Western Cape Government

SEP
SOCIO-ECONOMIC PROFILE

Kannaland Municipality
2018

CONTENTS

KANNALAND: AT A GLANCE

Kannaland: At a Glance

Demographics
Population Estimate, 2018; Actual households, 2016

Population	Households
23 897	6 333

Education — 2017

Matric Pass Rate	89.2%
Learner-Teacher Ratio	36.3
Gr 12 Drop-out Rate	40.2%

Poverty — 2017

Gini Coefficient	0.568
Human Development Index	0.656

Health — 2017/18

Primary Health Care Facilities	Immunisation Rate	Maternal Mortality Ratio (per 100 000 live births)	Teenage Pregnancies - Delivery rate to women U/20
9	89.5%	0.0	18.9%

Safety and Security
Actual number of reported cases in 2018

Residential Burglaries	DUI	Drug-related Crimes	Murder	Sexual Offences
189	43	528	10	51

Access to Basic Service Delivery
Percentage of households with access to basic services, 2016

Water	Refuse Removal	Electricity	Sanitation	Housing
93.6%	79.2%	85.7%	93.0%	97.4%

Road Safety — 2017

Fatal Crashes	4
Road User Fatalities	4

Labour — 2017

Unemployment Rate
10.3%

Socio-economic Risks

Risk 1	Unemployment
Risk 2	Slow economic growth
Risk 3	Rising indigent households

Largest 3 Sectors
Contribution to GDP, 2016

Agriculture, forestry and fishing	Finance, insurance, real estate and business services	Wholesale and retail trade, catering and accommodation
17.7%	17.3%	15.9%

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DEMOGRAPHICS

It is of critical importance for public policy decision makers across all spheres of government to acknowledge demographics as a decisive factor in shaping the current socio-economic reality.
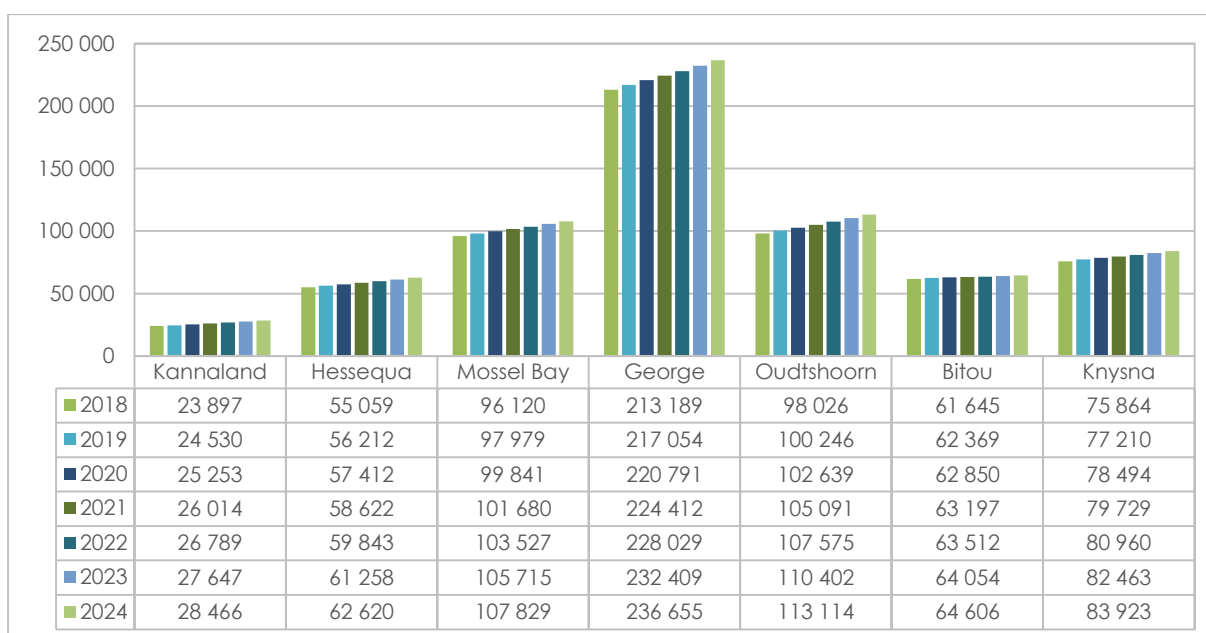
This chapter provides a concise overview of key demographic variables that will assist with municipal planning and budgeting, namely estimates of population size, the distribution of population projections within age cohorts as well as dependency ratios.

The demographic data provided in this chapter was sourced from the Department of Social Development who used Statistics South Africa's 2018 Mid-Year Population Estimates (2002 - 2018) to project population growth for the period 2019 to 2024.

Data source: Department of Social Development, 2018

POPULATION

	Kannaland	Hessequa	Mossel Bay	George	Oudtshoorn	Bitou	Knysna
2018	23 897	55 059	96 120	213 189	98 026	61 645	75 864
2019	24 530	56 212	97 979	217 054	100 246	62 369	77 210
2020	25 253	57 412	99 841	220 791	102 639	62 850	78 494
2021	26 014	58 622	101 680	224 412	105 091	63 197	79 729
2022	26 789	59 843	103 527	228 029	107 575	63 512	80 960
2023	27 647	61 258	105 715	232 409	110 402	64 054	82 463
2024	28 466	62 620	107 829	236 655	113 114	64 606	83 923

According to the Department of Social Development's 2018 projections, Kannaland Municipality currently has a population of 23 897, rendering it the smallest municipal area by population within the Garden Route District. This total is estimated to increase to 28 466 by 2024 which equates to 3.0 per cent average annual growth over this period. The population growth within the Kannaland municipal area for the 2018 to 2024 period is higher than the Garden Route District's rate of 1.9 per cent during the same period.

AGE COHORTS

Year	Children: 0 - 14 Years	Working Age: 15 - 64 Years	Aged: 65 +	Dependency Ratio
2011	7 119	15 725	1 922	57.5
2019	6 499	15 277	2 754	60.6
2024	7 077	17 833	3 555	59.6

The above table depicts Kannaland municipal area's population composition per age cohorts. These groupings are also expressed as a dependency ratio which in turn indicates who are part of the workforce (age 15 - 64) and those, who are depending on them (children and seniors). A higher dependency ratio means greater pressure on a smaller productive population and higher pressure on social systems.

A comparison between the 2011 and 2019 estimate shows an increase in the dependency ratio from 57.5 in 2011 to 60.6 in 2019. This is projected to decrease to 59.6 by 2024. This is mainly attributed to a sharp rise in the Aged (65+) cohort over the 2011 - 2024 period.
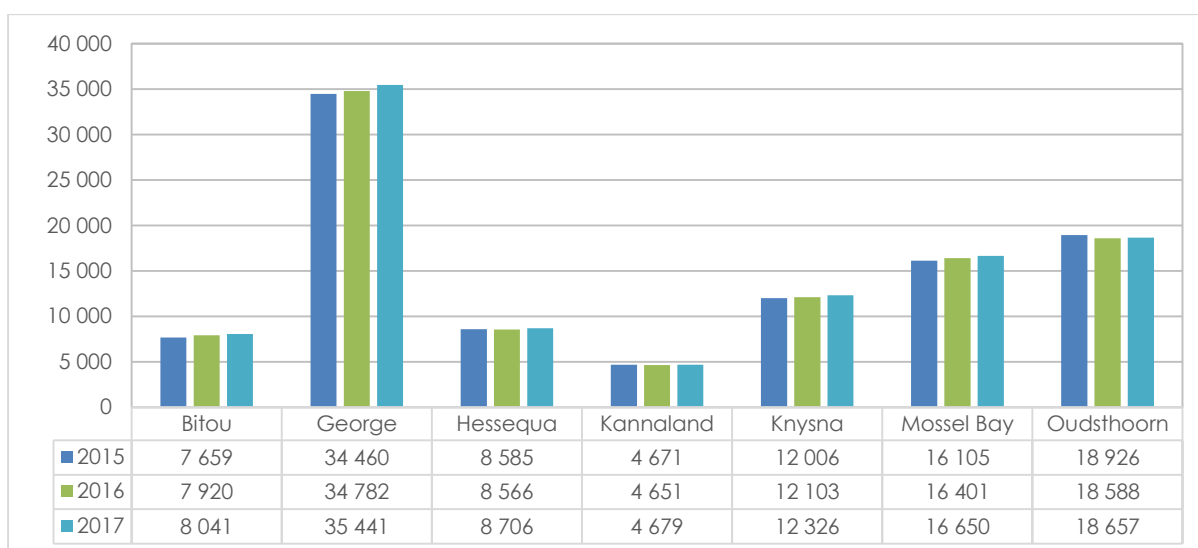
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EDUCATION

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

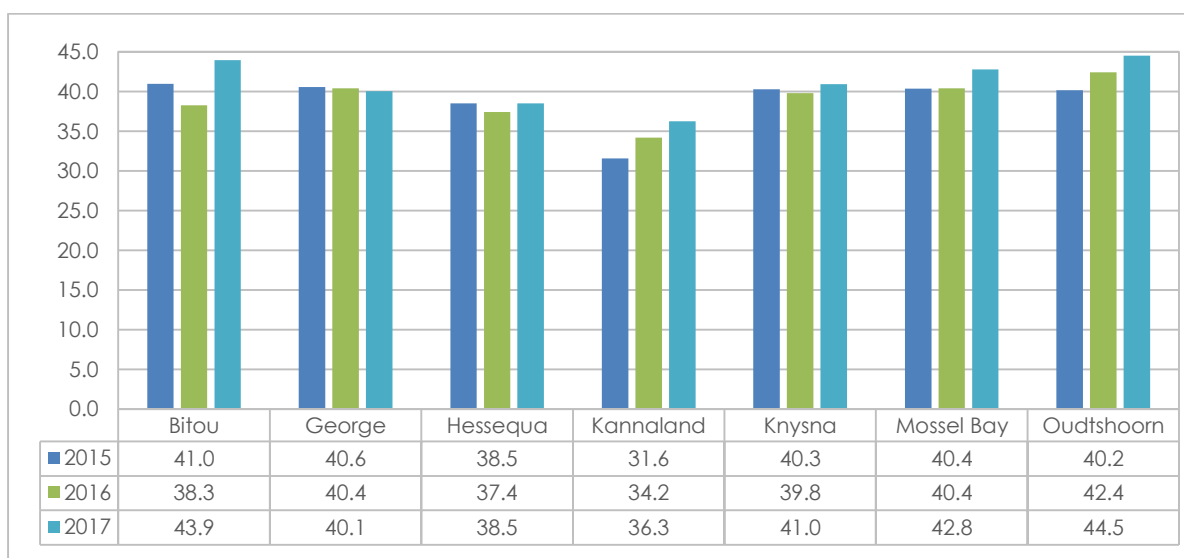*Data source: Western Cape Education Department, 2018*

LEARNER ENROLMENT

	Bitou	George	Hessequa	Kannaland	Knysna	Mossel Bay	Oudsthoorn
2015	7 659	34 460	8 585	4 671	12 006	16 105	18 926
2016	7 920	34 782	8 566	4 651	12 103	16 401	18 588
2017	8 041	35 441	8 706	4 679	12 326	16 650	18 657

Learner enrolment in Kannaland fluctuated over the past three years, decreasing to 4 651 in 2016 from 4 671 in 2015 and increasing to 4 679 in 2017. The fluctuations in learner enrolment could be attributed to a number of factors including demographics and socio-economic context.
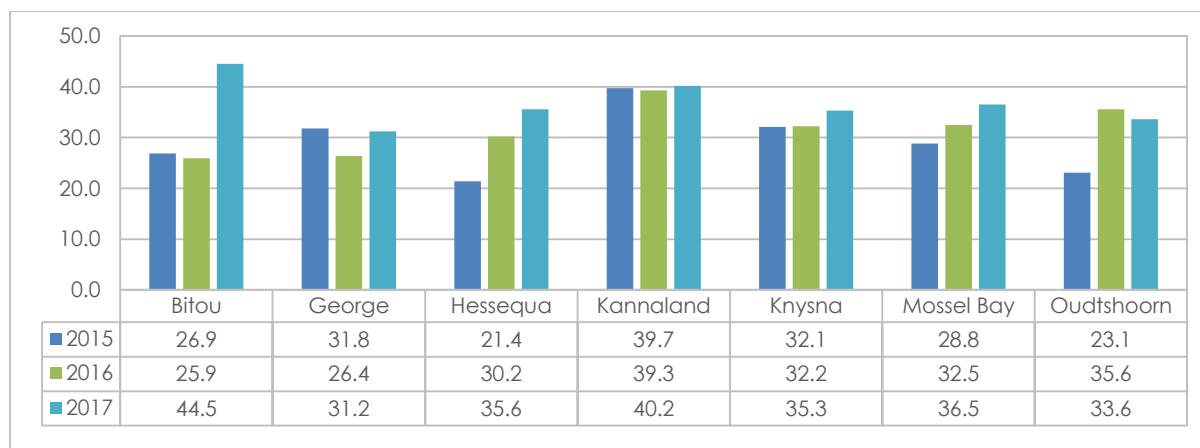
LEARNER-TEACHER RATIO

	Bitou	George	Hessequa	Kannaland	Knysna	Mossel Bay	Oudtshoorn
2015	41.0	40.6	38.5	31.6	40.3	40.4	40.2
2016	38.3	40.4	37.4	34.2	39.8	40.4	42.4
2017	43.9	40.1	38.5	36.3	41.0	42.8	44.5

Changes in the learner-teacher ratio can affect learner performance, with more learners per teacher likely to lead to weak outcomes and less learners per teacher leading to good outcomes. The number of learners per teacher in Kannaland has been increasing over the past three years, reaching 36.3 learners per teacher in 2017. Factors influencing the learner-teacher ratio include, learner enrolment growth, the ability of schools to employ more educators when needed and the ability to collect fees.
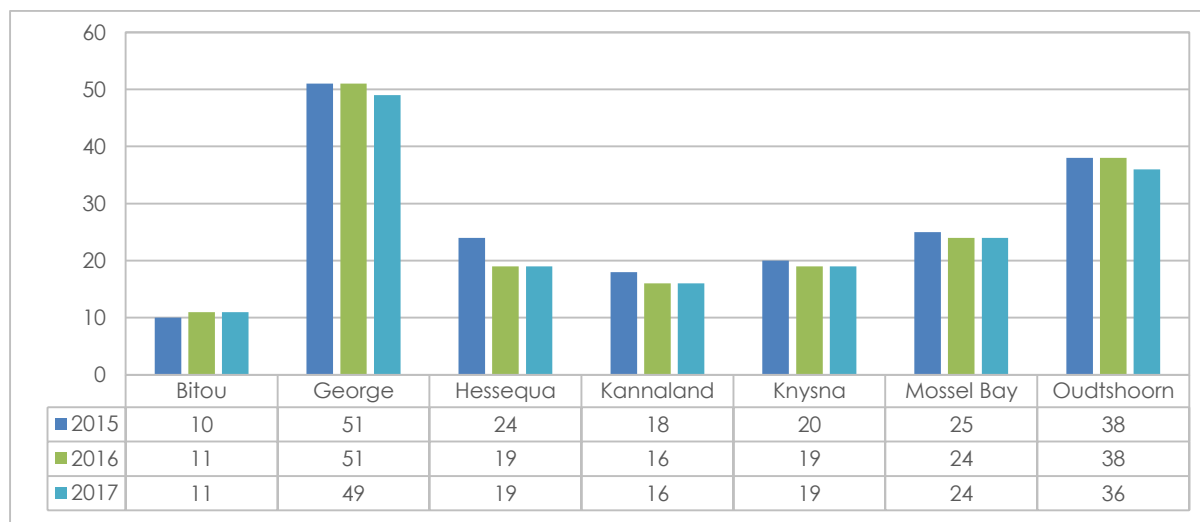
GRADE 12 DROP-OUT RATE (%)

The drop-out rates for learners within the Kannaland municipal area increased to 40.2 per cent in 2017 from 39.3 per cent in 2016. These high levels of drop-outs are influenced by a wide array of socio-economic factors including unemployment, poverty and teenage pregnancies.

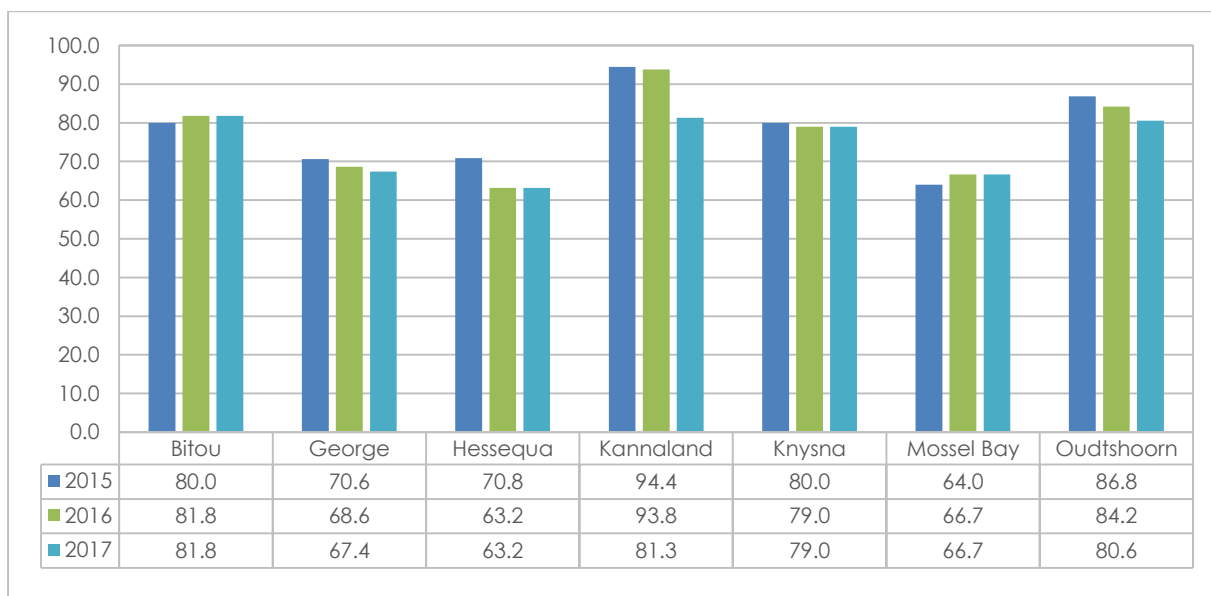|	Bitou	George	Hessequa	Kannaland	Knysna	Mossel Bay	Oudtshoorn
2015	26.9	31.8	21.4	39.7	32.1	28.8	23.1
2016	25.9	26.4	30.2	39.3	32.2	32.5	35.6
2017	44.5	31.2	35.6	40.2	35.3	36.5	33.6

EDUCATIONAL FACILITIES

The availability of adequate education facilities such as schools, FET colleges and schools equipped with libraries and media centres could affect academic outcomes positively.

	Bitou	George	Hessequa	Kannaland	Knysna	Mossel Bay	Oudtshoorn
2015	10	51	24	18	20	25	38
2016	11	51	19	16	19	24	38
2017	11	49	19	16	19	24	36

In 2017, the Kannaland municipal area had a total of 16 public ordinary schools. Within the tough economic climate, schools in general have been reporting an increase in parents being unable to pay their school fees.
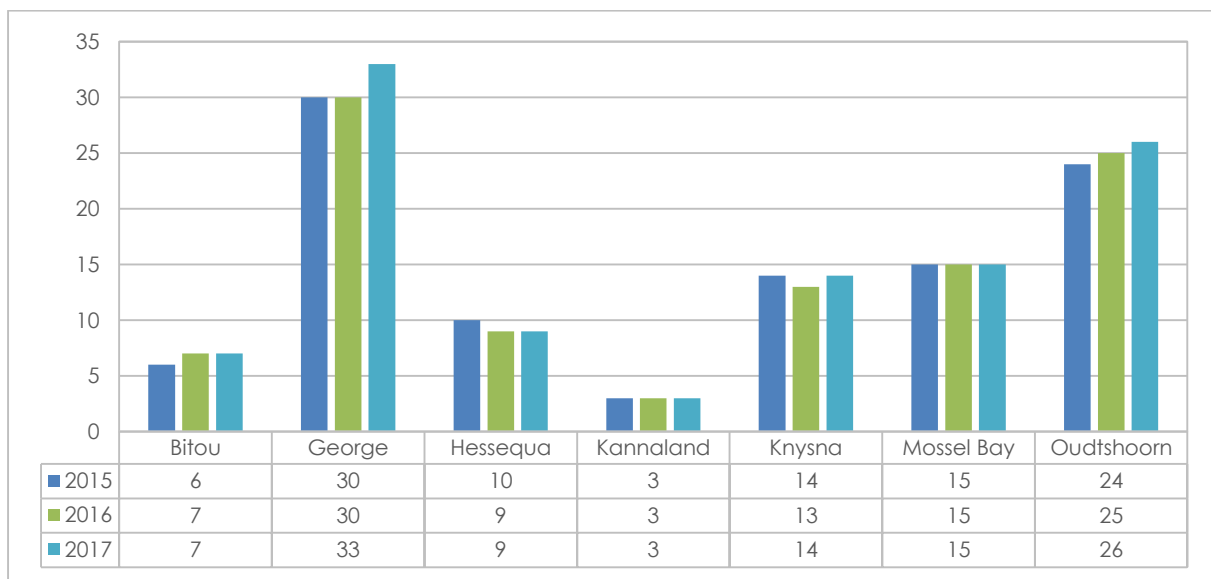
NO-FEE SCHOOLS

	Bitou	George	Hessequa	Kannaland	Knysna	Mossel Bay	Oudtshoorn
2015	80.0	70.6	70.8	94.4	80.0	64.0	86.8
2016	81.8	68.6	63.2	93.8	79.0	66.7	84.2
2017	81.8	67.4	63.2	81.3	79.0	66.7	80.6

The proportion of no-fee schools within the Kannaland municipal area dropped from 93.8 per cent in 2016 to 81.3 per cent in 2017.
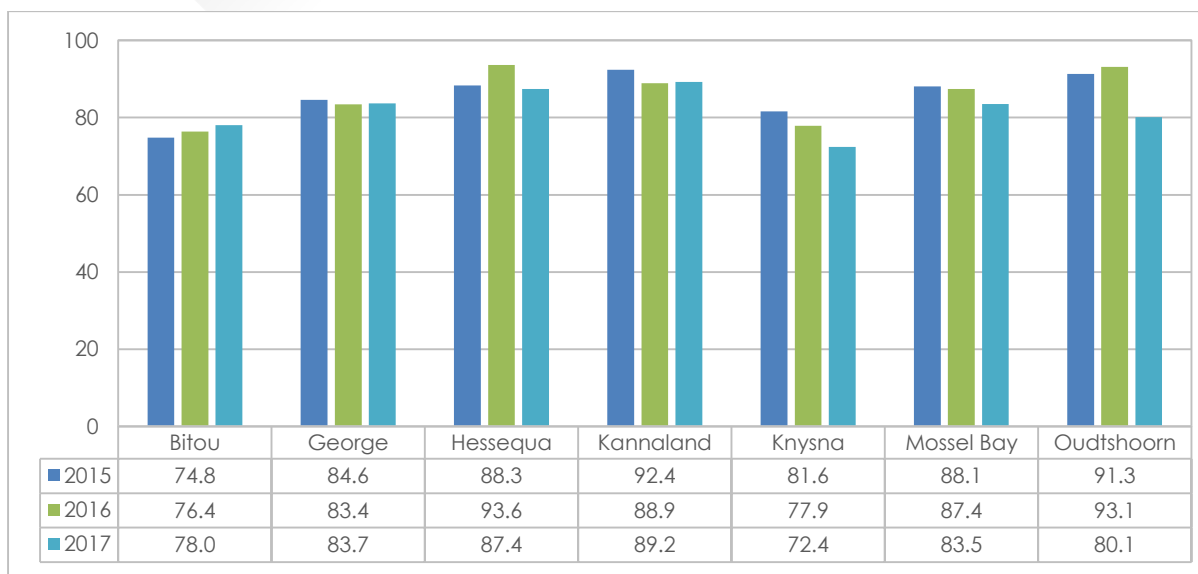
SCHOOLS WITH LIBRARIES

The number of schools in Kannaland equipped with libraries has remained stable at 3 over the last three years.

	Bitou	George	Hessequa	Kannaland	Knysna	Mossel Bay	Oudtshoorn
2015	6	30	10	3	14	15	24
2016	7	30	9	3	13	15	25
2017	7	33	9	3	14	15	26

EDUCATION OUTCOMES

Education remains one of the key avenues through which the state is linked to the economy. In preparing individuals for future engagements in the broader market, policy decisions and choices in the sphere of education play a critical role in determining the extent to which future economy and poverty reduction plans can be realised. This section reports on the matric pass rate within the Kannaland municipal area over the last three years.

	Bitou	George	Hessequa	Kannaland	Knysna	Mossel Bay	Oudtshoorn
2015	74.8	84.6	88.3	92.4	81.6	88.1	91.3
2016	76.4	83.4	93.6	88.9	77.9	87.4	93.1
2017	78.0	83.7	87.4	89.2	72.4	83.5	80.1

The matric pass rate within Kannaland increased marginally from 88.9 per cent in 2016 to 89.2 in 2017. Better results improve access for learners to higher education to broaden their opportunities.

3

HEALTH

Health is another major factor contributing to the general quality of life in the Kannaland municipal area. It is therefore important to monitor the public health facilities as well as a variety of factors such as Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Syndrome (AIDS) or Tuberculosis (TB) and general topics that affect the community, like maternal health. This Socio-economic Profile provides the basic statistics concerning these issues. Since this profile focusses on the public health facilities, private facilities are not included.

Data source: Department of Health, 2018

HEALTHCARE FACILITIES

All citizens' right to access to healthcare services are directly affected by the number and spread of facilities within their geographical reach. South Africa's healthcare system is geared in such a way that people have to move from first access to primary health care services, with a referral system, to secondary and tertiary levels.

Area	PHC Clinics		Community Health Centres	Community Day Centres	Hospitals		Treatment Sites	
	Fixed	Non-fixed			District	Regional	ART Clinics	TB Clinics
Kannaland	4	5	0	0	1	0	5	8
Garden Route District	35	33	0	6	6	1	61	88

Kannaland municipal area has 4 fixed and 5 mobile primary healthcare clinics (PHC) in terms of healthcare facilities in 2017/18. In addition, there is also 1 district hospital, as well as 5 ART and 8 TB treatment clinics/sites.

EMERGENCY MEDICAL SERVICES

Access to emergency medical services is critical for rural citizens due to rural distances between towns and health facilities being much greater than in the urban areas. Combined with the relatively lower population per square kilometre in rural areas, ambulance coverage is greater in rural areas in order to maintain adequate coverage for rural communities.

Provision of more operational ambulances can provide greater coverage of emergency medical services. The Kannaland municipal area had 0.8 ambulance per 10 000 inhabitants in 2017 which is notably lower than the District average of 2.1 ambulances per 10 000 people. It is worth noting that this number only refers to Provincial ambulances and excludes all private service providers.

HIV/AIDS

HIV/AIDS management is crucial given its implications for the labour force and the demand for healthcare services.
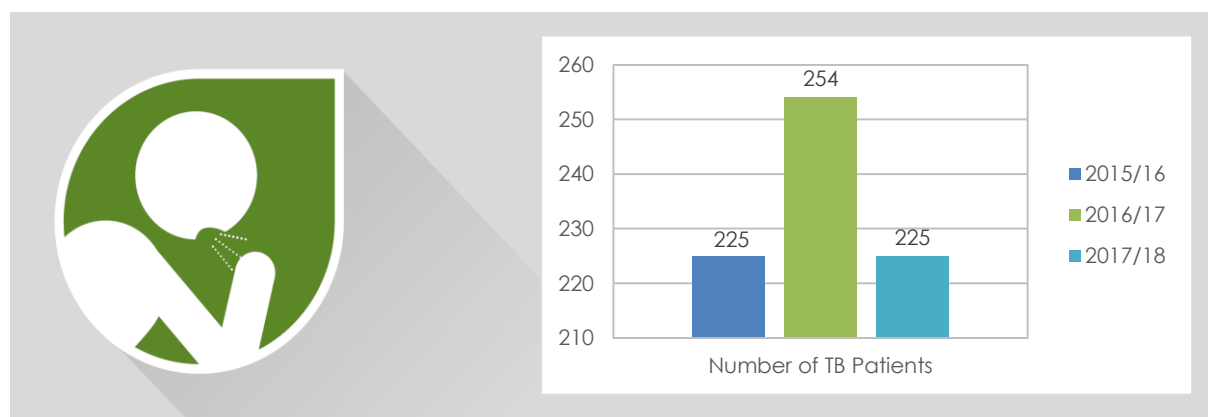
Area	Registered patients receiving ART		Number of new ART patients		HIV Transmission Rate	
	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Kannaland	449	555	101	97	7.7	5.0
Garden Route District	20 127	21 713	3 603	3 537	1.8	0.9

Kannaland municipal area's total registered patients receiving ARTs has been steadily rising. Patients receiving antiretroviral treatment increased by 106, from 449 in 2016/17 to 555 in 2017/18. The 555 patients receiving antiretroviral treatment are treated at 5 clinics/treatment sites.

The number of new antiretroviral patients dropped slightly to 97 in 2017/18 from 101 in 2016/17.

The HIV transmission rate for the Kannaland municipal area also dropped from 7.7 per cent in 2016/17 to 5.0 per cent in 2017/18, while the District's transmission rate decreased to 0.9 per cent in 2017/18 from 1.8 per cent in 2016/17.

TUBERCULOSIS (TB)

Number of TB Patients
- 2015/16: 225
- 2016/17: 254
- 2017/18: 225

Kannaland experienced a decrease in the number of tuberculosis (TB) cases, from 254 in 2016/17 to 225 in 2017/18. The TB patients are treated in 8 clinics or treatment sites.

CHILD HEALTH

The United Nations Sustainable Development Goals aims by 2030 to end preventable deaths of new-borns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1 000 live births and under-5 mortality to at least as low as 25 per 1 000 live births (Source: UN SDG's).

Area	Immunisation Rate		Malnutrition		Neonatal Mortality Rate		Low birth weight	
	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Kannaland	89.8	89.5	5.6	4.3	5.6	7.7	19.2	24.6
Garden Route District	77.0	74.8	3.2	2.7	8.5	11.4	14.6	17.8

The **immunisation rate** in the Kannaland area declined slightly from 89.8 per cent in 2016/17 to 89.5 per cent in 2017/18. The number of malnourished children under five years in Kannaland decreased to 4.3 per 100 000 people in 2017/18 from 5.6 per 100 000 people in 2016/17, and is notably higher than the district's average of 2.7 per 100 000 in 2017/18.

The **neonatal mortality rate (NMR)** in Kannaland deteriorated to 7.7 per 1 000 live births in 2017/18 from 5.6 in 2016/17. The NMR for Kannaland is much lower than the 11.4 per 1 000 average for the District, but close to the 6.0 per 1 000 target set for 2019. A fall in the NMR may indicate improvement in new-born health outcomes, or it may reflect difficulties in reporting on neonatal deaths.

In terms of **low birth weight**, Kannaland has experienced a significant increase in the ratio from 19.2 per 1 000 in 2016/17 to 24.6 in 2017/18, which is higher than the 17.8 average for the District in 2017/18.

DEFINITIONS

Immunisation: *The immunisation rate is calculated as the number of children immunised as a percentage of the total number of children less than one year of age.* Immunisation protects both adults and children against preventable infectious diseases. Low immunisation rates speak to the need for parents to understand the critical importance of immunisation, as well as the need to encourage parents to have their young children immunised.

Malnutrition: *Expressed as the number of malnourished children under five years per 100 000 people.* Malnutrition (either under- or over-nutrition) refers to the condition whereby an individual does not receive adequate amounts or receives excessive amounts of nutrients.

Neonatal mortality rate: *Measured as the number of neonates dying before reaching 28 days of age, per 1 000 live births in a given year.* The first 28 days of life (neonatal period) represent the most vulnerable time for a child's survival. The Province's target for 2019 is 6.0 per 1 000 live births.

Low birth weight: Number of *all babies born in facility that weighed less than 2 500 g.* Low birth weight is associated with a range of both short- and long-term consequences.

MATERNAL HEALTH

Area	Maternal Mortality Rate		Delivery Rate to Women under 20 years		Termination of Pregnancy Rate	
	2016/17	2017/18	2016/17	2017/18	2016/17	2017/18
Kannaland	0.0	0.0	9.1	18.9	0.0	0.0
Garden Route District	0.0	0.1	6.7	15.0	0.5	0.6

The **maternal mortality rate** for Kannaland was 0.0 in 2017/18 and 2016/17 while the average for the Garden Route District rose slightly to 0.1 in 2017/18 from 0.0 in 2016/17.

The **delivery rate to women under 20 years** in Kannaland increased significantly from 9.1 per cent in 2016/17 to 18.9 per cent in 2017/18. The Garden Route average was lower at 15.0 per cent in 2017/18. The high rate for Kannaland is of concern as these teenagers are of school going age and are likely to dropout at schools.

The **termination of pregnancy rate** in Kannaland has remained low at 0.0 per cent but the average for the Garden Route District increased marginally from 0.5 in 2016/17 to 0.6 per cent in 2017/18.

DEFINITIONS

Maternal mortality rate: *Maternal deaths per 100 000 live births in health facilities.* Maternal death is death occurring during pregnancy, childbirth and the puerperium of a woman while pregnant or within 42 days of termination of pregnancy, irrespective of the duration and site of pregnancy and irrespective of the cause of death (obstetric and non-obstetric).

Births to teenage mothers: *Deliveries to women under the age of 20 years as proportion of total deliveries in health facilities.* Teenage pregnancy is almost always unplanned; as a result, when young parents are placed in a position to care for their children, life can become particularly tough, especially if they do not have family or social support.

Termination of pregnancy: *The percentage of terminations as a proportion of the female population aged 15 to 44 years.* Government hospitals, designated private doctors and gynaecologists, and non-profit providers offer safe and legal termination of pregnancy. To have a free abortion, the request must be made at a primary healthcare clinic, where the pregnancy will be confirmed, counselling provided, an appointment made, and a referral letter be given to a facility where the procedure can be performed.

4

POVERTY

This section outlines living conditions and economic circumstances of households in the Kannaland municipal area based on most recent data including Statistics South Africa's Non-Financial Census of Municipalities 2016 and Quantec. Economic theory suggests that when an economy prospers its households are expected to enjoy a good standard of living. On the contrary, a declining economy tends to lower the standards of living of people. This section uses indicators including GDP per capita, income inequality, human development, as well as indigent households and free basic services to show the current reality of households residing in the Overstrand municipal area.

The deteriorating financial health of households and individuals under the weight of economic pressures, specifically between 2011 and 2015, has resulted in an increase in the poverty levels, according to the Poverty Trends in South Africa report released by Statistics South Africa in 2017. The report cites rising unemployment levels, low commodity prices, higher consumer prices, lower investment levels, household dependency on credit, and policy uncertainty as the key contributors to the economic decline in recent times. These recent findings indicate that the country will have to reduce poverty at a faster rate than previously planned.
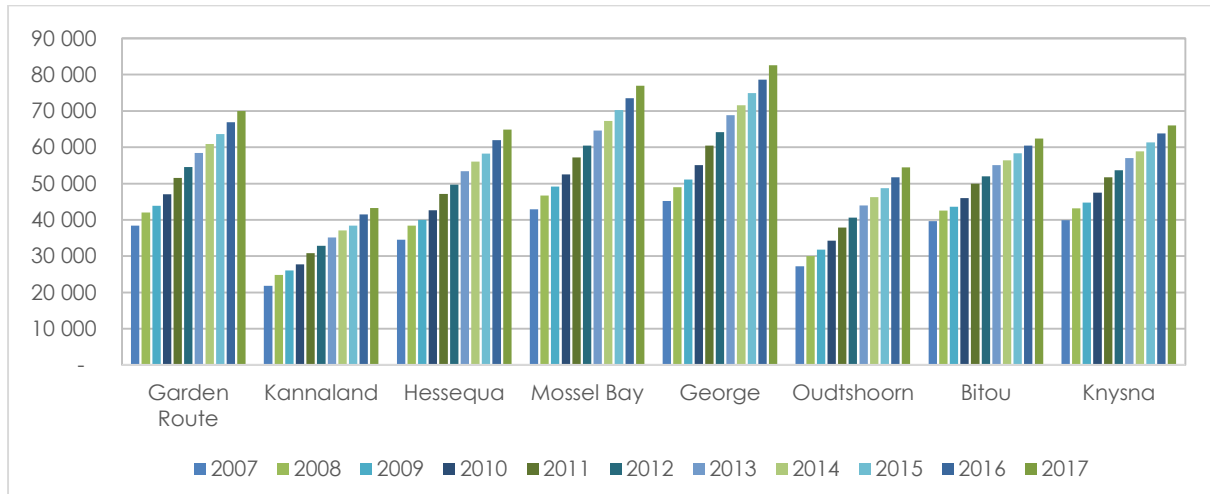
According to the report the categories of people vulnerable to poverty remained African females, children 17 years and younger, people from rural areas, and those with no education. Inflation-adjusted poverty lines show that food poverty increased from R219 in 2006 to R531 per person per month in 2017. The lower-bound poverty line has increased from R370 in 2006 to R758 per person per month in 2017 while the upper-bound poverty line has increased from R575 in 2006 to R1 138 per person per month in 2017.

GDPR PER CAPITA

An increase in real GDPR per capita, i.e. GDPR per person, is experienced only if the real economic growth rate exceeds the population growth rate. Even though real GDP per capita reflects changes in the overall well-being of the population, not everyone within an economy will earn the same amount of money as estimated by the real GDPR per capita indicator.
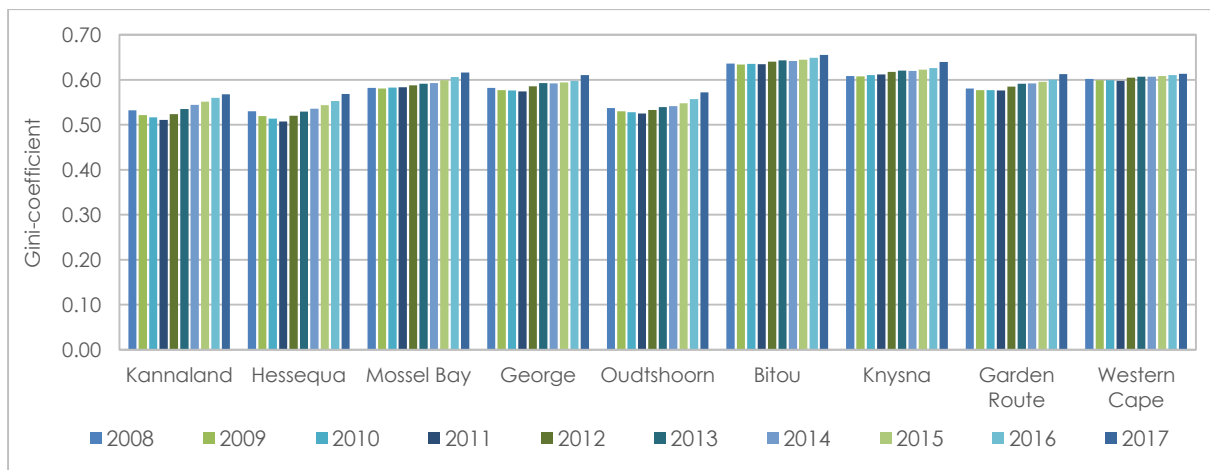

Source: Stats SA 2017, own calculations

At R43 262 in 2017, Kannaland municipal area's real GDPR per capita is much lower than both the Garden Route District's average amount of R69 970 and the Western Cape Province's R87 110.

INCOME INEQUALITY

The National Development Plan (NDP) has set a target of reducing income inequality in South Africa from a Gini coefficient of 0.7 in 2010 to 0.6 by 2030. Income inequality in the Kannaland municipal area has increased continuously from 2011, with the Gini Coefficient reaching 0.568 in 2017. Although it is slightly lower than the NDP's 0.6 target, the increasing trend could soon find it moving beyond this level.
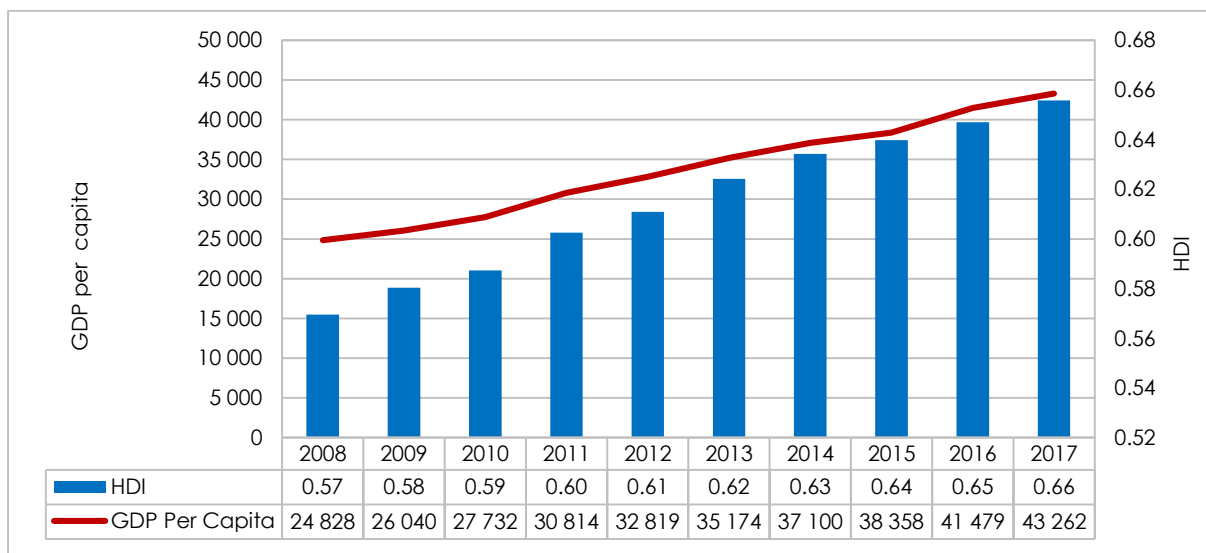

Source: Global Insight, 2017

Kannaland's (0.568) income inequality level in 2017 is lower than the average for the Garden Route District and the Western Cape Province (both 0.613). In 2017, Bitou (0.655) and Knysna (0.639) have the highest levels of income inequality in the Garden Route District.

HUMAN DEVELOPMENT

The United Nations uses the Human Development Index (HDI)[1] to assess the relative level of socio-economic development in countries. Indicators used to measure human development include education, housing, access to basic services and health indicators. Per capita income is the average income per person of the population per year; per capita income does not represent individual income within the population. The life expectancy and infant mortality rates are other important criteria for measuring development.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
HDI	0.57	0.58	0.59	0.60	0.61	0.62	0.63	0.64	0.65	0.66
GDP Per Capita	24 828	26 040	27 732	30 814	32 819	35 174	37 100	38 358	41 479	43 262

Source: Global Insight, 2017

Kannaland recorded an HDI level of 0.656 in 2017, up from 0.647 in 2016. There has been a general increase in the HDI within the Kannaland municipal area, the Garden Route District as well as for the Western Cape since 2008. Naturally, per capita income as per definition is expected to mimic the trend of HDI and this is clearly displayed in the graphic above.

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[1] The HDI is a composite indicator reflecting education levels, health, and income. It is a measure of peoples' ability to live a long and healthy life, to communicate, participate in the community and to have sufficient means to be able to afford a decent living. The HDI is represented by a number between 0 and 1, where 1 indicates a high level of human development and 0 represents no human development.

5

BASIC SERVICE DELIVERY

The Constitution of the Republic of South Africa states that every citizen has the right to access to adequate housing and that the state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. 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.

The provision of services is a key function of local government. The availability and state of the services infrastructure as well as well functioning daily operations processes is crucial to enable reliable and uninterrupted services delivery. This is also dependent on sufficient funding/revenue to ensure the smooth running of municipal functions.

This section reflects on and summarises access to housing and basic services access levels (Community Survey 2016) as also reflected in the SEPLG of 2017. It also adds information on services provided per consumer/billing unit from Statistics South Africa's Non-Financial Census of Municipalities, with a comparison between 2007 to 2017 to reflect on growth in municipal services; this is also compared with the growth in indigent support for services, which reflects growth in consumers who are not required to pay for services.

ACCESS TO SERVICES AND HOUSING

Since no new household survey information is available (compared to SEPLG 2017), this section highlights housing and household services access levels from the most recent available information from Statistics South Africa's Community Survey 2016. The next household survey which includes municipal level access to household services will be the Census in 2021.

The table below indicates access to housing and services in the Kannaland municipal area, with a total of 6 333 households, of which 97.4 per cent have access to formal housing.

Community Survey 2016	Kannaland	Garden Route District
Total number of households	**6 333**	**189 345**
Formal main dwelling	6 171	162 325
	97.4%	85.7%
Water (piped inside dwelling/within 200 m)	5 925	183 441
	93.6%	96.9%
Electricity (primary source of lighting)	5 425	178 646
	85.7%	94.3%
Sanitation (flush/chemical toilet)	5 890	181 973
	93.0%	96.1%
Refuse removal (at least weekly)	5 018	168 079
	79.2%	88.8%

Access to water and sanitation services are comparatively high at 93.6 per cent, and 93.0 per cent respectively while household access to electricity stands at 85.7 per cent and refuse removal access is lowest at 79.2 per cent.

SERVICES GROWTH

A key element to the sustainable management of services is accurate and reliable information on the demand for services to enable informed projections on future demand. This section reflects on services growth based on information from Statistics South Africa's Non-Financial Survey of Municipalities. The unit of measure is a consumer/billing unit which is not comparable to household level information. Services provided by municipalities are done per 'plot' or consumer/billing unit, however, since households are the unit of measurement more often used in demographic surveys, an understanding of household dynamics remains important.

A comparison is made between 2007 and 2017 to determine services growth per consumer/billing unit over the past 10 years. This growth is contrasted against growth in support for indigent households, for which municipalities do not receive services revenue. An understanding of these trends will allow for improved planning for the demand of services per consumer unit as well as for revenue projections.

Water Services

Domestic and non-domestic consumer/billing units for water services recorded average year on year growth of 3.2 per cent over the 2007 - 2017 period. This equated to a total increase of 2 091 consumer units over this 10-year period.

Non-financial Census of Municipalities	2007	2017	Change 2007 - 2017	Average annual change 2007 - 2017
Domestic and non-domestic water services per consumer/billing unit	5 706	7 797	2 091	3.2%
Indigent support for water services	1 112	2 059	947	6.4%

Indigent support for water services increased by 947 consumer units or at an average annual rate of 6.4 per cent, indicating that non-revenue units increased faster than billing units between 2007 - 2017.

Sanitation Services

There was a decrease of 332 domestic and non-domestic consumer/billing units for sanitation services over the 2007 - 2017 period, recording an average year-on-year decrease of -0.6 per cent over the 10-year period.

Non-financial Census of Municipalities	2007	2017	Change 2007 - 2017	Average annual change 2007 - 2017
Domestic and non-domestic sanitation services per consumer/billing unit	6 067	5 735	-332	-0.6%
Indigent support for sanitation services	1 112	2 059	947	6.4%

There was also a significant increase (947 households; 6.4 per cent) in non-revenue/indigent support for sanitation services during the period 2007 - 2017.

Electricity Services

Electricity services per consumer/billing unit recorded growth of 401 units between 2007 and 2017 at an average annual rate of 0.8 per cent.

Non-financial Census of Municipalities	2007	2017	Change 2007 - 2017	Average annual change 2007 - 2017
Domestic and non-domestic electricity services per consumer/billing unit	4 929	5 330	401	0.8%
Indigent support for electricity services	1 112	2 059	947	6.4%

The growth in indigent support for electricity services, increased by 947, or 6.4 per cent, over the 2007 - 2017 period.

Refuse Removal Services

The refuse removal services dropped to 5 572 consumer/billing units in 2017 from 6 072 units in 2007, translating to an average annual change of -0.9 per cent.

Non-financial Census of Municipalities	2007	2017	Change 2007 - 2017	Average annual change 2007 - 2017
Domestic and non-domestic refuse removal services per consumer/billing unit	6 072	5572	-500	-0.9%
Indigent support for refuse removal services	1 112	2059	947	6.4%

Indigent support for refuse removal services increased by 947 at an average annual rate of 6.4 per cent.

6

SAFETY AND SECURITY

South African society is becoming more and more violent. This was confirmed by the 2017/18 crime statistics released by the South African Police Service (SAPS) and Stats SA. The crime statistics show which type of criminal activity has increased/decreased in the past year. The most notable changes that we have seen so far are the marked increases in crime related to murder as well as cash-in transit.

Between 1993 and 2011, the murder rate declined almost consistently year on year. The highest murder rate in 100 years (78 murders per 100 000 people) was recorded in 1993, as South Africa transitioned to democracy. By 2011 it had dropped to 30.1 per 100 000 people. However, over the past six years we have seen a reversal of this downward trend. The murder rate is currently 35.2 per 100 000, with South Africa remaining one of the 10 most murderous countries in the world.

The Western Cape's persisting crime problems include gang violence, the increase in crimes against women and children and farm murders. Nyanga in the Western Cape remains the area in the country most notorious for its gang violence, its murder rate increased by 9.6 per cent with over 300 murders reflected in the crime stats of 2017/18. The number of women murdered increased by 11 per cent, the number of boys by 20 per cent, and girls by 10 per cent from the year before.

The data depicted in the following section was sourced from the 2018 Crime Statistics released by SAPS and Stats SA in September 2018. Incidences of crime per 100 000 were calculated using actual crime and estimated population figures provided by the Department of Social Development.

The information relating to fatal crashes and crash fatalities were sourced from the Department of Transport and Public Works.

MURDER

Municipal Area		2016	2017	2018
Actual Number	Kannaland	10	5	10
	Garden Route District	200	181	183
Per 100 000	Kannaland	41	21	42
	Garden Route District	33	30	29

Definition: *Murder is the unlawful and intentional killing of another person.*

The 2017/18 crime statistics released by SAPS and Stats SA indicate that murder has increased by 7 per cent to over 20 000 cases recorded in 2017/18. This gives South Africa an alarming 57 murders a day at a rate of 35.7 people murdered per 100 000 population. Within the Western Cape Province, murder has increased by 12.6 per cent (418) from 3 311 to 3 729, almost doubling the national increase of 6.9 per cent in 2017/18. Within the Kannaland area, the number of murders doubled to 10 in 2018 from 5 in 2017. The murder rate (per 100 000 population) has also increased from 21 in 2017 to 42 in 2018. The murder rate for the Garden Route District decreased to 29 in 2018 from 30 in 2017.

SEXUAL OFFENCES

Municipal Area		2016	2017	2018
Actual Number	Kannaland	28	43	51
	Garden Route District	924	1 037	1 046
Per 100 000	Kannaland	116	184	213
	Garden Route District	151	170	168

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

The rate of sexual violence in South Africa is amongst the highest in the world. In addition, a number of sexual offence incidences often go unreported (as in the case of rape). With respect to the crime statistics released by SAPS, sexual offences decreased by 0.6 per cent (7 115 to 7 075) in the Western Cape between 2017 and 2018. In 2018, there were 51 sexual offences in the Kannaland area and 1 046 for the Garden Route District. Kannaland has a higher rate of 213 offenders per 100 000 population, compared to 168 offenders per 100 000 for the Garden Route District in 2018.

DRUG-RELATED OFFENCES

Municipal Area		2016	2017	2018
Actual Number	Kannaland	541	531	528
	Garden Route District	3 053	3 579	3 472
Per 100 000	Kannaland	2 238	2 266	2 210
	Garden Route District	1 466	1 712	1 629

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

The 2017/18 crime statistics released by SAPS and Stats SA indicate that the Western Cape Province has the highest rate of drug related crime in the country at 1 769 per 100 000 population. It also contributed more than a third (36.2 per cent) of cases to the country's drug related crime in 2017/18. Drug-related crime within the Kannaland area has been decreasing from 541 cases in 2016 to 531 in 2017 and 528 in 2018. For the Garden Route District it decreased by 107 cases to 3 472 in 2018 from 3 579 in 2017. The drug-related crime rate per 100 000 population is higher for Kannaland (2 210) compared to the Garden Route District (1 629).

DRIVING UNDER THE INFLUENCE

Municipal Area		2016	2017	2018
Actual Number	Kannaland	29	28	43
	Garden Route District	1 494	1 441	1 739
Per 100 000	Kannaland	120	119	180
	Garden Route District	244	236	279

Definition: *Driving under influence (DUI) refers to a situation where the driver of a vehicle is found to be over the legal blood alcohol limit. This is a crime detected through police activity rather than reports by members of the public.*

Despite concerted efforts by government our roads are still considered amongst the most dangerous in the world. Reckless driving and alcohol consumption remain of the top reasons for road accidents. The number of cases of driving under the influence of alcohol or drugs in the Kannaland area increased to 43 cases in 2018 from 28 cases in 2017 and the District also reported a significant increase to 1 739 cases in 2018. In terms of cases per 100 000 population in 2018, Kannaland reported 180 cases, lower than the average of 279 for the Garden Route District.

RESIDENTIAL BURGLARIES

Municipal Area		2016	2017	2018
Actual Number	Kannaland	165	109	189
	Garden Route District	5 931	5 654	5 208
Per 100 000	Kannaland	683	465	791
	Garden Route District	970	924	835

Definition: *Residential burglary is defined as the unlawful entry of a residential structure with the intent to commit a crime, usually a theft.*

The 2017/18 crime statistics released by SAPS indicate that the number of residential burglaries in the Western Cape decreased by 7.3 per cent between 2017 and 2018. There was also a drop in residential burglaries in the broader Garden Route District. Residential burglary cases within the Kannaland area increased to 189 in 2018 from 109 cases reported in 2017. The rate per 100 00 population in 2018 for Kannaland (791) is lower than the average for the Garden Route District (835).

FATAL CRASHES

Area	2015	2016	2017
Kannaland	5	7	4
Garden Route District	99	116	111

Definition: *A crash occurrence that caused immediate death to a road user i.e. death upon impact, flung from the wreckage, burnt to death, etc.*

Fatal crashes involving motor vehicles, motorcycles, cyclists and pedestrians within the jurisdiction of the Kannaland Municipality decreased to 4 in 2017 while the District reported a decrease to 111 cases from 116 cases in 2017.

ROAD USER FATALITIES

Area	2015	2016	2017
Kannaland	9	9	4
Garden Route District	128	124	132

Definition: *The type of road user that died in or during a crash i.e. driver, cyclist, passengers, pedestrians.*

According to a recent study, the majority of road fatalities in Africa fall within the working age cohort - between the ages of 15 - 64 years – whilst three out of four fatalities were found to be male (Peden et al., 2013). The untimely death of these primary breadwinners therefore impacts directly upon not only the livelihood of family structures, but deprive society of active economic participants that contribute towards growth and development. The socio-economic impact of such road fatalities has proven to be particularly devastating in South Africa where the majority of road users hail from poor and vulnerable communities.

As seen in the table above, fewer (4) road users died in crashes in Kannaland in 2017 compared to 9 deaths in 2016 while 132 people died in the Garden Route District in 2018, up from 124 cases reported in 2017.

Additional, lower-level information regarding the time, location, gender, ages of above specified crashes are available from the Department of Transport and Public Works upon request.

7

THE ECONOMY

Economic activity within municipal boundaries is important as it shows the extent of human development and the living standards of communities. Although municipalities have no power to change taxes in order to stimulate economic activity, there are a few levers that local government authorities have control over to contribute to economic performance, including, amongst others, procurement of goods and services, job creation through expanded public works programmes as well as creating an enabling environment for small businesses.

The ability of households to pay for services such as water, electricity, sanitation and refuse removal depends on income generated from economic activities. A slowdown in economic activity may result in job losses and the inability of households to pay for services, leading to reduced municipal revenues. Data on macroeconomic performance, especially the information on sectoral growth and employment, is useful for municipalities' revenue and expenditure projections.

ECONOMIC SECTOR PERFORMANCE

The local economy of the Kannaland municipal area is dominated by the agriculture, forestry and fishing sector (R205.8 million; 17.7 per cent) followed by the finance, insurance, real estate and business services (R202.0 million; 17.3 per cent); wholesale and retail trade, catering and accommodation sector (R184.8 million; 15.9 per cent); manufacturing (R154.6 million; 13.3 per cent); general government (R110.8 million; 9.5 per cent) and transport, storage and communication (R108.6 million; 9.3 per cent). Combined, these six sectors contributed R966.6 million (or 83.0 per cent) to the Kannaland municipal economy, which was estimated be worth about R1.1 billion in 2016.

Kannaland: GDPR performance per sector. 2006 – 2017e									
	Contribution to GDPR (%) 2016	R million value 2016	Trend		Real GDPR growth (%)				
Sector			2006 - 2016	2013 – 2017e	2013	2014	2015	2016	2017e
Primary Sector	**17.7**	**205.8**	**1.2**	**-0.2**	**1.7**	**7.4**	**-4.5**	**-10.9**	**5.5**
Agriculture. forestry and fishing	17.7	205.8	1.2	-0.2	1.7	7.4	-4.5	-10.9	5.5
Mining and quarrying	0.0	-	-	-	-	-	-	-	-
Secondary Sector	**23.6**	**274.8**	**0.1**	**-0.5**	**0.1**	**-0.2**	**0.6**	**-1.9**	**-1.1**
Manufacturing	13.3	154.6	-1.5	-2.2	-1.9	-2.4	-0.2	-4.0	-2.5
Electricity. gas and water	4.8	55.6	0.7	0.1	0.2	0.4	-0.6	-1.2	1.6
Construction	5.5	64.6	6.4	4.6	7.6	6.7	4.1	3.7	0.9
Tertiary Sector	**58.8**	**685.4**	**4.5**	**3.7**	**4.4**	**3.7**	**3.3**	**4.6**	**2.4**
Wholesale and retail trade. catering and accommodation	15.9	184.8	3.3	2.1	2.9	2.3	2.9	2.2	0.4
Transport. storage and communication	9.3	108.6	5.5	4.4	5.7	6.1	3.6	2.3	4.3
Finance. insurance. real estate and business services	17.3	202.0	8.4	7.4	7.0	6.2	6.7	11.7	5.4
General government	9.5	110.8	1.0	-0.6	1.7	0.7	-1.5	-1.4	-2.3
Community. social and personal services	6.8	79.2	2.4	1.9	3.8	1.6	1.3	1.2	1.6
Total Kannaland	**100.0**	**1 166.0**	**2.8**	**2.0**	**2.9**	**3.6**	**1.1**	**0.2**	**2.3**

Source: Quantec Research, 2017 (e denotes estimate)

The 10-year trend, between 2006 and 2016, shows that the finance, insurance, real estate and business services sector registered the highest average growth rate (8.4 per cent) in Kannaland during this period. The construction and the transport, storage and communication sectors grew at 6.4 and 5.5 per cent respectively across this period while the wholesale and retail trade, catering and accommoation sector grew by 3.3 per cent on average. The community, social and personal services sector recorded a 2.4 per cent average growth rate during the period. The agriculture, forestry and fishing sector and general government registered a 1.2 per cent average growth between 2006 - 2016.

LABOUR

This section highlights key trends in the labour market within the Kannaland municipal area, starting with a breakdown of skills of the labour force, followed by employment numbers per sector as well as the unemployment levels.

The number of jobs contributed by different sectors of the Kannaland municipal area economy vary and depend on sector size, location and business cycle phases, among other things. In 2016, the agriculture, forestry and fishing sector contributed the most jobs (3 410 or 34.4 per cent) followed by wholesale and retail trade, catering and accommodation (1 839 jobs or 18.6 per cent); community, social and personal services (1 358 jobs or 13.7 per cent); finance, insurance, real estate and business services sector (1 130 or 11.4 per cent). Combined, these four sectors contributed 7 737 or 78.1 per cent of the 9 909 jobs within the Kannaland municipal area in 2016. An additional 1 076 or 10.8 per cent of the jobs are contributed by the manufacturing and construction sectors.

Kannaland employment growth per sector 2006 - 2017e									
	Contribution to employment (%)	Number of jobs	Trend		Employment (net change)				
Sector	2016	2016	2006 - 2016	2013 - 2017e	2013	2014	2015	2016	2017e
Primary Sector	**34.4**	**3 410**	**-1 974**	**396**	**159**	**-222**	**741**	**-179**	**-103**
Agriculture, forestry and fishing	34.4	3 410	-1 974	396	159	-222	741	-179	-103
Mining and quarrying	0.0	0	0	0	0	0	0	0	0
Secondary Sector	**11.3**	**1 117**	**21**	**97**	**39**	**31**	**12**	**0**	**15**
Manufacturing	6.2	618	-88	6	23	-3	4	-26	8
Electricity, gas and water	0.4	41	14	6	2	1	2	1	0
Construction	4.6	458	95	85	14	33	6	25	7
Tertiary Sector	**54.3**	**5 382**	**1 504**	**151**	**190**	**161**	**206**	**-71**	**269**
Wholesale and retail trade, catering and accommodation	18.6	1 839	467	59	49	33	90	-22	143
Transport, storage and communication	3.4	335	160	14	26	8	33	-22	27
Finance, insurance, real estate and business services	11.4	1 130	547	54	62	65	77	13	52
General government	7.3	720	86	-9	-18	26	-23	4	-33
Community, social and personal services	13.7	1 358	244	33	71	29	29	-44	80
Total Kannaland	**100.0**	**9 909**	**-449**	**250**	**388**	**-30**	**959**	**-250**	**181**

Source: Quantec Research, 2018 (e denotes estimate)

In the review period 2006 - 2016 Kannaland gained 1 525 jobs but lost 1 974 jobs, translating to an overall loss of 449 jobs. Most jobs were gained in the tertiary sector, led by the finance, insurance, real estate and business services sector (547 jobs), followed by wholesale and retail trade, catering and accommodation (467 jobs); community, social and personal services (244 jobs); transport, storage and communication (160 jobs) and general government

(86 jobs). In total, the tertiary sector as a whole gained 1 504 jobs between 2006-2016. These gains were reversed by the significant job losses experienced in the agriculture, forestry and fishing sector (-1 974 jobs) during the same period. Manufacturing lost 88 jobs during the review period. In 2017, jobs were shed only in the agriculture, forestry and fishing (-103 jobs) and general government (-33 jobs). Significant increases in jobs in 2017 were in the wholesale and retail trade, catering and accommodation (143 jobs) and the community, social and personal services (80 jobs) sectors.

The majority of workers in the Kannaland labour force in 2016 was low-skilled workers (49.2 per cent) while 34.1 per cent were semi-skilled and 16.7 per cent were skilled workers.

Kannaland: Trends in labour force skills. 2006 - 2017					
Formal employment by skill	Skill level contribution (%)	Average growth (%)	Average growth (%)	Number of jobs 2016	
	2016	2006 - 2016	2013 - 2017e	2016	2017e
Skilled	16.7	2.8	2.7	1 033	1 038
Semi-skilled	34.1	0.7	2.2	2 103	2 096
Low skilled	49.2	-2.9	1.6	3 032	2 948
Total Kannaland	**100.0**	**-1.0**	**2.0**	**6 168**	**6 082**

Source: Quantec Research, 2018 (e denotes estimate)

The number of skilled workers increased relatively fast over the 2006 - 2016 period, while decreases were experienced in the number of low-skilled. An improvement in education and economic performance can contribute to a further decrease in semi-skilled and low-skilled workers.

Unemployment Rates for the Western Cape (%)											
Area	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017e
Kannaland	7.1	7.4	8.2	9.2	9.4	9.4	9.2	9.5	8.9	9.9	10.3
Garden Route District	13.2	12.7	13.8	15.0	14.9	15.0	14.8	15.1	15.0	16.3	17.0
Western Cape	13.3	12.9	14.2	15.5	15.7	15.8	15.7	16.1	16.2	17.4	18.2

Source: Quantec Research, 2018 (e denotes estimate)

Unemployment[2] has been increasing in the Kannaland municipal area over the past three years; 8.9 per cent in 2015; 9.9 per cent in 2016 and an estimated 10.3 per cent in 2017. Kannaland's unemployment rate in 2017 is lower than the average for the Garden Route District (17.0) and the Western Cape Province (18.2). Rising unemployment is a concern for municipalities as it leads to high dependencies and an increase in indigent households.

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[2] Narrow definition: Percentage of people that are able/willing to work, but unable to find employment. In turn, broad definition refers to people that are able to work, but not actively seeking employment. Broad definition is more difficult to accurately measure/calculate.

SOURCES

1. **Demographics**

   - Population: *Department of Social Development, 2018*

   - Age cohorts: *Department of Social Development, 2018*

2. **Education**

   - Learner enrolment: *Western Cape Education Department, 2017; Annual Survey of Public and Independent Schools (ASS), 2017*

   - Learner-teacher ratio: *Western Cape Education Department, 2017; Annual Survey of Public and Independent Schools (ASS), 2017*

   - Grade 12 drop-out rates: *Western Cape Education Department, 2017; Annual Survey of Public and Independent Schools (ASS), 2017*

   - Educational facilities: *Western Cape Education Department, 2017; Annual Survey of Public and Independent Schools (ASS), 2017*

   - Educational outcomes: *Western Cape Education Department, 2017; Annual Survey of Public and Independent Schools (ASS), 2017*

3. **Health**

   - Healthcare facilities: *Department of Health, 2018*

   - Emergency medical services: *Department of Health, 2018*

   - HIV/AIDS: *Department of Health, 2018*

   - Tuberculosis: *Department of Health, 2018*

   - Child health: *Department of Health, 2018*

   - Maternal health: *Department of Health, 2018*

4. **Poverty**

   - GDPR per capita: *Statistics South Africa, 2018;* own calculations

   - Income Inequality: *IHS Global Insight, 2018*

   - Human Development: *IHS Global Insight, 2018*

SOURCES

5. **Basic Services**

- Households: *Statistics South Africa, Community Survey 2016*

- Access to housing: *Statistics South Africa, Community Survey 2016*

- Access to water: *Statistics South Africa, Community Survey 2016*

- Access to electricity: *Statistics* South Africa, *Community Survey 2016*

- Access to sanitation: Statistics South Africa, *Community Survey 2016*

- Access to refuse removal: Statistics South Africa, *Community Survey* 2016

- Growth in water/electricity/sanitation and refuse removal services per consumer/billing unit: *Statistics South Africa, Non-Financial Census of Municipalities 2007 and 2017*

- Indigent support for water/electricity/sanitation and refuse removal services: *Statistics South Africa, Non-Financial Census of Municipalities 2007 and 2017*

6. **Safety and Security**

- Murder: *South African Police Service (SAPS), 2018*

- Sexual offences: *South African Police Service (SAPS), 2018*

- Drug-related crimes: *South African Police Service (SAPS), 2018*

- Driving under the influence: *South African Police Service (SAPS), 2018*

- Residential burglaries: *South African Police Service (SAPS), 2018*

- Fatal crashes: *Department of Transport and Public Works, 2018*

- Road user fatalities: *Department of Transport and Public Works, 2018*

7. **Economy**

- Sector Performance: *Quantec Research, 2018*

- Labour: *Quantec Research, 2018*