality slightly exceeds the national target, standing at 0.61 in 2022. Specifically, Hessequa Municipality exhibits lower inequality with a Gini coefficient of 0.58 in the same year. Notably, within Hessequa, pronounced income disparities exist among different racial communities. Coloured communities in Hessequa experience the highest level of inequality with a Gini coefficient of 0.54, followed by African communities at 0.53, while the lowest level of income inequality is observed among white communities at 0.44. These disparities in income distribution have far-reaching socio-economic implications.

Poverty Line

The Upper Bound Poverty Line (UBPL) head count ratio represents the portion of the population unable to afford an adequate standard of living, encompassing both essential food and non-food items. In South Africa, the UBPL is set at R1,227 per person per month (in April 2019 prices). Poverty exerts significant socio-economic consequences on communities, leading to reduced life expectancy, malnutrition, food insecurity, heightened vulnerability to crime and substance abuse, lower educational achievements, and substandard living conditions. The National Development Plan (NDP) aspires to eradicate poverty by the year 2030.

In 2022, 57.1 per cent of Hessequa's population lived below the UBPL, marking a slight improvement from 60.1 per cent in 2016, 59.0 per cent in 2019 and 57.1 per cent in 2022. Among the municipalities in the Garden Route, Hessequa ranks as the lowest in terms of the proportion of people living in poverty. These poverty rates have far-reaching socio-economic implications, such as limited access to basic needs, limited job opportunities, higher crime rates, increased vulnerability, etc. Addressing the socio-economic implications of people living below the poverty line requires comprehensive strategies that encompass economic, educational, healthcare and social interventions.

BASIC SERVICE DELIVERY

22 333

Hessequa

255 977

Garden Route District

Total number of households

95.3%

Formal main dwelling

21 283

Hessequa

227 819

Garden Route District

89.0%

0.0% Hessequa
1.2% Garden Route
Traditional dwelling

3.6% Hessequa
9.6% Garden Route
Informal dwelling in
backyard

0.4% Hessequa
0.2% Garden Route
Other/Unspecified

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

Hessequa 94.5%
Garden Route 85.0%

Flush/chemical toilet

Hessequa 97.5%
Garden Route 93.7%

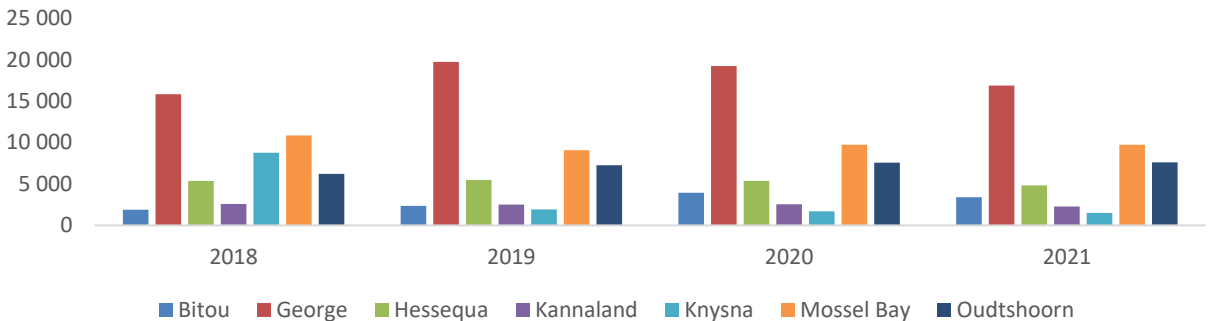
Electricity (incl. generator)
as primary source of
lighting

Hessequa 98.5%
Garden Route 95.9%

Refuse removal at least
once a week

Hessequa 92.3%
Garden Route 88.8%

Indigent Households Garden Route Municipalities



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 considers to what extent this has been achieved by reflecting on the latest available information from Quantec Research for 2021. The latest official statistics was collected by Statistics South Africa for the 2022 Census. The information on indigent households is obtained from the Western Cape Department of Local Government statistics.

Housing and Household Services

Within the Hessequa municipal area encompassing 22,333 households, 95.3 per cent had access to formal housing, surpassing the Garden Route District's mean of 89 per cent. Hessequa exhibited a diminished share of informal dwellings, constituting 3.6 per cent, in contrast to the district-wide average of 9.6 per cent for informal housing. This discrepancy in housing types implies distinct socio-economic dynamics within Hessequa, potentially influencing various economic and social indicators in comparison to the broader Garden Route District.

Service access levels within the Hessequa municipal area exceeded the access to formal housing in certain cases. Approximately 94.5 per cent of households had access to piped water either inside the dwelling/yard or through communal/neighbor's taps. An impressive 97.5 per cent had access to flush toilets or chemical toilets, and 98.5 per cent had access to electricity (including generators) for lighting. Additionally, local authorities removed refuse at least weekly for 92.3 per cent of households in the area. These disparities in housing and service access have socio-economic implications, impacting the living conditions and quality of life for the local population.

Free Basic Services

Municipalities extend a suite of essential services without charge to households grappling with financial adversity and struggling to meet service-related expenses. In the Hessequa municipal area, there has been a noteworthy escalation in the count of households availing themselves of free basic services, rising from 1 891 in 2018 to 2 357 in 2019, 3 931 in 2020, and 3 404 in 2021. Given the challenging economic milieu, it is envisaged that these circumstances will exert added pressure on household incomes, likely resulting in an upswing in the demand for free basic services and, consequently, an increase in the number of households categorised as "indigent." It is imperative to underscore that this trend is context-specific and contingent upon the application of eligibility criteria in the region.

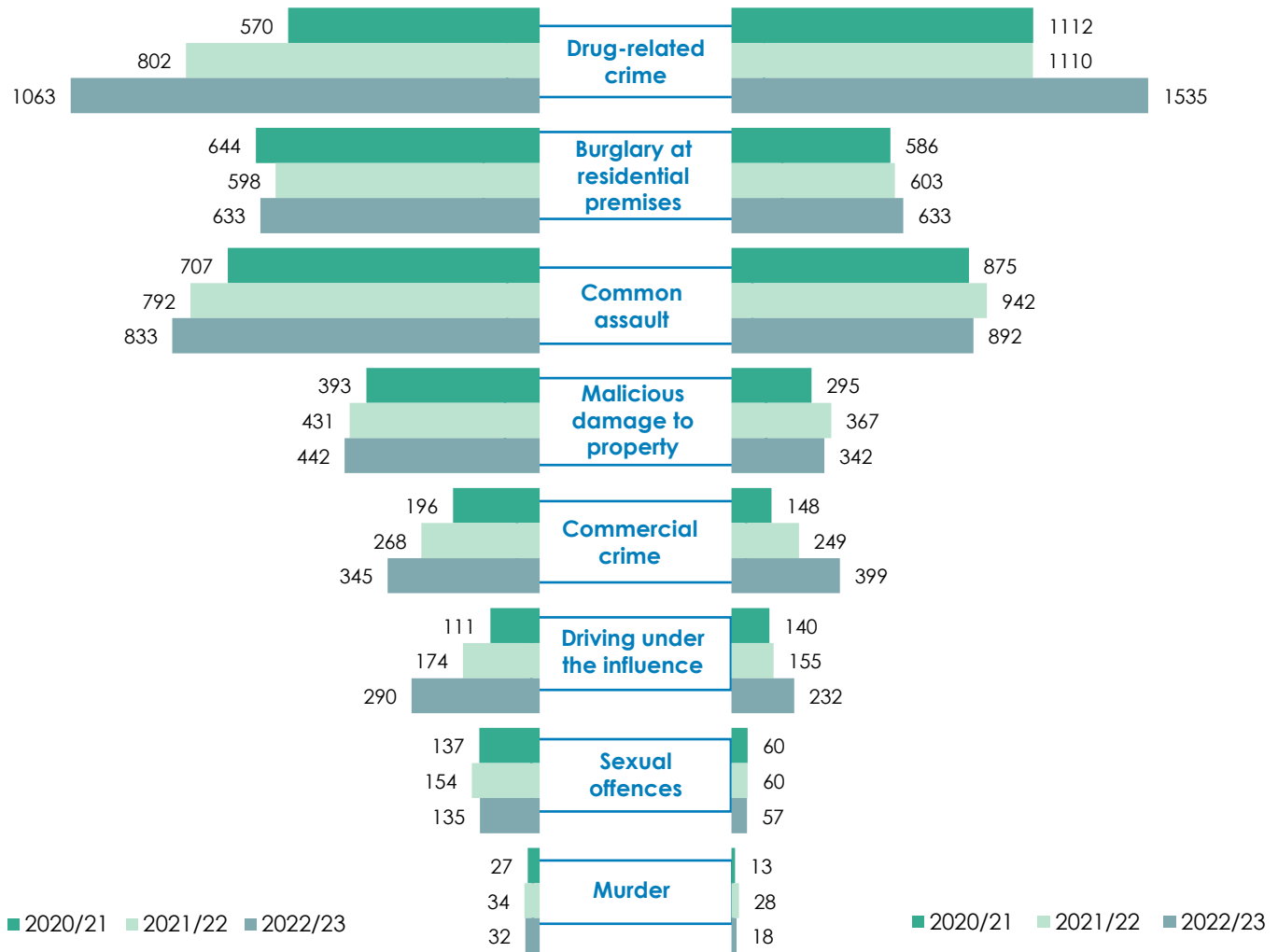
SAFETY AND SECURITY

GARDEN ROUTE

6 674 Total reported
crime per 100 000 people in the
Garden Route District in 2022/23

HESSEQUA

6 927 Total reported crime
per 100 000 people in Hessequa in
2022/23



Murder

Murder is defined as the unlawful and intentional killing of another person.

In the Hessequa municipal area, the actual counts of murder declined from 14 in 2021 to 9 in 2022. However, the murder rate in Hessequa, measured per 100,000 people, increased from 13 in 2020 to 28 in 2021 and thereafter to 18 in 2022. This rate is lower than the Garden Route District's murder rate of 34 per 100,000 people in 2022. It's worth noting that, according to the United Nations Office on Drugs and Crime in 2019, the global murder rate in 2017 stood at 6.1 per 100,000 people, significantly lower than both the District and the Municipality's reported rates.

Sexual Offences

Sexual offences include rape (updated to the new definition of rape to provide for the inclusion of male rape), sex work, pornography, public indecency and human trafficking.

In 2022, there were 30 sexual offenses reported in the Hessequa area. The incidence of sexual offenses per 100 000 people in the Hessequa municipal area (57) was lower than that of the District (135) in 2022. It's noteworthy that South Africa is among the top 5 countries globally in terms of reported rape cases, underscoring the magnitude of this issue, which necessitates addressing. In response, a National Strategic Plan on gender-based violence and femicide has been developed.

Drug-related Offences

Drug-related crimes refer to the situation where the perpetrator is found to be in possession of, under the influence of, or selling illegal drugs.

In the Hessequa area, drug-related crimes increased from 577 cases in 2021 to 797 cases in 2022. When considering the rate per 100 000 people, Hessequa had 1 525 drug-related offenses per 100 000 people in 2022, which is higher than the Garden Route District's rate of 1 063 per 100 000 population.

Driving under the influence (DUI)

A situation where the driver of a vehicle is found to be over the legal blood alcohol limit.

The number of DUI cases in the Hessequa area increased from 80 in 2021 to 120 in 2022. This translates to a rate of 232 cases per 100 000 people in 2022, which is more than the Garden Route District's rate of 290 cases per 100,000 people.

Residential Burglaries

The unlawful entry of a residential structure with the intent to commit a crime, usually a theft.

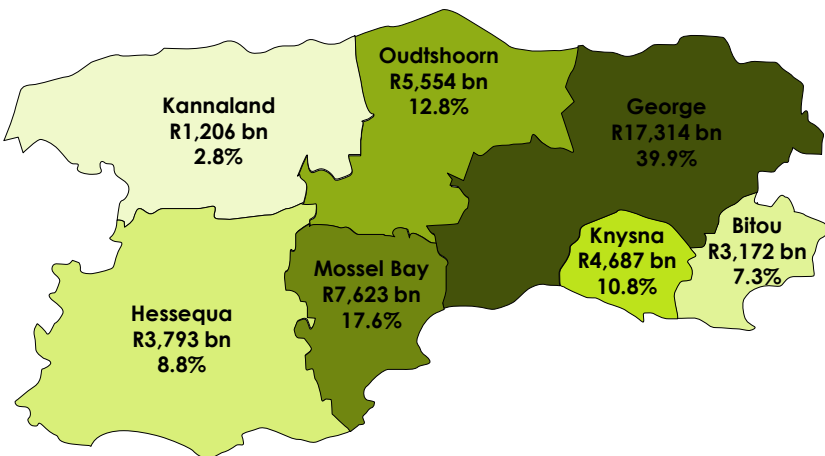
The number of residential burglaries in the Hessequa area increased from 313 in 2021 to 328 in 2022. The Hessequa municipal area's rate of 633 residential burglaries per 100,000 population were on par with the District's rate in 2022. These crime trends have significant socio-economic implications for the community's safety and well-being.

GDPR PERFORMANCE



GDPR Contribution 2021

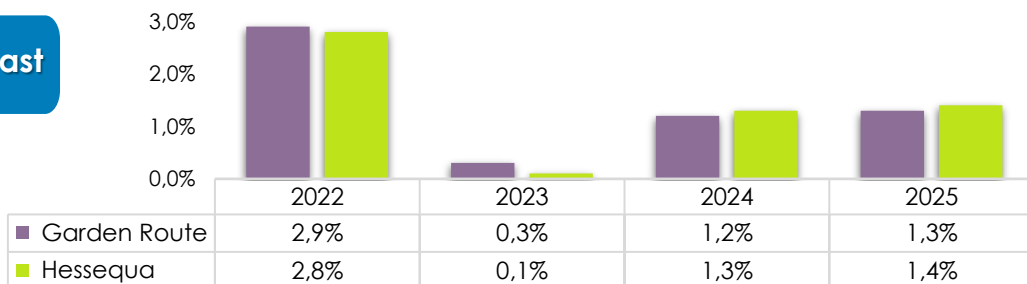
Sectoral contribution to GDPR 2021



GDPR Growth 2019-2022e



GDPR forecast



International Trade, 2022

Imports

R36.5 million

Exports

R51.7 million

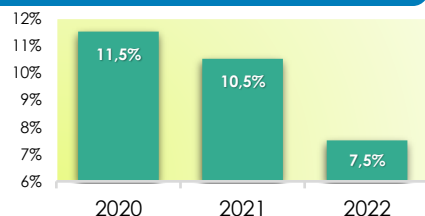
Top exported products



Top imported products



Tourism spend % of GDP



GDPR Performance

In 2021, the Gross Domestic Regional Product (GDPR) of the Hessequa municipal area amounted to R3.793 billion which is 8.8 per cent of the Garden Route GDPR and are estimated to have grown by 2.8 per cent in 2022. Key sectors driving this GDP included finance (26 per cent), trade (17 per cent), and manufacturing (15.0 per cent). The finance sector was particularly diverse, encompassing activities such as accounting, research and development, property leasing, and insurance. The strength of this sector lies in real estate activities, especially along the coast, where property demand is fuelled by semigration as well as people purchasing holiday homes. The popularity of the area as a place of residence as well as for vacation results in a vibrant local retail sector, especially in areas such as Stilbaai. The N2 traversing the municipal area is another economic asset benefiting the retail sector, as tourists exploring the Garden Route and transporters often stop for fuel, food and beverages. This sector contributed 16.7 per cent to the GDPR of 2021.

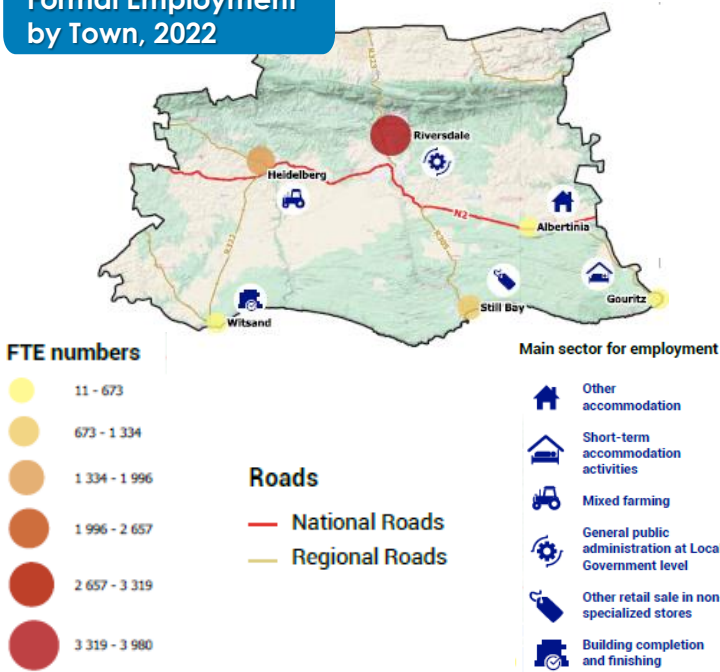
The substantial contribution of the trade sector in 2021 highlights the significance of tourism to the local economy. Accommodation services and restaurants played a pivotal role in employment within the municipal area. However, it's important to note that the tourism sector is highly seasonal, with peak periods occurring during school holidays. The primary drivers of growth in the area are the finance and manufacturing sectors, which are anticipated to grow by 3.5 per cent and 1.7 per cent, respectively, in 2023.

GDPR Forecast

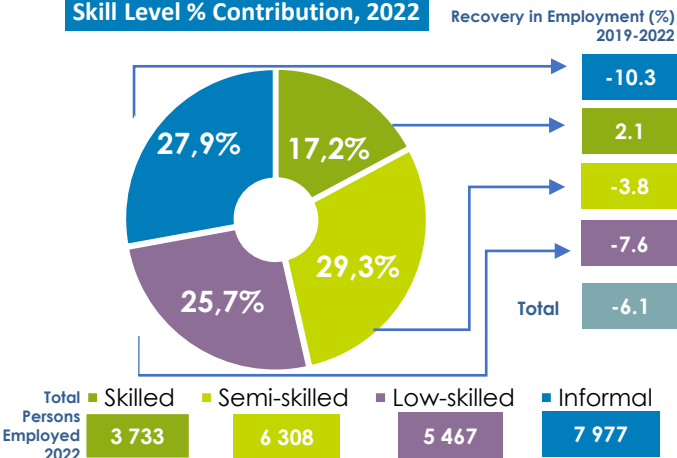
Looking forward, the Hessequa municipal area is projected to experience marginal economic growth in 2023, with an estimated increase of 0.1 per cent. This growth is anticipated to expand further by 1.3 per cent in 2024. The sluggish Gross Domestic Product (GDP) growth in the municipal area is expected to be primarily attributed to declines in the construction and agriculture sectors, with anticipated GDP contractions of 6.0 per cent and 3.9 per cent, respectively. Both sectors are forecasted to undergo further contraction in 2024. The adverse impacts on the agriculture sector stem from a decrease in international commodity prices, a depreciation of the exchange rate, and escalating input costs. Additionally, the construction sector has yet to recover to the levels observed in 2019, hindering the sector's growth.

LABOUR MARKET PERFORMANCE

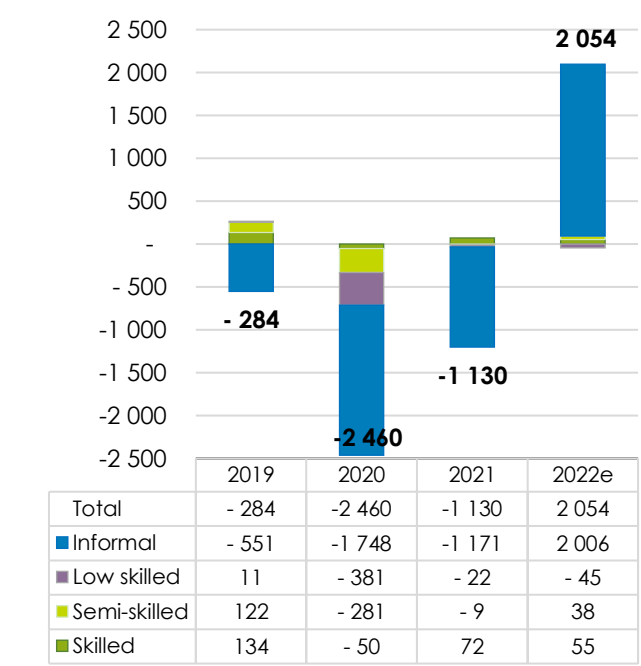
Formal Employment by Town, 2022



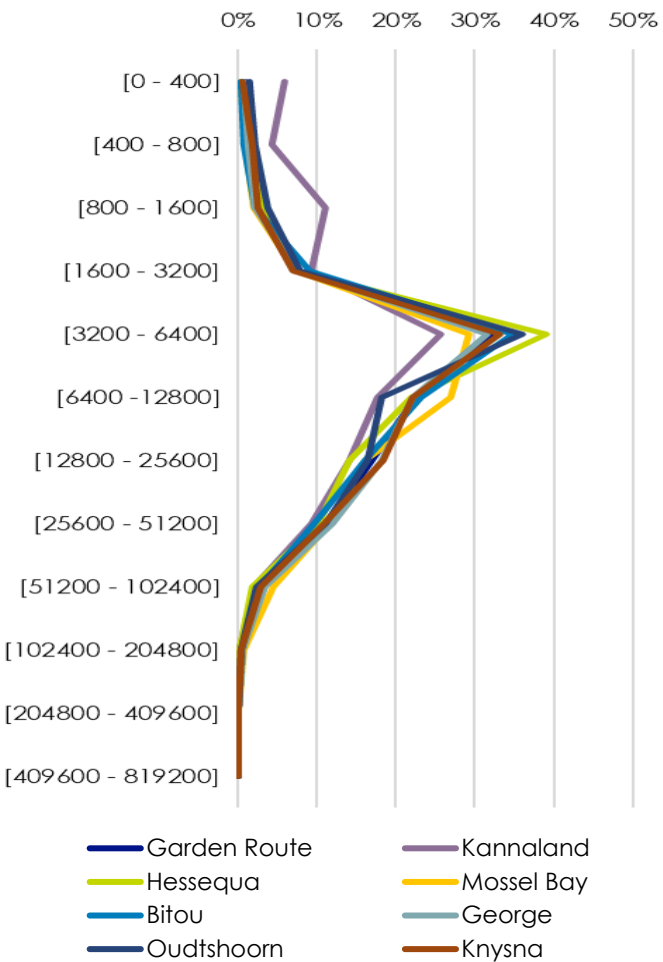
Skill Level % Contribution, 2022



Net employment per sector, 2019-2022



Wage Distribution per municipal area, 2022



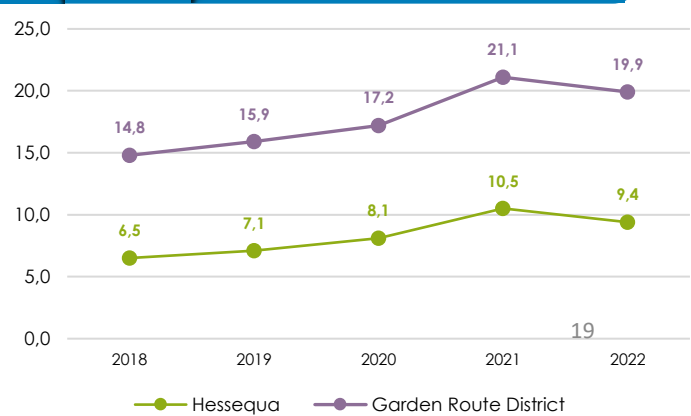
Top 5 Sectors



Sector	No. of FTE Jobs
Mixed farming	1 189
Administration of the state and the economic and social policy of the community	1 096
Retail sale in non-specialized stores	436
Growing of non-perennial crops	289
Provision of services to the community as a whole	185



Unemployment rate 2018-2022



Labour Market Performance

In parallel with the growth in Gross Domestic Regional Product (GDPR), employment saw an increase for the first time since 2020, resulting in the creation of 2 054 formal and informal jobs in 2022. Hessequa contributes 10.5 per cent to the Garden District's employment and 0.9 per cent of the Western Cape's share of employment. Notably, with 27.9 per cent of workers engaged in informal employment, the informal sector has become a crucial source of employment in the Hessequa municipal area. The job growth observed in 2022 led to a 1.1 percentage point reduction in the unemployment rate, bringing it down to 9.4 per cent, which is significantly below the Western Cape unemployment rate of 24.5 per cent.

Given the significance of the finance, trade and manufacturing sectors, there is an increasing demand for semi-skilled and skilled workers in these industries. This underscores the importance of targeted skills development initiatives to address the labor market's evolving needs and promote economic resilience.

Skills Distribution

It is projected that Hessequa will have a total workforce of 21 431 individuals in 2023. Among them, 15 451 (72.1 per cent) will be formally employed, while 5 979 (27.9 per cent) will work in the informal sector. The informal economy was chiefly responsible for the significant job losses experienced in 2021, which is concerning, as the informal sector is typically expected to act as a buffer during economic downturns.

The majority of those in formal employment in Hessequa were comprised of semi-skilled workers (29.3 per cent) and skilled workers (17.2 per cent), while the low-skilled category accounted for 25.7 per cent of the total formal workforce. However, from 2019 to 2022, all categories of skilled employment in Hessequa exhibited a notably sluggish recovery as the economy recuperated from the impacts of the COVID-19 pandemic. Among these, the skilled category demonstrated signs of faster recovery, reflecting the rising market demand for skilled labor and emphasising the need for skills development initiatives, particularly in light of the growing tertiary sector in the Hessequa municipal area. These workforce dynamics have significant socio-economic implications, affecting income levels, employment opportunities, and the region's overall economic resilience.

Wage Distribution

The wage distribution data of Hessequa indicates high levels income inequality and the disparities within the socio-economic landscape within Hessequa. In Hessequa, 39.1 per cent of workers fall into the [R3 200 - R6 400] income range, and 22.1 per cent are in the [R6400 - R12800] bracket. However, there are no workers in the highest income brackets, such as [R81 9200 - R163 8400].

Compared to other municipalities in the Garden Route, Hessequa has a relatively higher concentration of workers in the [3200 - 6400] income range. This data highlights the income disparities and distribution within Knysna, showcasing the concentration of workers in the middle-income brackets and the absence of extremely high-income earners in the region. These income distribution patterns have socio-economic implications for the area, including factors like living standards, affordability, and access to goods and services.

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*

Hessequa Overall Population Growth Pressure: Low growth pressure in settlements *

Six of the Top 10 Risks in the Garden Route are environmental in nature (Provincial Disaster Risk Register)	Hessequa's identified Hydro-meteorological Hazards to settlements 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 to moderate potential increase in exposure to wildfires.
5. Coastal Erosion	Moderate increase in short-term coastal flooding and 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)	Moderate increase in short-term coastal flooding exposure. Very low to low potential increase in exposure to flooding in settlements.
10. Severe Wind	

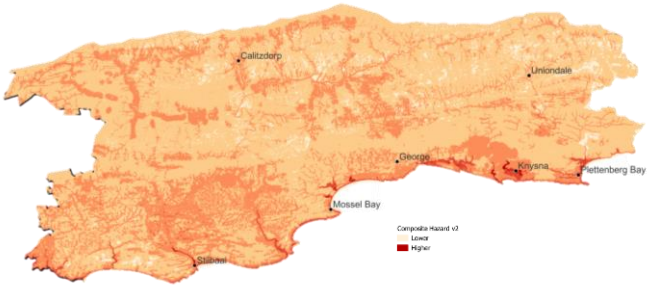
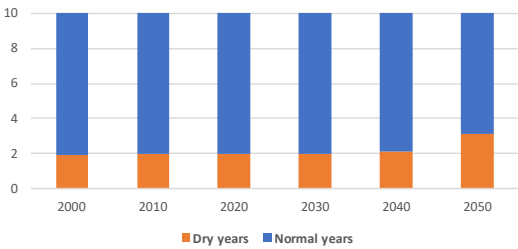
Garden Route no. of dry years per decade[†]

	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

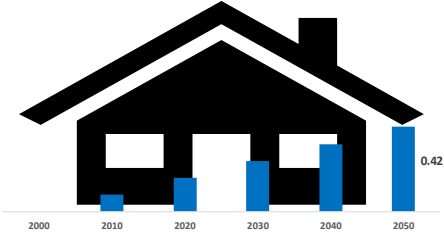
Temperature change (2050 compared to historic)[†]

Mean temperature increase (District)	1.2 °C higher
Additional days per year with daily maximum temperature above 30 °C (Hessequa)	15 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., Quagrainie, 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. Hessequa faces moderate increase in short-term coastal flooding exposure as well as very low to low potential increase in exposure to flooding in settlements.

Drought

According to the CSIR Green Book, Hessequa 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 socioeconomic 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 Hessequa can expect an additional 15 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). Hessequa is subject to possible wildfires occurring in wildland-urban interface with settlements, with low to moderate potential increase in exposure to wildfires.

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.

CONCLUSION

In conclusion, Hessequa's slow population growth poses complex socio-economic challenges. The Municipality faces potential negative impacts such as an ageing population, leading to reduced revenue sources and skill shortages in key economic sectors. This slow growth contributes to limited economic opportunities, particularly in the rural areas, resulting in insufficient infrastructure development and fewer employment options.

The decline in learner enrollment, influenced by factors like slow population growth and urbanisation, requires a comprehensive approach. Strategies should encompass community engagement, improvements in educational infrastructure, addressing economic challenges, and ensuring inclusive access to education. Despite these challenges, Hessequa's consistently high matriculation pass rate highlights the socio-economic benefits of a well-performing education system.

Health metrics show a modest decline in infant immunisation coverage, which, while noteworthy, remains higher than the overall coverage in the Garden Route District.

The increasing number of households availing free basic services may strain household incomes, potentially leading to a rise in the number of "indigent" households.

Looking ahead, Hessequa anticipates marginal economic growth in 2023, with a slight increase of 0.1 per cent. However, this growth is expected to expand further by 1.3 per cent in 2024. The sluggish GDP growth is primarily attributed to contractions in the construction and agriculture sectors. Additionally, the municipality faces a high potential exposure to an increase in drought, with the associated risks of wildfires, particularly in wildland-urban interface areas.

In summary, Hessequa's socio-economic landscape is influenced by slow population growth, educational challenges, health metrics, and economic fluctuations. Addressing these issues requires a comprehensive and context-specific approach to ensure sustainable development and improved well-being for the community.

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*

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*