



Western Cape
Government

FOR **YOU**



#KnowYourMunicipality: The 2023 Socio-Economic Profile

Overstrand Municipality



CONTENTS

OVERSTRAND: AT A GLANCE..... 3

Introduction..... 4

Demographics..... 5

Education..... 7

Health..... 9

Poverty..... 11

Basic Service Delivery 13

Safety and Security 15

GDPR Performance..... 17

Labour Market Performance 19

Risk and Vulnerability Factors..... 21

Conclusion..... 23

SOURCES..... 24

Overstrand: At a Glance

Demographics

Population Estimates, 2022; Actual households, 2022



Population

132 495



Households

59 980

Education

2022



Matric Pass Rate

81.6%

Learner Retention Rate

74.3%

Learner-Teacher Ratio

30.3

Poverty

2022



Gini Coefficient

0.62

Poverty Head Count Ratio (UBPL)

59.81%

Health

2022/23



Primary Health
Care Facilities

5

(excl. mobile/satellite
clinics)

Immunisation
Rate

78.5%

Maternal Mortality Ratio
(per 100 000 live births)

0.0

Teenage Pregnancies –
Delivery rate to women
U/19

10.7%

Safety and Security

Actual number of reported cases in 2022/23



Residential
Burglaries

1 034

DUI

126

Drug-related
Crimes

1 973

Murder

58

Sexual Offences

126

Access to Basic Service Delivery

Percentage of households with access to basic services, 2022

Water

99.8%



Refuse Removal

91.4%



Electricity

96.3%



Sanitation

99.2%



Housing

90.2%



Road Safety

2021/22

Fatal Crashes

8

Road User Fatalities

10

Labour

2022

Unemployment Rate
(narrow definition)

21.5%



Socio-economic Risks

Risk 1

Low learner retention

Risk 2

High crime rates

Risk 3

High poverty levels

Largest 3 Sectors

Contribution to GDP, 2021

Finance, insurance, real estate
and business services

29.3%



Wholesale & retail trade,
catering and accommodation

17.0%



Manufacturing

15.0%



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 Overstrand Municipality in relation to the broader Overberg District.

DEMOGRAPHICS

Current Population

132 495 2022

Estimated Population

150 639 2027

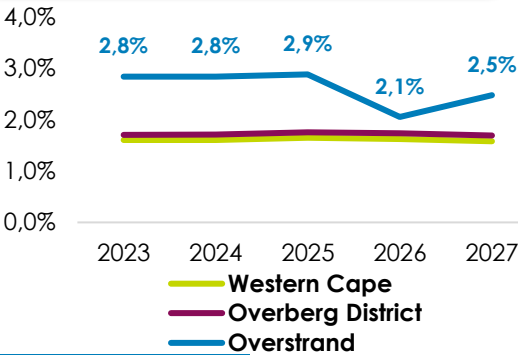


Estimated
Average Annual
Population
Growth Rate
2022- 2027

2.6%



Estimated Population Growth



Gender and Age Dynamics



Female
51.4%

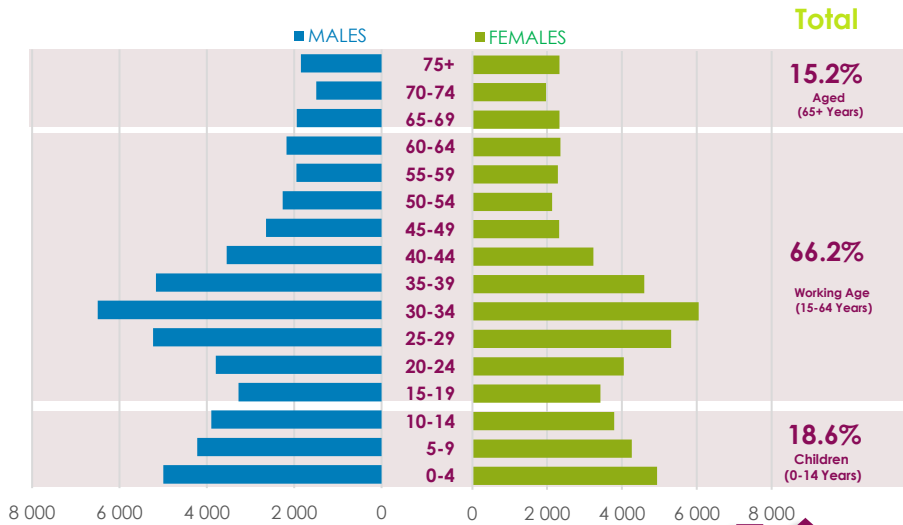
Male
48.6%

371 2023
367 2024
Fertility Index

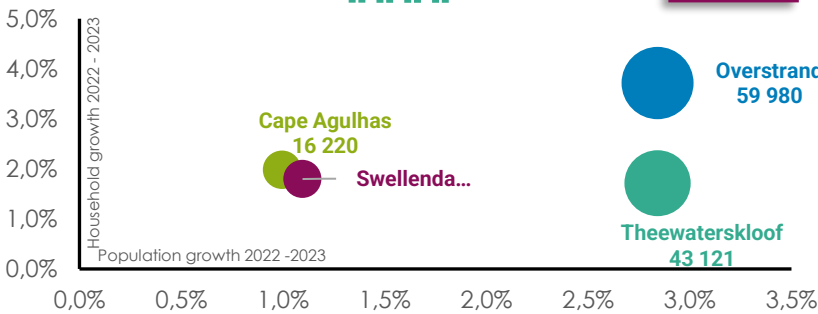
53 2023
53 2024
Dependency Ratio

46.0 2023
46.6 2024
Ageing Index

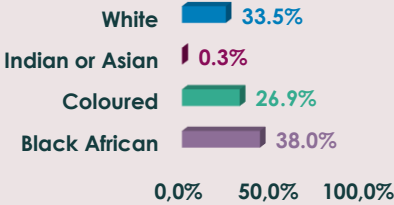
Population by Age 2022



Population and Household Growth 2022



Racial Split



Level of Urbanisation 2021



Largest Urban Settlements:

Zwelihle (24%) & Hermanus (15.6%)



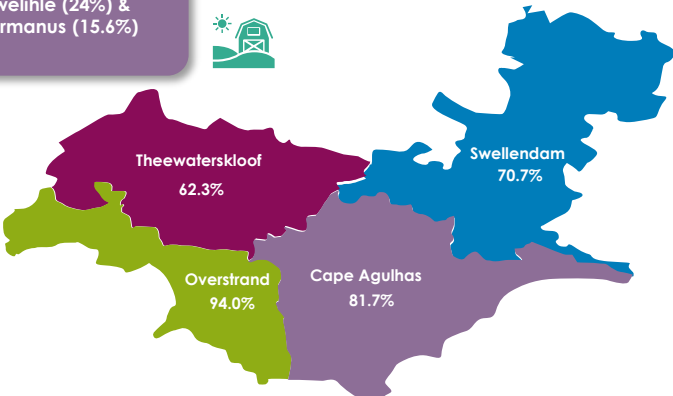
66.5
people/km²

68.4
people/km²

70.3
people/km²

2023 2024 2025

Urban/Rural change:
Largest urban
increase Zwelihle
(11.9%) & Onrus
River (2.8%)
Density change:
Highest & Largest
increase in Zwelihle
& Sand Bay



Population and Household Growth

In the broader Overberg District population of 359,446, the Overstrand region stands out with a substantial population of 132 495 in 2022. Furthermore, this area experiences robust population growth, projecting an annual increase of 2.6 percent from 2022 to 2027.

Gender, Age and Race Dynamics

A closer look at the gender makeup of Overstrand reveals greater representation of males compared to females. At the same time, the age distribution reveals a higher proportion of people in the working-age category (66.2 per cent), along with smaller groups of children (18.6 per cent) and the elderly (15.2 per cent). Overstrand demonstrates a notable concentration of elderly residents, underscoring its attractiveness as a favored retirement destination.

The racial composition of the population provides valuable insights, as it underscores the significance of inclusive policies and social unity in the pursuit of a more equitable society. Within Overstrand, it is evident that the population is primarily composed of black African persons (38.0 per cent), followed by significant percentages of white (33.5 per cent) and coloured (26.9 per cent) populations.

Level of Urbanisation

The impact of population dynamics are further emphasised by urbanisation trends, reflecting a country or region's economic and social transformation, with people moving to cities in search of better opportunities. Between 2001 and 2021, Overstrand witnessed a further increase in urbanisation, with the urban population rising from an already high 91.3 per cent to 94.0 per cent. Zwelihle emerged as the largest urban settlement, followed by Hermanus, Onrus River and Gansbaai. Notably, the most considerable urban growth in the region was experienced by Zwelihle, followed by Sandbaai, Onrus River and Franskraal.

Urbanisation in extensively urbanised regions such as Overstrand offers economic opportunities and enhanced living standards. However, it concurrently introduces challenges pertaining to inequality, infrastructure development and governance, that requires careful attention and planning.

Population Density

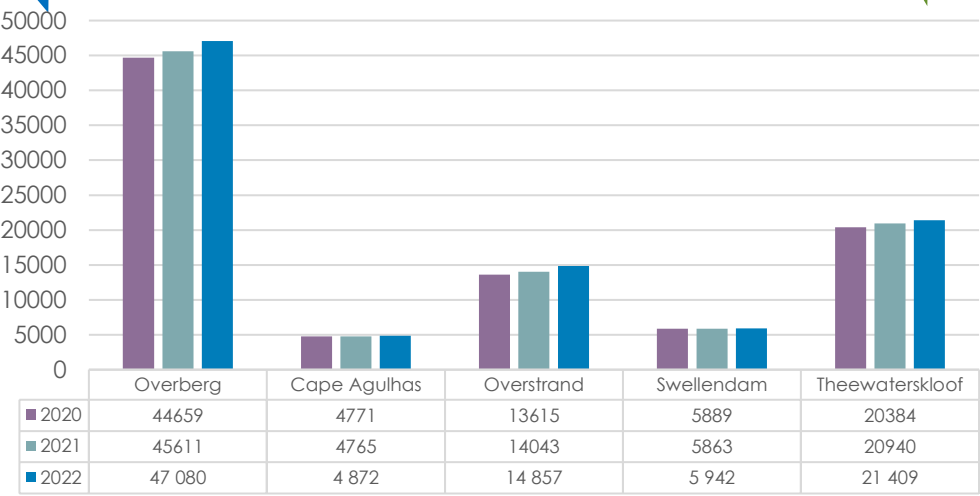
In the context of the Overberg region, the overarching population density is recorded at 26 individuals per square kilometre. However, there is a substantial variance in population densities among different local areas within the region. As a quantitative measure used to assess the concentration of residents within a specific geographical area, it plays a pivotal role in understanding the degree of population crowding or dispersion.

The Cape Agulhas and Swellendam areas exhibit notably lower densities of 10 individuals per square kilometre, which holds its own significant relevance in urban planning and resource allocation. While Theewaterskloof, the most populous region in the District, maintains a comparatively moderate population density of 39, Overstrand, characterised by rapid population growth, registers the highest population density at 66 people per square kilometre. Elevated population density serves as a catalyst for the advancement of efficient infrastructure, including public transport and services, fostering heightened economic activity that may attract businesses and contribute to job creation. However, the drawback lies in the potential strain on resources, encompassing housing and public infrastructure.

EDUCATION : Overstrand



Learner enrolment



■ 2020 ■ 2021 ■ 2022



Educational facilities 2022

17

Number of schools

70.6%

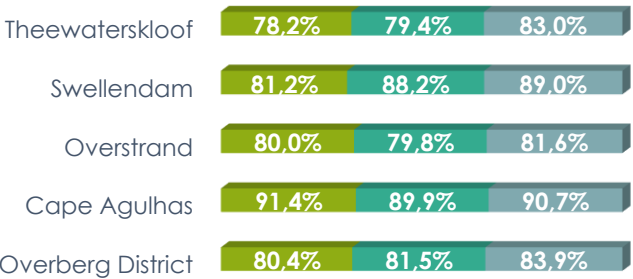
Proportion of no-fee schools

Number of schools with libraries

14



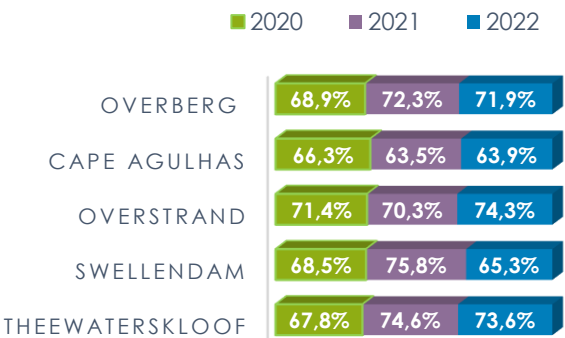
Education outcomes



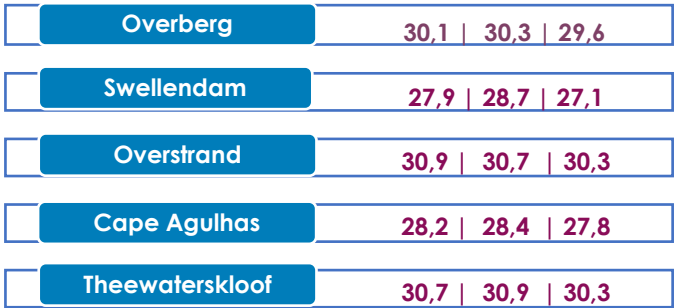
■ 2020 ■ 2021 ■ 2022



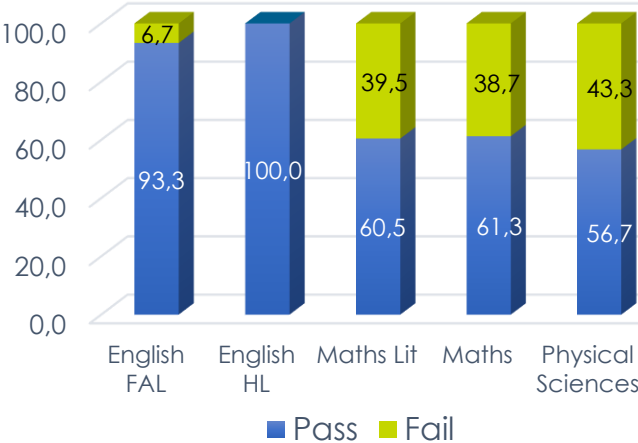
Learner retention 2020 - 2022



Learner-Teacher Ratio 2020 - 2022



Subject Outcomes



Introduction

School education is vital for personal growth, societal development, and the overall well-being of a community and nation. It shapes the future by nurturing the potential of each individual and providing them with the tools to contribute positively to society.

Education Facilities, Learner-teacher Ratio

In 2022, there were 17 schools in the Overstrand municipal area, of which 70.6 per cent were no fee schools and only 14 had libraries. The No-fee Schools Policy abolishes school fees in the poorest 40 per cent of schools nationally, for learners from Grade R to Grade 9, specifying that schools that do not charge fees will be allocated a larger total of funding per learner from the national budget for the foregone fee revenue. This applies to 12 of the 19 schools in the Overstrand area.

The learner-teacher ratio has shown a steady and overall decrease, from 30.9 in 2020 to 30.3 in 2022. As this ratio impacts teaching directly by indicating the teacher resource available as well as the class sizes and context in which teaching takes place, it implies that schools with relatively higher ratios, such as Overstrand within the Overberg region, may struggle to provide the same quality of education as those with lower ratios, potentially exacerbating educational inequalities.

Learner Enrolment & Retention Rates

Within the Overstrand region, learner enrolment stood at 14 857 in 2022, slightly more than the 14 043 enrolled in 2021. Growing learner enrollment is a positive sign of increased access to education, greater awareness of its benefits, and often, progress in society within the area. However, it also brings challenges related to infrastructure, resources, and the need for continuous improvements in educational quality to meet the needs of the expanding student population.

The learner retention rate is influenced by a wide array of factors, including economic influences such as unemployment, poverty/very low household income, as well as social concerns such as teenage pregnancies, overcrowded classrooms, student attitudes towards education, as well as other personal circumstances which can make it difficult for learners to focus on education. The grade 10 to 12 retention rate for the Overstrand area stood at a modest 74.3 percent, signaling significant challenges and concerns. Nevertheless, this performance emerged as the most favorable among the local municipalities within the region. Mitigating school dropouts requires a collaborative effort and a commitment to creating a supportive and inclusive educational environment that accommodates the diverse needs of students, tailored to the unique local challenges and circumstances.

Education & Subject Outcomes

Overstrand's matric pass rate has not seen significant improvements, increasing from 80.0 per cent in 2020 to 81.6 per cent in 2022. Subject outcomes show good English pass rates, however, with mathematics (60.5 per cent mathematics literacy; 61.3 per cent mathematics) and physical sciences (56.7 per cent) dipping well below the overall pass rate. Good mathematics and science outcomes often serve as prerequisites for pursuing highest education and certain career paths and can therefore directly impact future opportunities and choices.

When examining matric pass rates, it is imperative to consider them together with retention rates, as low retention rates can potentially distort educational outcomes. Observing the results, there is typically a correlation where outcomes appear higher when retention rates are lower. Ensuring the retention of learners is a fundamental aspect of achieving holistic favourable education outcomes.

Healthcare Facilities

5 Fixed PHC Facilities
4 Mobile/Satelite Clinics

5 ART Clinics/
Treatment Sites
6 TB Clinics/
Treatment Sites

1 District Hospital

Emergency Medical Services

Number of ambulances: 5

EMS per 10 000 people	
OD	0,8
Theewaterskloof	1,1
Overstrand	0,5
Cape Agulhas	0,8
Swellendam	0,9

Maternal Health

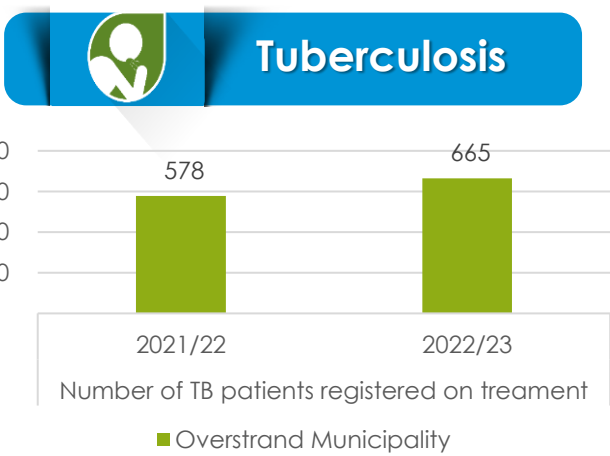
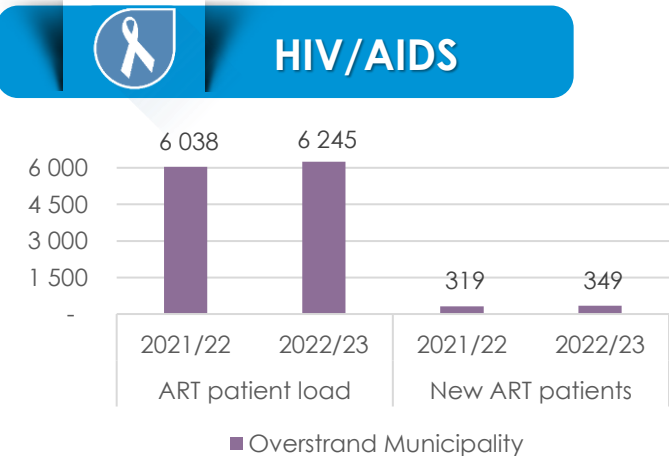
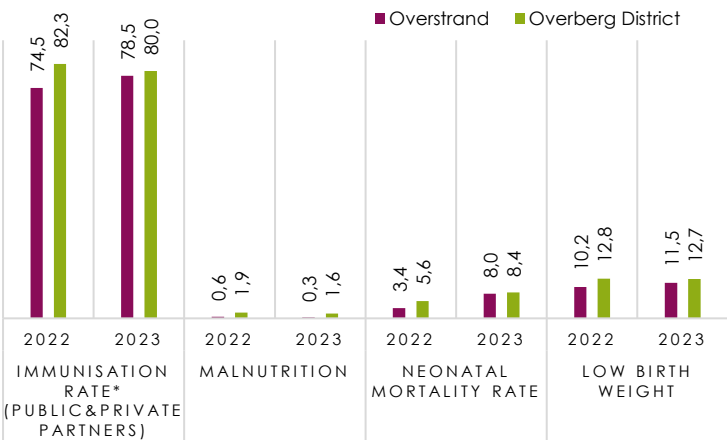
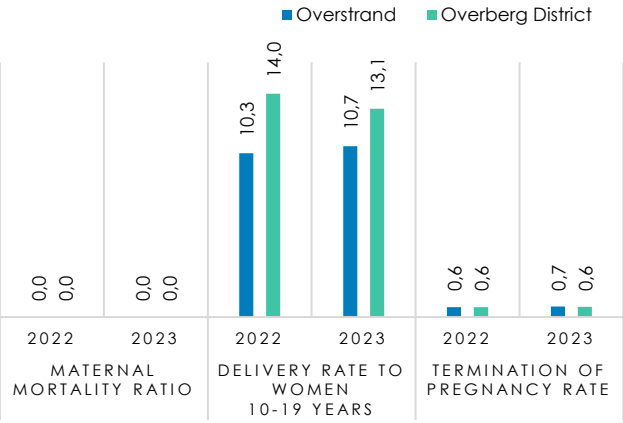
OVERSTRAND 2023:
Maternal Health Indicators

- Maternal deaths in facility : 0
- Deliveries in facility u19 years : 148
- Termination of pregnancy : 183

Child Health

OVERSTRAND 2023:
Child Health Indicators

- Live births under 2500g (low birth weight) : 159
- Inpatient deaths 6-28 day : 11
- Immunisation u1 year : 1 474
- Severe acute malnutrition u5 years : 3



Healthcare Facilities & Emergency Medical Services

South Africa's healthcare system is a mix of public and private providers, and its health facilities are an essential component of ensuring access to healthcare services for the country's diverse population. Government plays a pivotal role in providing healthcare services through the public sector, while the private sector offers additional options for those who can afford it. The public healthcare system follows a referral system, where patients receive primary care at clinics and are referred to district or provincial hospitals for more specialised care when needed. Across the Overstrand area, there is a total of 5 fixed primary health care facilities in Hermanus (2), Zwelihle, Onrus and Gansbaai and 4 mobile/satellite clinics. In addition, there are also 5 anti-retroviral therapy (ART) and 6 tuberculosis (TB) clinics/ treatment sites as well as one district hospital situated in Hermanus.

As an integral part of the healthcare system, Emergency Medical Services (EMS) bridges the gap between an emergency and the delivery of medical care in a hospital setting. Timely and effective EMS response can significantly impact the survival and recovery. However, it is important to note that EMS encompasses a range of services, personnel, and resources designed to provide immediate medical assistance, transportation to healthcare facilities, and pre-hospital care to individuals facing critical health crises. Considered within this context, operational ambulances are a significant, but not the only component within medical emergency situations. Overstrand has a total of 5 ambulances servicing the area, which translates into 0.5 ambulances per 10 000 people in 2022/23. It is worth noting that this number only refers to Provincial ambulances and excludes private service providers.

Maternal Health

Maternal health refers to the well-being of women during pregnancy, childbirth, and the postpartum period, which includes the first six weeks after giving birth. It encompasses physical, mental, and social aspects of health related to pregnancy and childbirth. A few maternal health indicators are considered here. In the context of the Overstrand region, it is noteworthy that there were no reported maternal deaths in the 2021/22 as well as 2022/23 period (maternal mortality rate of zero). During the period spanning from 2021/22 to 2022/23, there was a slight increase in the proportion of deliveries to women 10-19 years, from 10.3 per cent to 10.7 per cent. The latter figure translates into a total of 148 births to these young women. Similarly, the termination of pregnancy rate also increased slightly, bringing the total number of termination of pregnancies performance for 2022/23 to 183.

Child Health

In terms of child health In the Overstrand area, the immunisation rate increased, rising from 74.5 per cent in 2021/22 to 78.5 per cent in 2022/23, however, this rate still remains below the optimal level. Severe child malnutrition remained low, with 3 such confirmed cases for 2022/23. This represented a minor decline in the proportion of undernourished children under the age of five per 100 000 population, from 0.6 in 2021/22 to 0.3 in 2022/23. This is lower than the overall District rate of 1.6, which varies across the local areas, reaching a high of 3.0 per 100,000 people in the Theewaterskloof area (a total of 31 severely malnourished children). The low-birth-weight indicator for the Overstrand area indicated a deterioration, with the percentage of babies born in facilities under 2 500g increasing from 10.2 per cent in 2021/22 to 11.5 per cent in 2022/23. However, the neonatal mortality rate (per 1 000 live births) registered considerable deterioration, from 3.4 in 2021/22 to 8.0 in 2022/23 – this translates into a total of 11 deaths before reaching 28 days. The presented indicators demonstrate mixed child health outcomes in the Overstrand area.

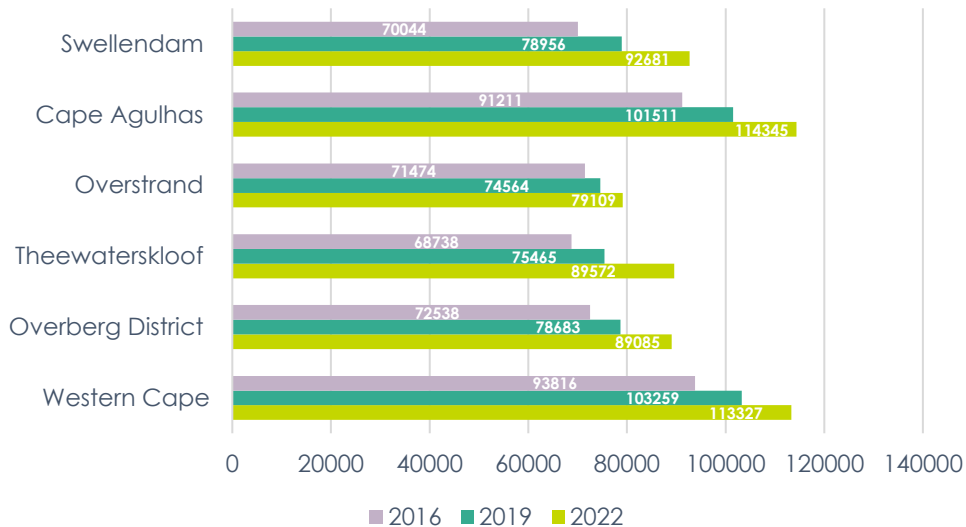
HIV/AIDS & Tuberculosis

In the Overstrand area, there has been an expansion in the total number of patients enrolled in antiretroviral treatment. This figure has risen from 6 038 during the 2021/22 to 6 245 in 2022/23. Similarly, there has been an uptick in the number of new patients commencing antiretroviral treatment, with 349 new patients in 2022/23, as compared to 319 in the preceding year. Similarly, growth in the TB patients registered on treatment was experienced, increasing from 578 in 2021/22 to 665 in 2022/23. These patterns indicate a growing demand for antiretroviral treatment and TB services, potentially carrying economic implications for the allocation and management of healthcare resources in the region.

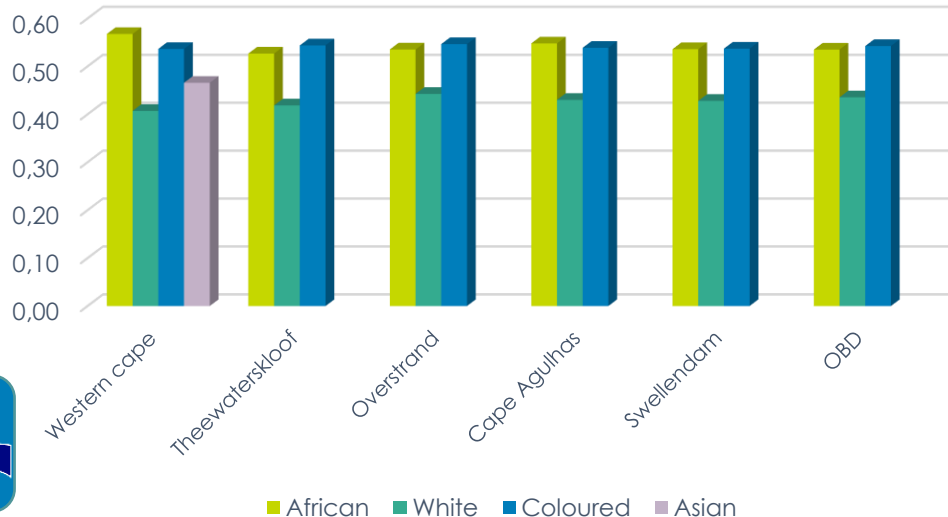
POVERTY



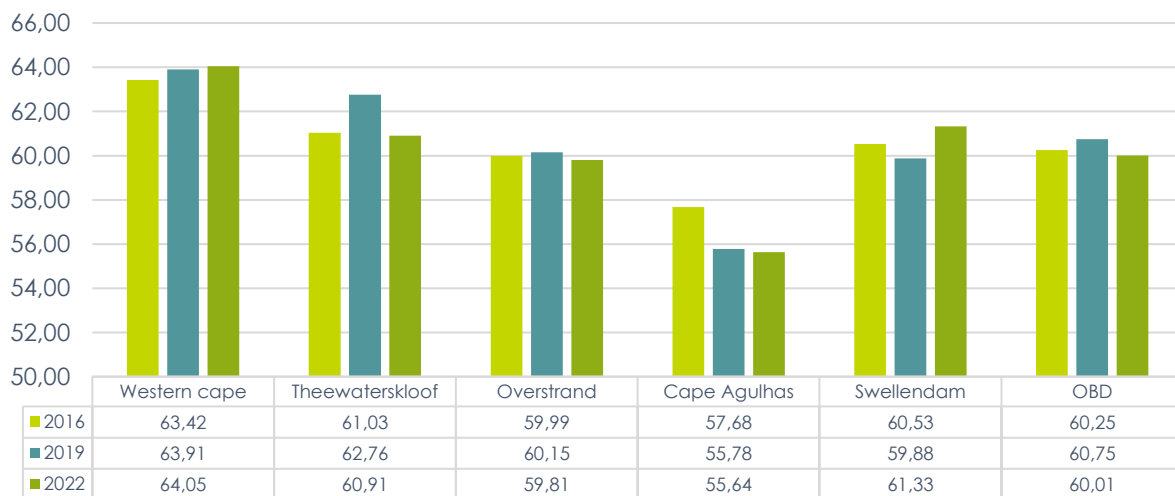
GDP per capita



Income Inequality



Poverty Line



GDPR Per Capita

An increase in the real regional Gross Domestic Product (GDP) per capita, which measures the GDP per person, occurs when the rate of real economic growth surpasses the rate of population growth. In 2022, the per capita GDPR in the Overstrand area stood at R79 109, marking the lowest figure within the District, with the District average at R89 085. While real GDP per capita reflects changes in the overall well-being of the population, showing some growth within Overstrand area, it is important to note that not everyone within the economy will earn the same income as indicated by the real GDP per capita measure.

However, while a high GDP per capita is generally desirable, it is essential to consider its distribution and the well-being of all segments of the population. Addressing income disparities, promoting inclusive growth, and addressing sustainability concerns are critical, particularly in lower per capita GDP regions, such as the Overstrand area.

Income Inequality

South Africa grapples with some of the highest levels of inequality globally, as evidenced by the widely used Gini index. This inequality is manifested through an uneven distribution of income, disparities in access to opportunities, and regional economic differences. The National Development Plan (NDP) has established an ambitious goal of reducing income inequality in South Africa, aiming to lower the Gini coefficient from 0.7 in 2010 to 0.6 by 2030.

While Overstrand's Gini coefficient has steadily increased from 0.61 in 2015 to 0.65 in 2021 likely brought on by the impacts of the COVID-19 pandemic on the economy and employment, it exhibited a decrease to 0.62 in 2022. This reduction in the Gini suggests some advancement towards achieving the NDP's income inequality reduction goal within the Overstrand area and may have various socio-economic impacts, including potential improvements in social equity, economic stability, and well-being.

Poverty Line

Poverty affects the social development of communities through lower life expectancy, malnutrition and food insecurity, higher exposure to crime and substance abuse, lower educational attainment and poor living conditions. Different measures of poverty are used as indicators assess and quantify the extent of poverty within a population or region. They provide insights into the economic well-being and living conditions of individuals or households. The Upper Bound Poverty Line (UBPL) head count ratio is one such measure, quantifying the proportion of the population living below the UBPL that cannot afford to purchase adequate levels of food and non-food items. The UBPL in South Africa is R1 227 (in April 2019 prices) per person per month.

In 2022, 59.8 per cent of Overstrand's population fell below this UBPL. This figure improved slightly from the 60.0 per cent and 60.2 per cent recorded for the 2016 and 2019 periods respectively. Within the Overberg region, it represents one of the lowest, while Swellendam (61.3 per cent in 2021) represents the highest proportion of people living in poverty. This was followed closely by Theewaterskloof (60.9 per cent), while Cape Agulhas (55.6 per cent) had the lowest proportion of its population living in poverty in the region.

BASIC SERVICE DELIVERY

59 980
Overstrand

134 798
Overberg District

Total number of households

90.2%

Formal main dwelling

15 310

Overstrand

117 986

Overberg District

87.5%

90.2% Overstrand
87.5% Overberg

Formal dwelling



0.6% Overstrand
0.7% Overberg

Traditional dwelling



8.9% Overstrand
11.5% Overberg

Informal dwelling

0.3% Overstrand
0.3% Overberg

Other/Unspecified



Piped water inside dwelling/ yard or community stand

Overstrand 99.8%
Overberg 98.8%



Flush/chemical toilet

Overstrand 99.2%
Overberg 94.1%



Electricity for lighting

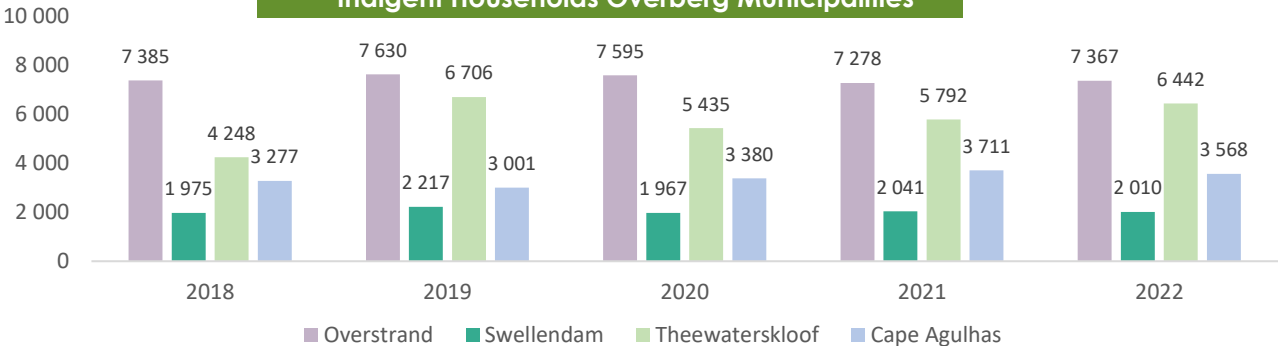
Overstrand 96.3%
Overberg 95.6%



Refuse removal at least once a week

Overstrand 91.4%
Overberg 84.9%

Indigent Households Overberg Municipalities



In accordance with the constitutional framework, it is mandated that every citizen has the right to access adequate housing, with the onus on the state to enact reasonable legislative measures and other relevant actions within the confines of its available resources, aiming for the progressive realisation of this right. This right extends to encompass not only housing but also includes access to essential services such as clean water, basic sanitation, reliable energy sources, and efficient waste disposal services, thereby ensuring that households can maintain a decent standard of living.

This segment of the analysis seeks to evaluate the extent to which these constitutional objectives have been attained, relying on the most recent data provided by Quantec Research for the 2022. The latest official statistics was collected by Statistics South Africa for the 2022 Census. Additionally, data pertaining to indigent households has been sourced from the Department of Local Government.

Housing and Household Services

Among the 59 980 households residing in the Overstrand area, a noteworthy 90.2 per cent enjoyed access to formal housing, surpassing the rate observed in the broader Overberg District, which stood at 87.5 per cent. Furthermore, the municipal area demonstrated a lower incidence of informal dwellings, accounting for only 8.9 per cent of the total, in contrast to the District's higher prevalence of 11.5 per cent.

The Overstrand area exhibited notably greater service access levels compared to formal housing access, with striking statistics such as access to piped water within the dwelling or yard, which reached an impressive 99.8 per cent. Access to flush or chemical toilets was prevalent among 99.2 per cent of households, access to electricity for lighting was accessible to 96.3 per cent of households and, the regular removal of refuse by local authorities occurred in 91.4 per cent of households. All service access levels outperformed the corresponding figures for the District as a whole.

These findings suggest that the Overstrand area demonstrates a greater level of housing provision and service accessibility, indicating a more satisfactory living environment for its residents. This could have positive repercussions on the overall quality of life, economic opportunities, and public well-being within the Overstrand area.

Free Basic Services

In the context of Free Basic Services, municipalities offer a suite of essential services to households facing financial vulnerability and challenges in affording such services. In the Overstrand area, the number of households receiving these free basic services, categorised as indigent households, experienced mild fluctuations, but experienced roughly similar totals of 7 385 in 2018 and 7 367 in 2022. The higher totals especially in 2019 and 2020 demonstrated how the impact of the prevailing adverse economic conditions exerted additional pressure on household incomes, thereby amplifying the demand for free basic services. The reduction in the count of indigent households in 2021 and 2022 is indicative of some degree of economic easing.

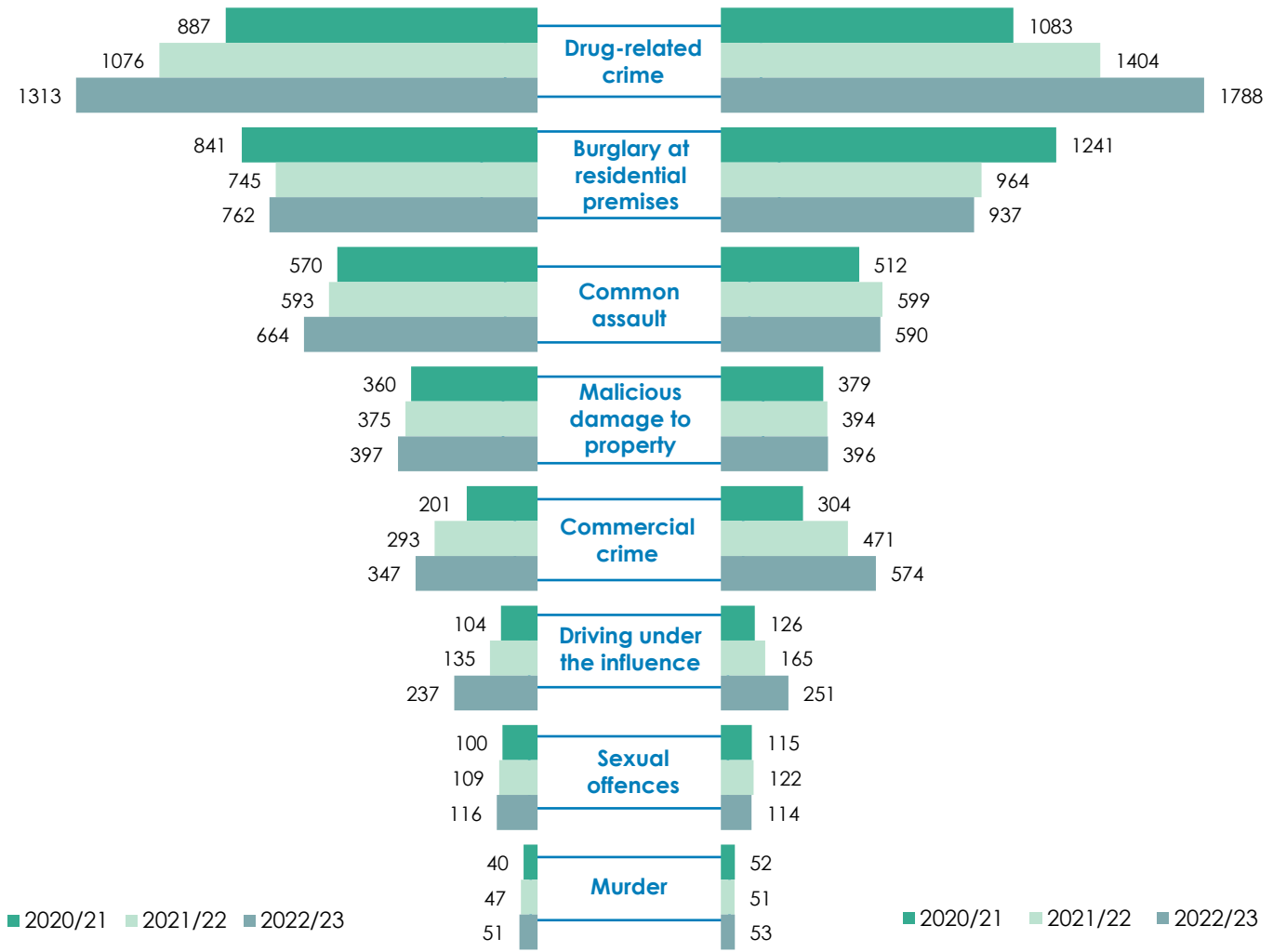
SAFETY AND SECURITY

OVERBERG

6 385 Total reported
crime per 100 000 people in the
Overberg District in 2022/23

OVERSTRAND

7 265 Total reported
crime per 100 000 people in
Overstrand in 2022/23



Murder

Recognising the impact criminal activities is of great importance, given that these consequences range from loss of life and personal trauma to their broader societal repercussions. The implications also extend to economic aspects, as well as the overall safety and well-being of communities within the region.

In the Overstrand area, incidence of murder remained unchanged at 58 in 2021/22 and 2022/23. The 2022/23 murder rate (per 100 000 people) is roughly similar to the District, at 53 and 51 respectively. Within the context of the District, it is one of the areas driving up the District rate, second only to the high Theewaterskloof rate of 62 murders per 100 000 population. These findings carry important implications for law enforcement, public safety, and efforts to maintain community well-being and security.

Sexual Offences

The incidence of sexual offenses in the area showed a slight decline, with the total number falling from 131 in 2021/22 to 126 in 2022/23. While a decline was experienced in the Overstrand area, an increase was felt in the broader Overberg region, with the sexual offenses rate per 100 000 people increasing from 109 to 116 over the same period. Overstrand's rate of 114 per 100 000 people was similar to the District's rate, even though it experienced a decline. The high rate underscores the seriousness of this crime category within the broader region.

Drug-related Offences

The occurrence and rate of drug-related crimes persist in its upward trajectory, with the Overstrand area reporting a rate of 1 788 per 100 000 persons in 2022/23. This far surpassed the District's rate of 1 313 in 2022/23. The increase in Overstrand rate signifies a critical concern in the surge related drug related offences highlighting the need for intervention.

Driving Under the Influence (DUI)

Despite efforts to improve road safety, reckless driving and the drunk driving remain some of the leading causes of road accidents in South Africa. There has been a significant and concerning rise in cases (per 100 000 people) driving under the influence of alcohol or drugs in the Overberg region. Similarly, this rate has escalated in the Overstrand area, with the actual number of cases rising from 177 to 277 between 2021/22 and 2022/23.

Residential Burglaries

The rate of burglaries at residential premises in the Overstrand area has experienced slight decrease from 964 in 2021/22 to 937 in 2022/23. For the same period, the Overberg region experienced a slight increase, from 745 to 762. The higher rate in the Overstrand area signifies particular concern with residential burglaries within the area.

Damage to Property

There was a slight increase in reported cases of damages to property, increasing from 423 incidents in 2021/22 to 437 in 2022/23. The rate is on par with that of the District, at 396 compared to the District rate of 397 per 100 000. This high rate raises significant concerns within the Overstrand area and could be indicative of potential challenges in maintaining public infrastructure and private properties, which are crucial for a conducive business environment.

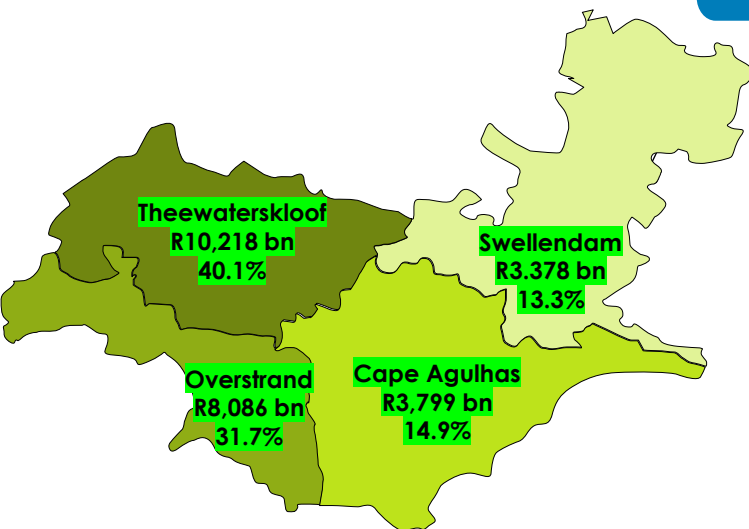
Commercial Crime

The continued presence and increase in reported cases of commercial crime, from 505 incidents in 2021/22 to 634 in 2022/23 highlights a continued concern for the economic environment. Commercial crimes, including fraud, and cybercrimes, have significant implications for businesses and investors. A rise suggests a greater incidence of fraudulent activities, which can lead to financial losses for businesses, damage business reputations, and erode investor trust. These crimes often result in legal battles and increased costs related to cybersecurity measures and fraud prevention efforts, diverting resources away from productive investments.

GDPR PERFORMANCE



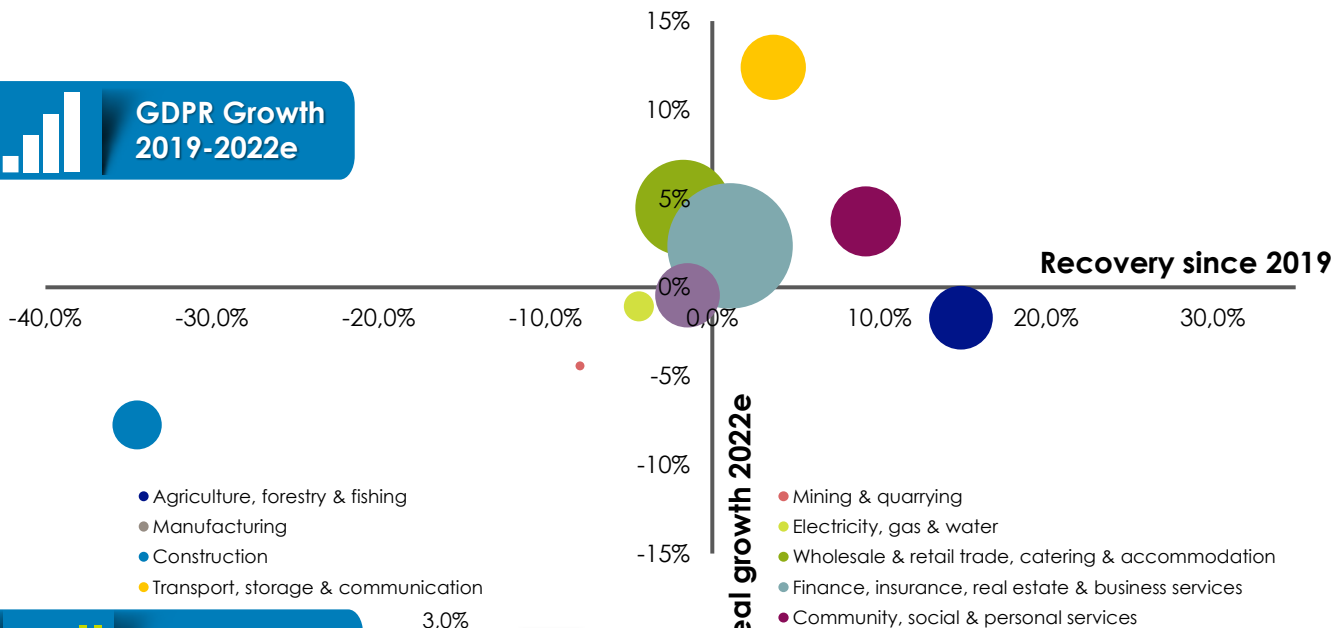
GDPR Contribution 2021



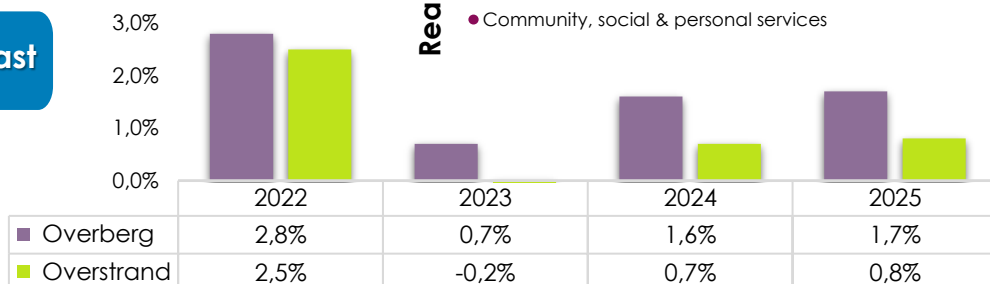
Sectoral contribution to GDPR 2021



GDPR Growth 2019-2022e



GDPR forecast



International Trade, 2022

Imports
R126.3 million

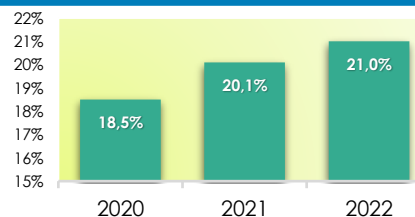
Exports
R906.9 million

Top exported products

Top imported products



Tourism spend % of GDP



GDPR Performance

With a GDPR of R8.1 billion in 2021, the Overstrand economy is the second largest in the OD, contributing 31.7 per cent of District GDPR. The finance and trade sectors are the leading economic sectors in the Overstrand municipal area, contributing R2.368 billion and R1.378 billion, respectively, to municipal GDPR in 2021.

The popularity of the Overstrand municipal area as a retirement haven and recent semigration trends have fuelled a local property market boom. As a result, the finance sector (which includes real estate activities) has become the dominant economic sector in this area, accounting for 29.3 per cent of GDPR (R2.4 billion) in 2021. The sector grew by an estimated 2.3 per cent in 2022, fuelled by increased property sales in the Kleinmond, Pringle Bay and Gansbaai areas. Property values, in turn, rose by 12.1 per cent in 2022.

High property prices are a well-known feature of Hermanus, where the average price of a freestanding home stood at R2.4 million in 2022, while the average cost of a sectional title unit was R1.2 million. The median wage in the Overberg area does not cover the bond costs that buyers of such properties would incur, resulting in a desperate need for affordable housing. Despite the housing needs, the construction sector has been underperforming. In 2022, the GDPR of this sector declined, continuing the trend that began in 2020. Furthermore, the number of formally employed building construction workers fell by 69 in 2022. However, a resurgence in informal employment in the sector signals an uptick in smaller projects stemming from the private sector, such as home renovations.

New residential property developments have the potential to reinvigorate the local construction sector. These developments include Kleinbaai Lifestyle Estate, Flagship Business Park and De Zandt Lifestyle Estate (a mixed-use development). Projects such as the Gansbaai Day Hospital and a shopping centre in Kleinmond, as well as the upgrading of the Whale Coast Mall, the Hermanus Sports Club and the Kleinmond CBD, will further enhance opportunities for construction sector growth. The mining sector and the electricity, gas and water sector have also experienced a continued decline since 2020. However, along with construction, these are the only sectors to be confronted with this challenge. All other economic sectors of the Overstrand municipal area have recovered the ground lost during COVID-19.

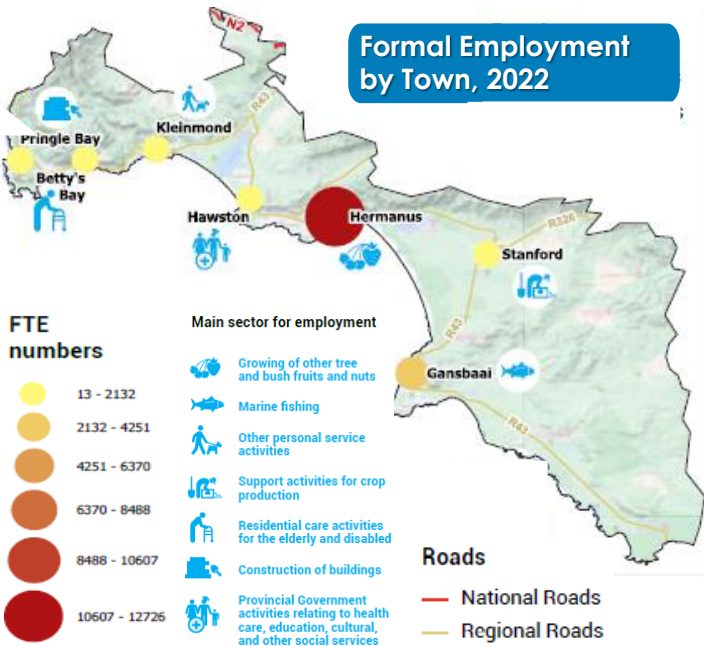
The area's popularity when it comes to both living and recreation has boosted the local transport sector. Despite challenges such as rising fuel prices, this sector contributed the most to GDPR growth in 2022 (1.1 percentage points). Relocation services, courier services, shuttle services to Cape Town International Airport and sightseeing tour service providers are abundant in the area. These enterprises assist in ensuring that the area is an accessible tourist destination.

GDPR Forecast

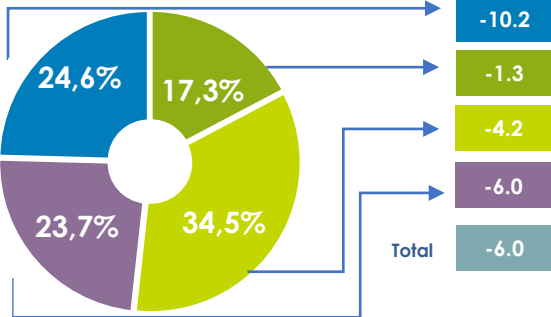
Despite the positive gains made in 2022 with regard to GDPR and employment, the Overstrand economy is expected to contract marginally by 0.2 per cent in 2023 as households and businesses continue to grapple with high inflation and rising interest rates, and sectors such as construction and trade struggle to stay afloat. The local pelagic fishing industry is likely to be constrained because of new regulations governing fishing in the vicinity of penguin colonies. At the same time, land-based agriculture faces declining international prices and rising input costs. Despite this, the area is expected to demonstrate conservative yet positive economic growth in both 2024 and 2025.

LABOUR MARKET PERFORMANCE

Formal Employment by Town, 2022

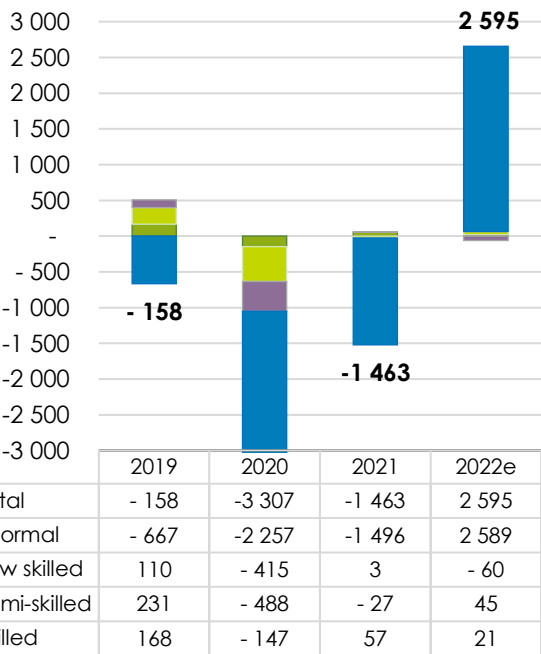


Skill Level % Contribution, 2022

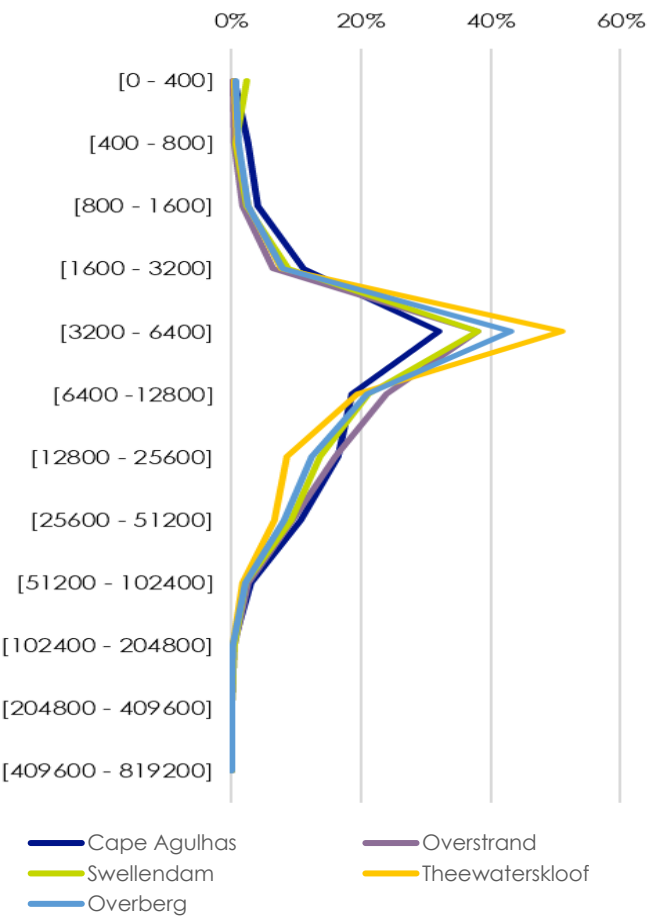


Total Persons Employed 2022	Skilled	Semi-skilled	Low-skilled	Informal
	5 423	10 831	7 350	10 300

Net employment per sector, 2019-2022



Wage Distribution per municipal area, 2022



Top 5 Sectors

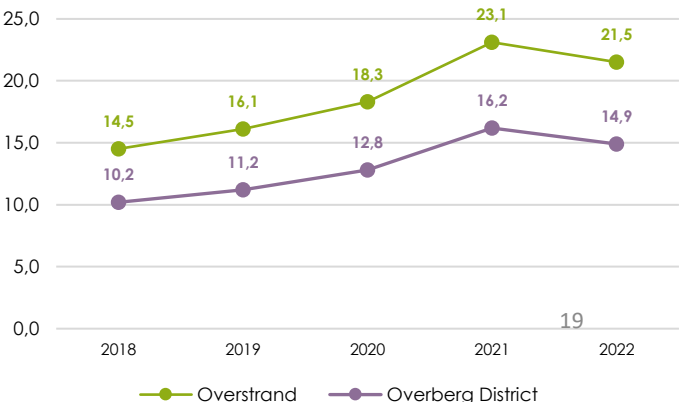


Sector

Sector	No. of FTE Jobs
Growing of perennial crops	2 493
Administration of the state and the economic and social policy of the community	1 927
Aquaculture	1 364
Fishing	810
Other personal service activities	805



Unemployment rate 2018-2022



Labour Market Performance

Rapid population growth in the Overstrand municipal area, fuelled mainly by semigration, drives the demand for jobs. Over the last decade, most new jobs have favoured semi-skilled or skilled workers, highlighting the importance of towns such as Hermanus as service nodes for the broader area. With an increase in work seekers in 2022, the labour force participation rate increased by 2.9 percentage points in 2022. Overstrand currently boasts the highest labour force participation rate in the OD (72.6 per cent). An estimated GDP growth of 2.5 per cent resulted in the creation of 2 595 formal and informal jobs in 2022, contributing to a decline in the unemployment rate. This ends the job-shedding cycle that began in 2019. However, not all jobs lost over the pandemic have been regained, and the unemployment rate in the Overstrand municipal area remains the highest in the OD (21.5 per cent).

The Overstrand municipal area also has an abundance of restaurants and more than 200 local accommodation providers. These include backpackers' accommodation, camping sites, bed and breakfasts, farm stays, guest houses, hotels, private holiday rentals, self-catering homes, townhouses and apartments. Well-known hotels in the region include the Arabella Hotel, Golf & Spa, the Harbour House Hotel, Quarters Hotel, the Windsor Hotel and the Whale Coast Hotel. Unsurprisingly, the short-term accommodation industry is one of the leading employers in the municipal area. It recorded a decline of 123 formal jobs in 2022. Restaurant and mobile food service enterprises shed 121 formal jobs amid household belt-tightening occasioned by rising inflation and interest rates. The number of informal traders licensed by the municipality also declined from 689 in 2021 to 303 in 2022.

In addition to commercial activities in the towns of the Overstrand, the agriculture sector remains one of the leading sources of jobs in this municipal area. This is despite undergoing an estimated contraction of 1.7 per cent in 2022 following two years of significant expansion. Land-based agriculture activities such as growing perennial crops (including grapes, pome and stone fruits, citrus and other tree and bush fruit and nuts) provided a substantial number of jobs in 2022. Haygrove Heaven & Earth Farms, located just outside Hermanus, is a leading raspberry and blueberry farm, and provides employment to more than 900 people. The aquaculture industry is driven by the activities of Abagold, HIK Abalone Farm and Aquinion. The pelagic fishing industry in Gansbaai is also an essential source of jobs in terms of fishing and manufacturing, with Gansbaai Marine producing canned sardines, a food staple for many South Africans. Collectively, these industries provided 2 174 jobs in 2022.

Skills Distribution

The area provided employment for 31 309 people in 2021 – 27.2 per cent of employment in the OD, with most of these workers occupying semi-skilled (34.5 per cent) or low-skilled (23.7 per cent) positions. The majority of semi-skilled workers find employment in the trade and finance sectors. By contrast, low-skilled workers are more typically employed in agriculture or personal services. When evaluating the period of recovery from 2019 to 2022, all segments experienced declines in employment, however, to varying degrees. While the skilled workforce segment exhibited a relatively modest contraction, the contraction experienced by the informal sector and low skilled segment experienced a substantial decline in employment. These changes signify shifts in the employment landscape and carry economic implications for the region.

Wage Distribution

In 2022, the financial landscape of the OD varied for full-time employees. Agricultural labour yielded earnings ranging between R3 200 to R6 400 per month, indicating limited disposable income of local households. However, Cape Agulhas and Overstrand shone, registering higher proportions of working-age individuals earning more substantial incomes. The OD's employment sector blends traditional industries, such as agriculture, with service-oriented industries, such as public administration, personal services, and restaurant and accommodation services. The Overstrand municipal area dominates tourism industry employment, with Cape Agulhas excelling in administrative and professional services. In contrast, the agricultural industry provides for those residing in the Theewaterskloof and Swellendam municipal areas.

As the District's preferred tourist destination – where endless pristine beaches dot the coastline – Overstrand attracted many visitors. The municipal area has seen numerous job opportunities created in the hospitality and tourism sectors.⁴⁷ This led to relatively higher median incomes in 2022 in towns like Betty's Bay (R8 291 monthly), Hermanus (R7 326) and Pringle Bay (R7 000). Additionally, Overstrand had the highest number of taxpayers, accounting for 46.2 per cent of the taxpayers in the OD in 2021.

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
Cape Agulhas	6	1.44	1	1.00	21	5.97	7	4.27
Swellendam	11	1.71	2	1.02	15	5.57	14	5.09
Overstrand	8	1.54	22	4.07	23	6.39	18	5.30
Theewaterskloof	22	2.83	15	3.34	14	5.56	20	6.23



HAZARDS*

Overstrand Overall Population Growth Pressure:

Continuous High to Extreme growth pressure in most settlements *

Five of the Top 10 Risks in the Overberg are environmental in nature (Provincial Disaster Risk Register)	Overstrand's identified Hydro-meteorological Hazards to settlements as observed by the CSIR (The Greenbook*)
1. Electricity Disruption	
2. Structural Fire	Low potential increase in exposure of settlements to wildfires
3. Flooding	Moderate decrease in extreme rain days but coupled with possibility (albeit low) increase in exposure to flooding in settlements.
4. Wildfires	Area is prone to likelihood of wildfires, with Low potential increase in exposure to wildfires
5. Human Disease	
6. Animal Disease	
7. Hazmat	
8. Strong Wind	
9. Water Pollution	
10. Civil Unrest	

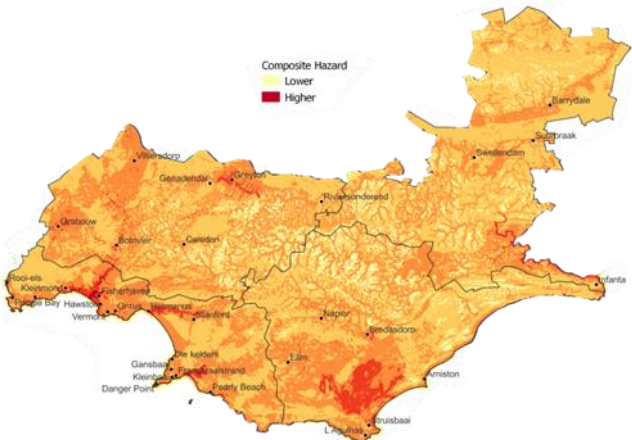
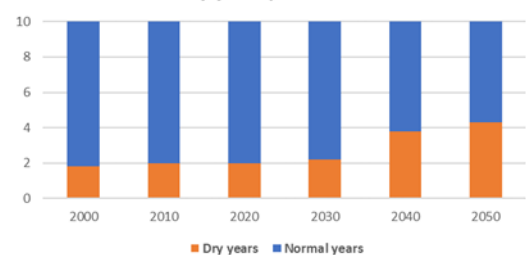
Overberg no. of dry years per decade†

	2000	2010	2020	2030	2040	2050
Dry years	1.8	2	2	2.2	3.8	4.3
Wet years	8.2	8	8	7.8	6.2	5.7

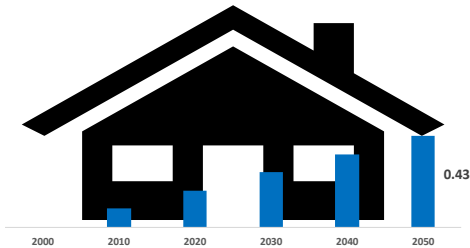
Temperature change (2050 compared to historic)†

Mean temperature increase (District)	1.1 °C higher
Additional days per year with daily maximum temperature above 30 °C (Overstrand)	8 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). During the September 2023 storm surge (reported to be the most severe storm surge in 20 years) the coastal areas in Onrus were particularly impacted.

Drought

According to the CSIR Green Book, Overstrand has a moderate potential exposure to an increase in drought. Currently 2 years per decade are at risk of drought, and this will increase to 4.3 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 Overstrand can expect an additional 8 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 eucalyptus). 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.

CONCLUSION

As one of the fastest growing populations in the region and Province, the Overstrand area comprises a comparatively large population of 132 495 within the larger District's population of 359 446 in 2022. The population experienced rapid growth, with an anticipated annual growth rate of 2.6 per cent between 2022 and 2027.

Education in the Overstrand area faces challenges, as evidenced by the low grade 10 to 12 retention rate of 74.3 per cent, underscoring the need for collaborative efforts to mitigate school dropouts and create a more supportive and inclusive educational environment tailored to local circumstances. While the matric pass rate improved to 81.6 per cent in 2022, it is still concerning. In addition, there are concerns regarding subject outcomes, particularly in mathematics and physical sciences, which can impact future opportunities and career choices.

In terms of well-being, the Overstrand municipal area's per capita GDP which reflects overall welfare, was the lowest in the District. At the same time it is essential to recognise that not all residents share equally in this prosperity, as 59.81 per cent of the population falls below the Upper Bound Poverty Line (UBPL). With regard to criminal activity, murder, driving under the influence and commercial crime rates were high and increased in 2022/23. The surge in drug-related offenses in 2022/23, persists as a concern. Although malicious burglaries at residential properties declined slightly, the rate remained significantly above that of the District.

In the economic context, the Overstrand area demonstrated growth in employment and Regional Gross Domestic Product (GDPR) in 2022, with key contributions from the finance, trade and manufacturing sectors. The informal employment played a significant role in employment outcomes. The employment gains reduced the unemployment rate.

Environmental factors, such as sea-level rise, drought, rising temperatures, vegetation fires, and floods, present various challenges and potential threats to the area, impacting ecosystems, livelihoods, and infrastructure. These issues require attention and planning for long-term resilience.

Overall, addressing these multifaceted challenges and opportunities requires coordinated efforts from various stakeholders to ensure the well-being and sustainability of the Overstrand area.

1. Demographics

- Population: *Census 2022*
- Sex ratio: *Census 2022*
- Age cohorts: *Census 2022*
- Racial split: *Census 2022*
- Number of households: *Census 2022*
- Household size: *Census 2022*
- 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: *Census, 2022*
- Access to housing: *Census, 2022*
- Access to water: *Census, 2022*
- Access to electricity: *Census, 2022*
- Access to sanitation: *Census, 2022*
- Access to refuse removal: *Census, 2022*
- Free Basic Services: *Department of Local Government, 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*