

**AGENDA of the
Portfolio Committee Meeting : Local Economic Development
6 June 2023
(Also the agenda for the Mayoral Committee: 12 June 2023)**

7. Financial Implications

None

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

Annexure A: **REPORT/ PRESENTATION**

RECOMMENDATION TO THE COUNCIL:

that the report/presentation **be noted** and considered in the planning and budgeting sphere.

RESPONSIBLE OFFICIAL :

S MADIKANE

TARGET DATE FOR IMPLEMENTATION :

IMMEDIATELY



FOR

Department of Environmental Affairs and Development Planning

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Migration and Population Dynamics Select Headline Trends & Perspectives

Engagement with SALGA

Annexure A

8 May 2023

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Contents

- 1. Purpose of presentation**
 - Share 'updated' information on headline stats, perspectives, trends
 - Relevant considerations to inform current & future planning

- 2. Population and Migration Dynamics – Geographic Distribution**
 - A Growth & Urbanised Province
 - Growth Municipalities
 - Small Towns and Rural Areas

- 3. Info Support with Planning for the Future (and for the Now)**
 - Short Term Requirements – Census 2022 Calibration
 - Generate More Robust Intelligence – e.g., Monitoring Change also at settlement level
 - Infrastructure Investment Monitoring & Housing Market Studies

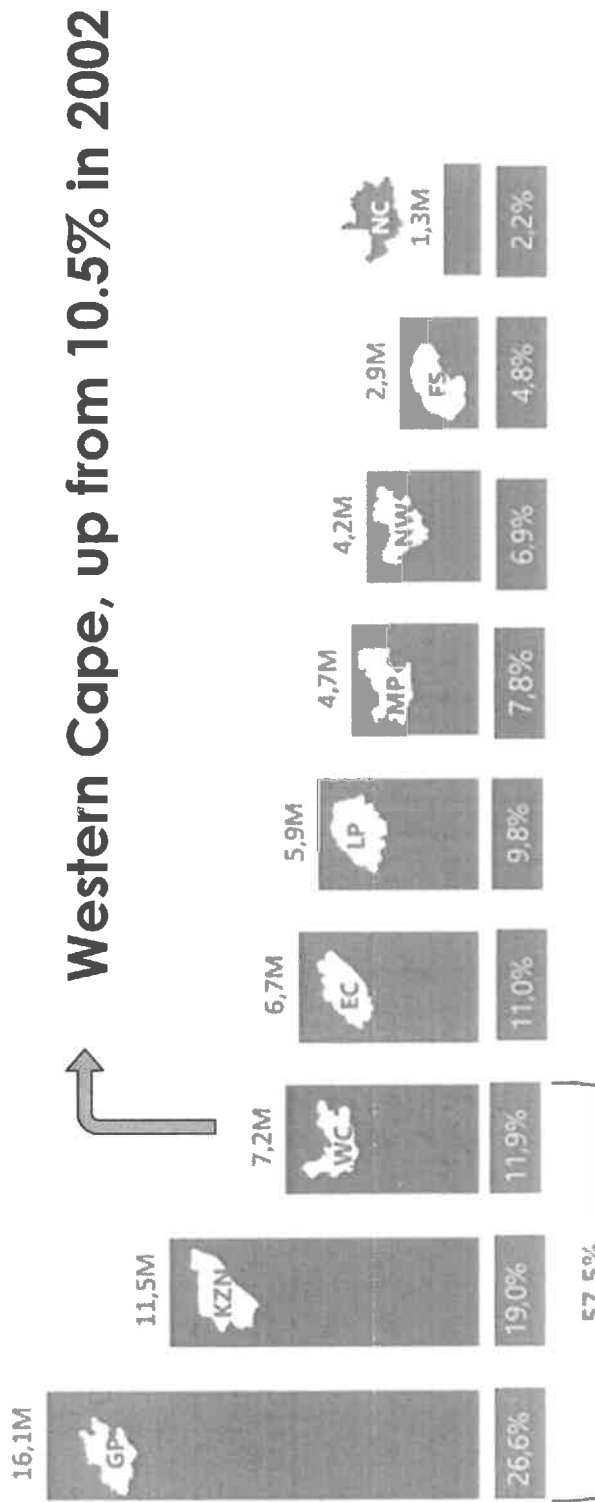
Some Headline Stats, Trends and Perspectives



Western Cape 3rd Most Populous Province

More than half of the population (34,8 million) live in 3 provinces (GP, KZN and WC)

Mid-year population estimates for South Africa by province, 2022



*Due to rounding totals may not add up to 100%



SACS 53
 Statistics South Africa
 REPUBLIC OF SOUTH AFRICA

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What we Know & (Think) we Understand ...?

Importance to consider National and Provincial bigger picture → Municipalities' own growth in context

Some Headline Statistics and Perspectives:

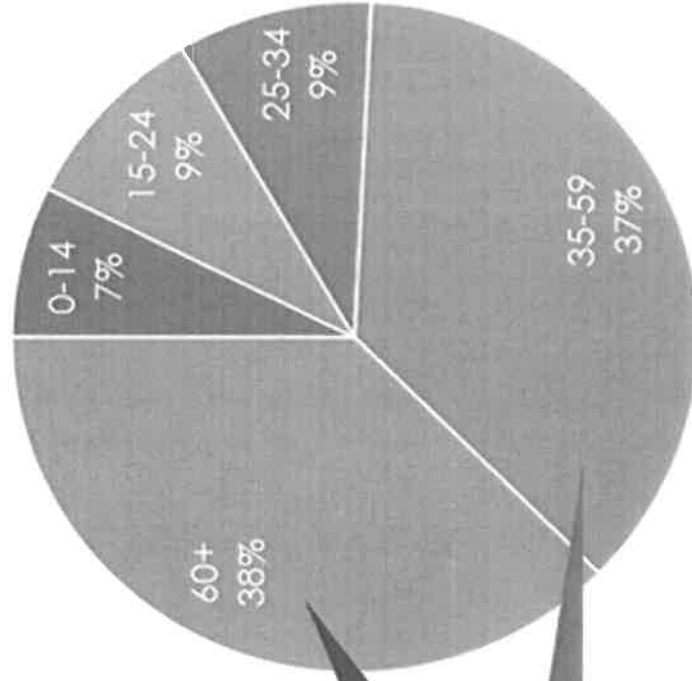
- Western Cape is a Growth Province (population growth) – average annual change %'s:
 - 2002 – 2022 @ 2.0% up from 4.8 million to 7.2 million
 - 2022 – 2032 @ 1.6% estimated to grow from 7.2 million to 8.4 million
- Increases above National averages – proportionally, Gauteng and Western Cape bigger proportion of National population
- By 2037 - in 15 years' time, Western Cape home to over 9.0 million people:
- By 2032, total Provincial population estimated increase with approx. 1.232 million people (Nelson Mandela Bay)
- By 2032, total CCT population estimated to increase with approx. 846,470 people to 5.6 million (Mangaung)
- CCT thinking beyond 5-year IDP or even 15 years (Mother City megalopolis – Cape Town prepares for a massive growth spurt):
 - Mayor Geordin Hill-Lewis in the Daily Maverick projected population increase to 10 million within a generation

Population change - what to expect up to 2050 for Western Cape

Which age groups will contribute most to Western Cape provincial population growth from now to 2051?

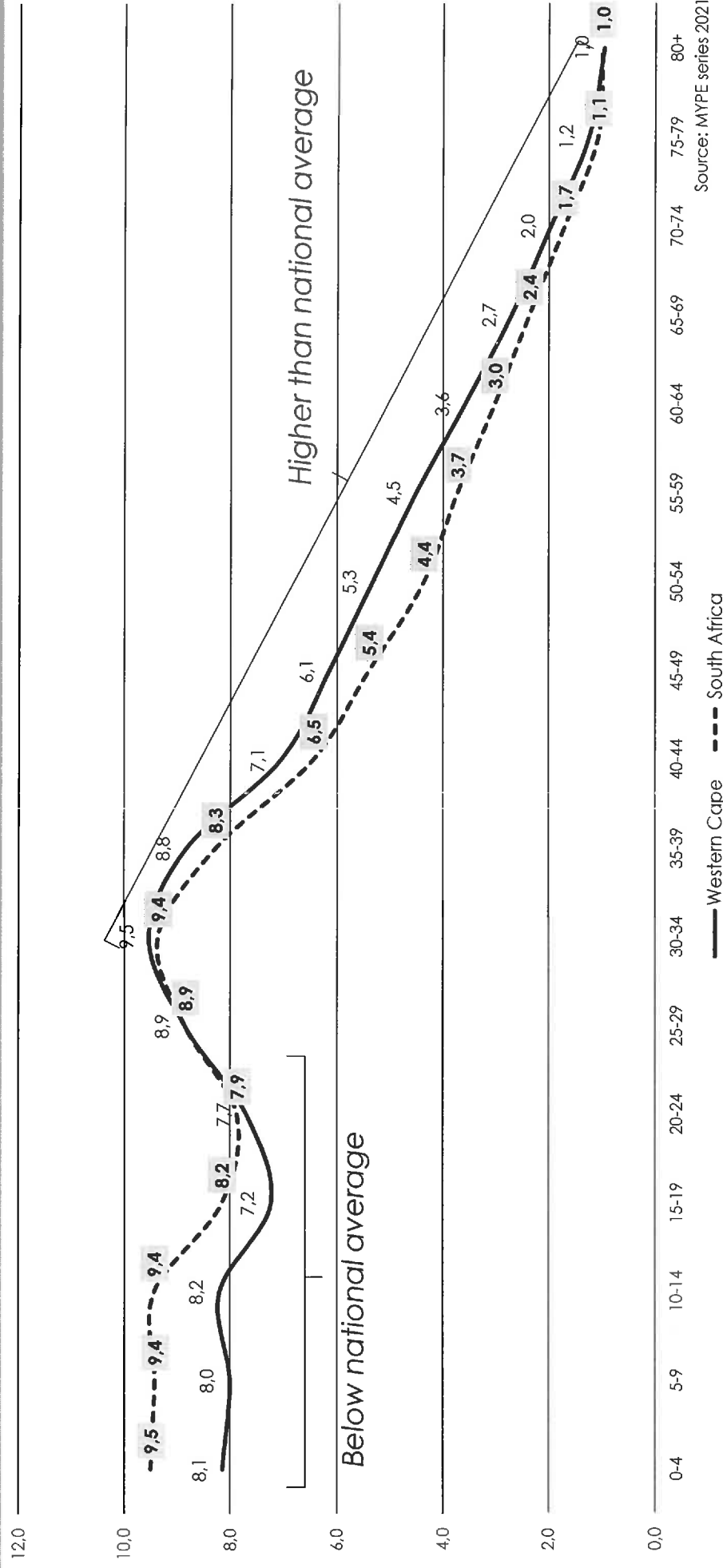
Age groups	2022	2030	2040	2050
0-14	1,741,875	1,786,462	1,903,324	1,981,513
15-24	1,085,421	1,295,328	1,322,929	1,389,017
25-34	1,296,261	1,256,673	1,546,466	1,597,703
35-59	2,332,055	2,799,254	3,181,520	3,537,601
60+	770,847	1,046,542	1,447,070	2,004,922
Western Cape	7,226,461	8,184,259	9,401,309	10,510,756
South Africa	60,811,629	66,535,960	73,799,296	80,318,201

WC	N	2022-2050	Avg Annual Change %
Ages			
0-14	239,637		0.5%
15-24	303,596		0.9%
25-34	301,442		0.7%
35-59	1,205,546		1.5%
60+	1,234,074		3.5%
Western Cape	3,284,295		1.3%
South Africa	19,506,572		1.0%



Age group(s) to contribute largest share to population growth: 35-59 and 60+

Western Cape compared to South Africa % total population by age cohorts 2021



Provincial Population Unit (PPU) March 2022



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Western Cape as Destination Province

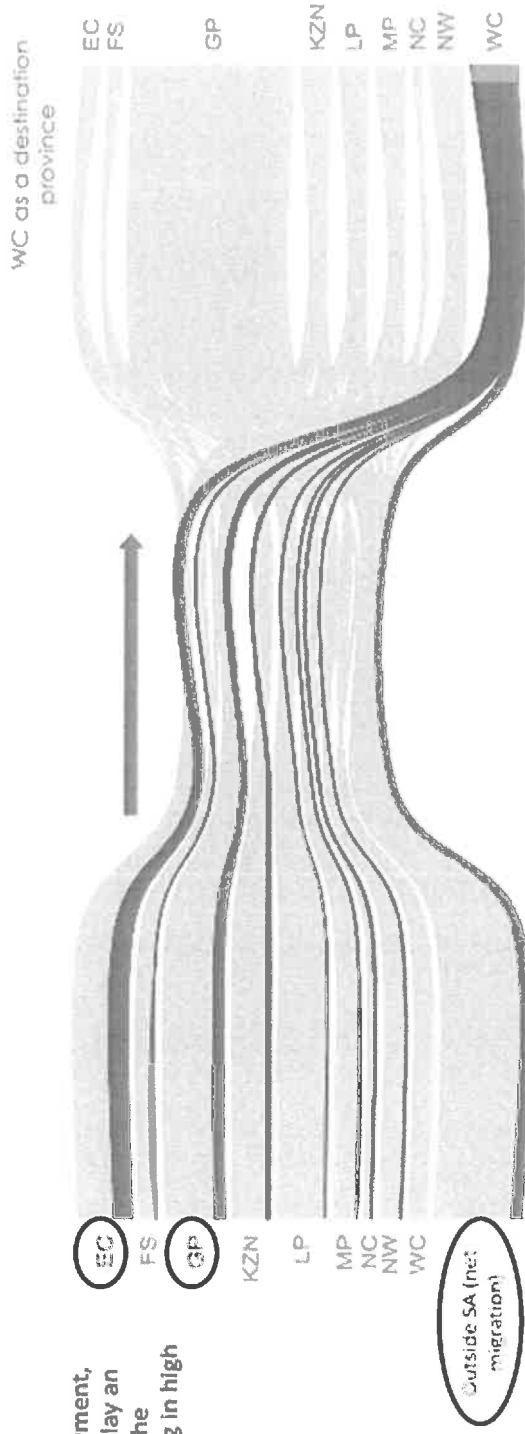
WC is estimated to experience the second highest net inflow of migrants for the period 2016 to 2021 of approx. 470 657

COVID-19
IMPACT

The reduction in international migration to receiving provinces is indicative of the post COVID-19 travel restrictions

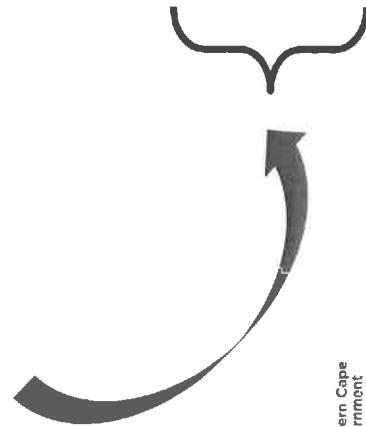
Net migration 2016-2021: WC as a destination province

Opportunities for employment, study and quality of life play an important role amongst the push-pull factors resulting in high flow of migrants to WC.



Migration – Trends and Patterns

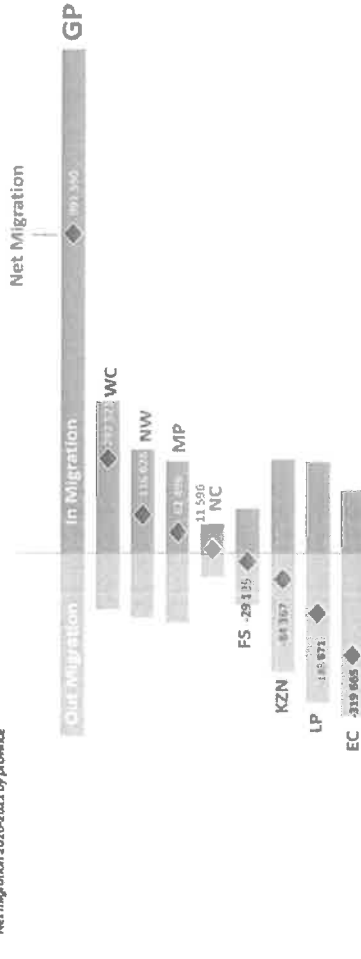
Western Cape: Net inflow of people, approx. 58,000 per year



Over the period 2016 to 2021 five provinces had net inflows of people. GP attracted the most migrants.

IMPACT: Movement made during both years either contributes a temporary one, whilst interprovincial migration in the MYPE constitutes movements that are consistent with a more formal definition of migration.

Net Migration 2016-2021 by province



REPORTING LEVELS THROUGHOUT DATA ENTRY



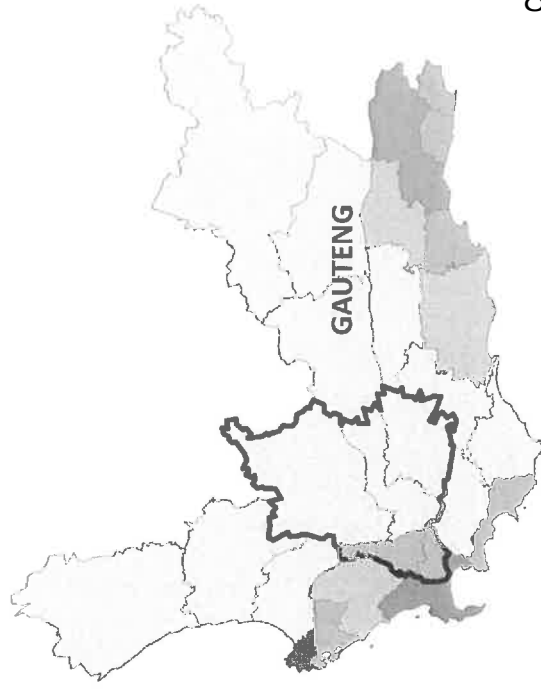
The assumptions indicate that Gauteng and Western Cape received the highest number of in-migrants for all periods. The Eastern Cape, Limpopo and Gauteng experienced the largest number of outflow of migrants. Gauteng, Mpumalanga, Northern Cape, North West and Western Cape provinces received positive net migration over all time periods. For all periods, the number of interprovincial migrants entering the provinces was highest in Gauteng, with Western Cape ranking second. Census 2021 will be a key empirical resource indicating current trends in inter-provincial migration in South Africa.

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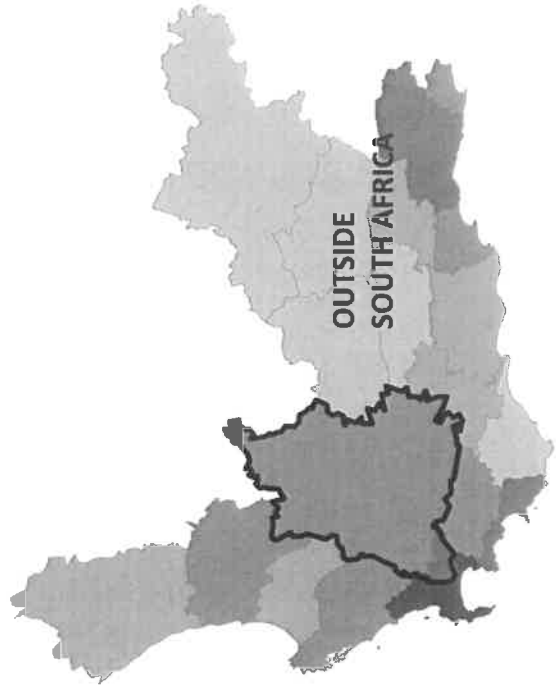
IN-MIGRATION

Migration to the Cape
Winelands from Eastern
Cape, Gauteng &
Outside SA



Mainstream Migrant - CWDM

- Age: 25-64 (Adult)
- Gender: Male & Female
- Population Group: Black African
- Education: low skill
- Moving From: Eastern Cape
- Reason for moving: Looking for work & better services
- Housing: Informal dwelling



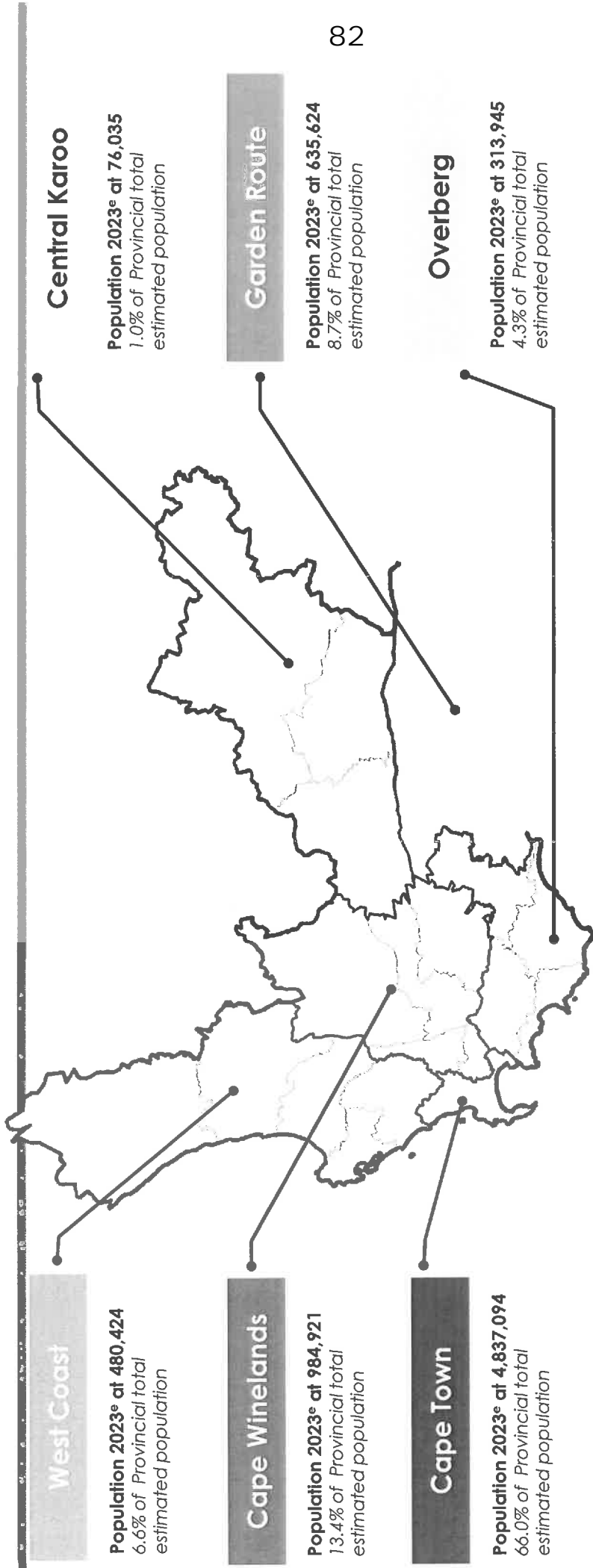
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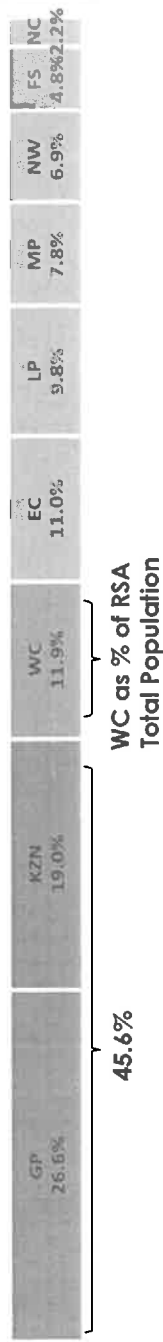
Geographic Distribution



Western Cape District Population Perspective – 2022/2023



Western Cape Population in 2023 is estimated at 7,328,044



Source: Statistics South Africa (StatsSA) Population data used: MYPE2022.3 [WCG PPU, 2023. Provincial, district and local municipality population estimates by sex and age (2002-2037) based on StatsSA MYPE base year 2022 (Feb2023)]. Disclaimer: Population data used is preliminary and may be subject to change pending Census 2022.

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Province, District and Local Municipality Population Distribution 2022 Western Cape Province

Stats SA 2021: MYPE 2021 series last published Dec 2021

Western Cape Province makes up **11.9%** of the total estimated South African population
60,811,629

males: 3,566,813
females: 3,659,648
total: 7,226,461



Created by DSD PPU: Mar2022
PPU data reference: PPU/MYPE2021.3
Next revision expected: July 2022
Contact: PopulationUnit@westerncape.gov.za

The Western Cape's population is estimated at 7.2 million in 2021. This constitutes 11.9% of the over 60 million estimated persons in South Africa.

About two-thirds of the provincial population lives within the City of Cape Town.

In Western Cape life expectancy at birth although the highest in the country, shown a drop from 2021, for males (65.7 to 64.9 years) and females (71 to 70.3 years).

The total fertility rate (TFR) or the average number of children borne alive to a woman during her lifetime remained stable at an estimated 2.04 for the province and is below the 2.1 replacement value.

Even though population mobility and migration have slowed down since the start of the pandemic the Western Cape still experiences a positive in-migration.

The positive net-migration is driven by in-movement from the Eastern Cape and Gauteng provinces as well as persons originating from outside South Africa. People leaving the province prefer mostly to move to Gauteng or the Eastern Cape.

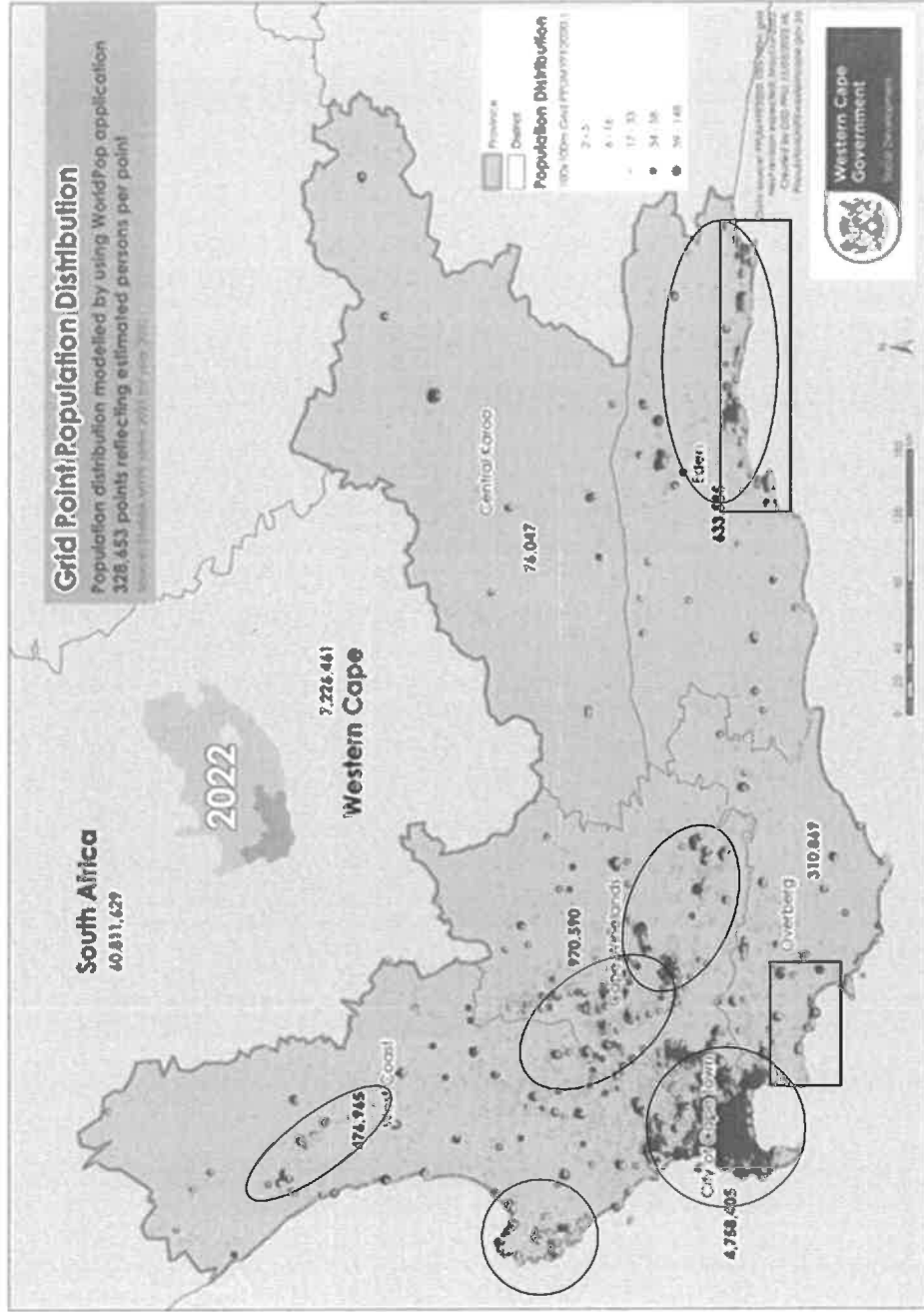
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Population Distribution 2022

Urban Priority Nodes

Tourism Growth Areas

Rural Growth Corridors



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Cape Town City Region . . . a Priority Urban Node (NSDF)

Ever wondered how many persons are estimated to live within the Greater Cape Metro area?

Greater Cape Metro (unofficial definition) includes the following areas: CCT and local municipalities of Drakenstein, Stellenbosch, Breede Valley, Swartland, Saldanha Bay, Theewaterskloof and Overstrand.

- CCT = 4,837,094
- Overstrand = 113,495
- Theewaterskloof = 124,775
- Saldanha Bay = 127,158
- Swartland = 142,592
- Breede Valley = 198,414
- Stellenbosch = 203,343
- Drakenstein = 302,603



By 2032 estimated population in GCM area = current total Provincial population, about 7.1 million people



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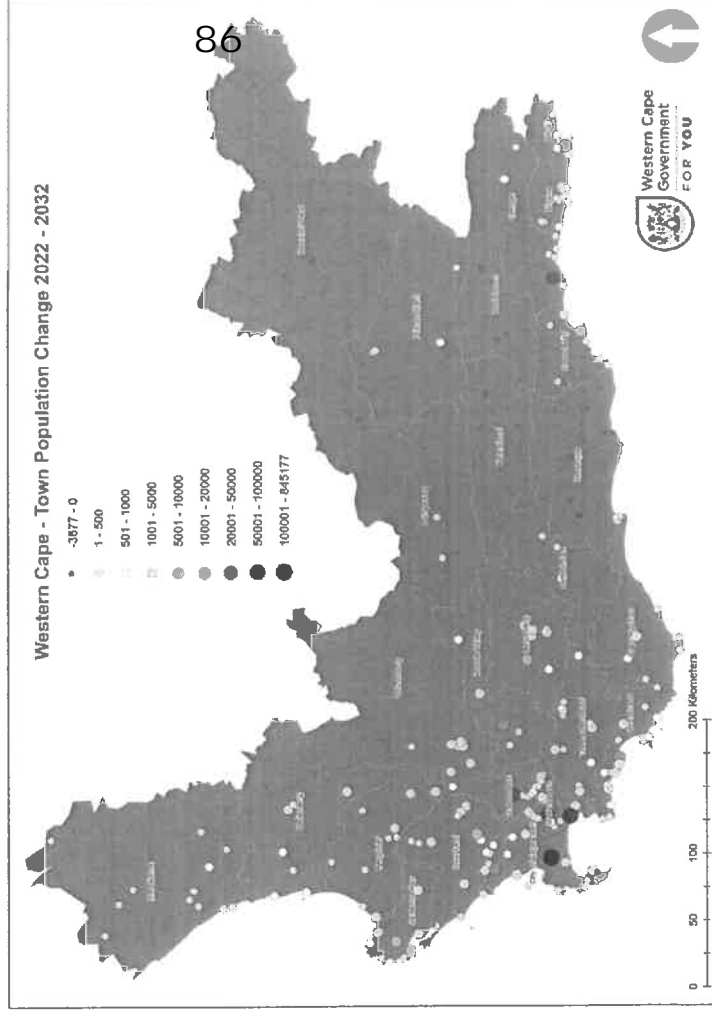
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Growth Areas and estimated Change 2022-2032 (Differentiated)

Population growth and movements is telling of Urbanisation and Migration. Some key insights for planning and service delivery are important:

- West Coast population is 480,424. By 2032 est. 561,060 = 8,960/year (+80,636)
- Cape Winelands population is 984,920. By 2032 est. 1,139,247 = 17,147/year (+154,327)
- Overberg population is 313,945. By 2032 est. 367,000 = 5,900/year (+53,055)
- Garden Route population is 635,624. By 2032 est. 692,729 = 6,345/year (+57,105)
- Central Karoo population is 76,035. By 2032 est. 81,160 = 570/year (+5,125)

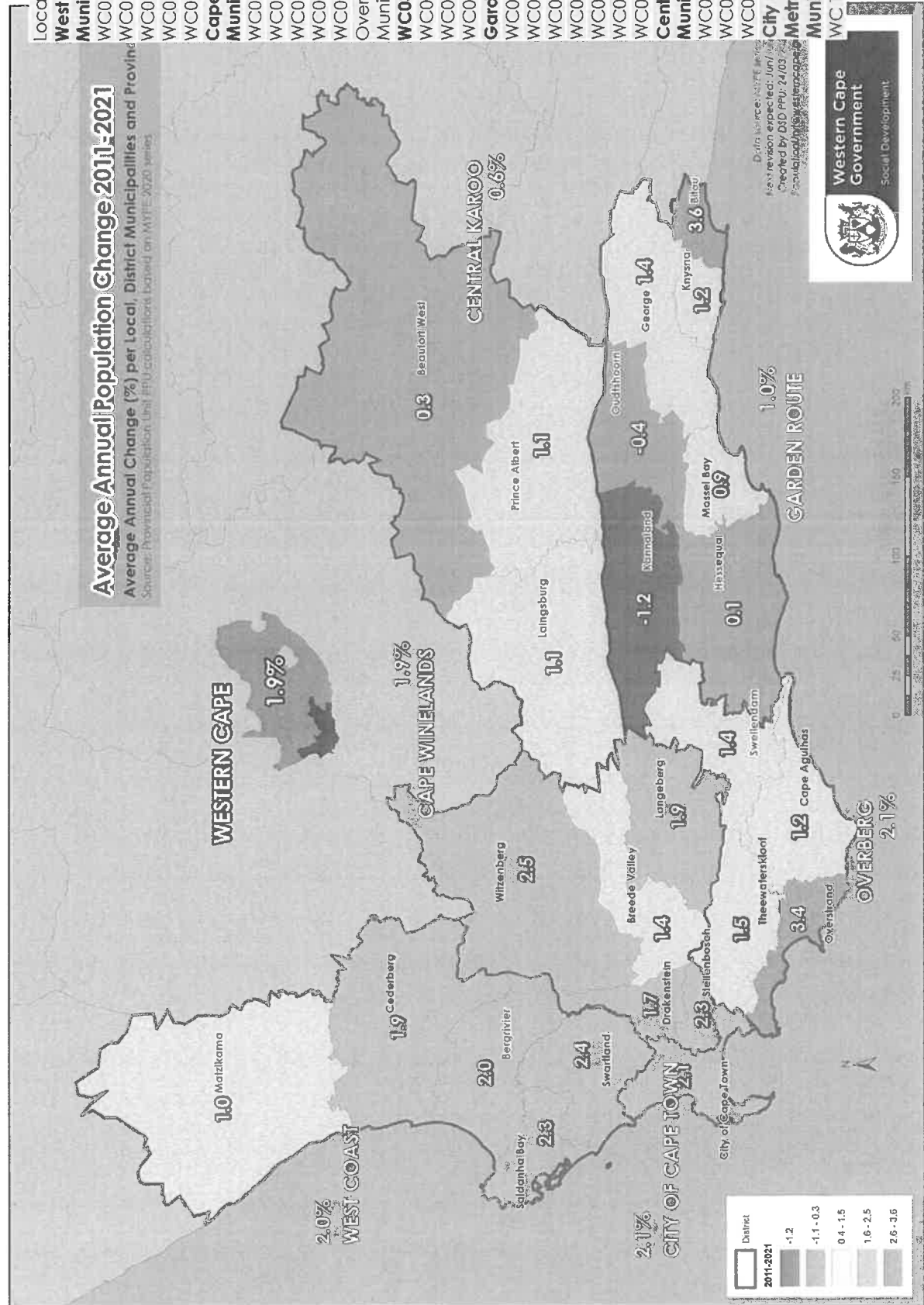
Note that Overstrand has the highest estimated average annual growth rate (i.e., estimated rate of change) in the Province for 2022-2032 at 2.5%. Bitou at 2.4%. West Coast & Overberg est. 2022-2032 annual rate of change at 1.7%.



2011-2021 2021-2031

Average Annual Population Change 2011-2021

Average Annual Change (%) per Local, District Municipalities and Province
 Source: Provincial Population and PPU calculations based on MYPE 2020 series



Location	2011-2021	2021-2031
West Coast District Municipality (DC1)	2.0%	1.6%
WC011: Matzikama	1.0%	0.5%
WC012: Cederberg	1.9%	1.5%
WC013: Bergrivier	2.0%	1.6%
WC014: Saldanha Bay	2.3%	1.9%
WC015: Swartland	2.4%	2.0%
Cape Winelands District Municipality (DC2)	1.9%	1.6%
WC022: Witzenberg	2.5%	2.0%
WC023: Drakenstein	1.7%	1.5%
WC024: Stellenbosch	2.3%	2.0%
WC025: Breede Valley	1.4%	0.9%
WC026: Langeberg	1.9%	1.5%
Overberg District Municipality (DC3)	2.1%	1.8%
WC031: Theewaterskloof	1.5%	1.2%
WC032: Overstrand	3.4%	2.9%
WC033: Cape Agulhas	1.2%	1.0%
WC034: Swellendam	1.4%	1.2%
Garden Route (DC4)	1.0%	0.9%
WC041: Kannaland	-1.2%	-1.8%
WC042: Hessequa	0.1%	0.1%
WC043: Mossel Bay	0.9%	0.8%
WC044: George	1.4%	1.3%
WC045: Oudtshoorn	-0.4%	-0.8%
WC047: Bitou	3.6%	2.8%
WC048: Knysna	1.2%	1.0%
Central Karoo District Municipality (DC5)	0.6%	0.6%
WC051: Laingsburg	1.1%	1.1%
WC052: Prince Albert	1.1%	1.2%
WC053: Beaufort West	0.3%	0.3%
City of Cape Town Metropolitan Municipality	2.1%	1.6%
WC Total	1.9%	1.6%



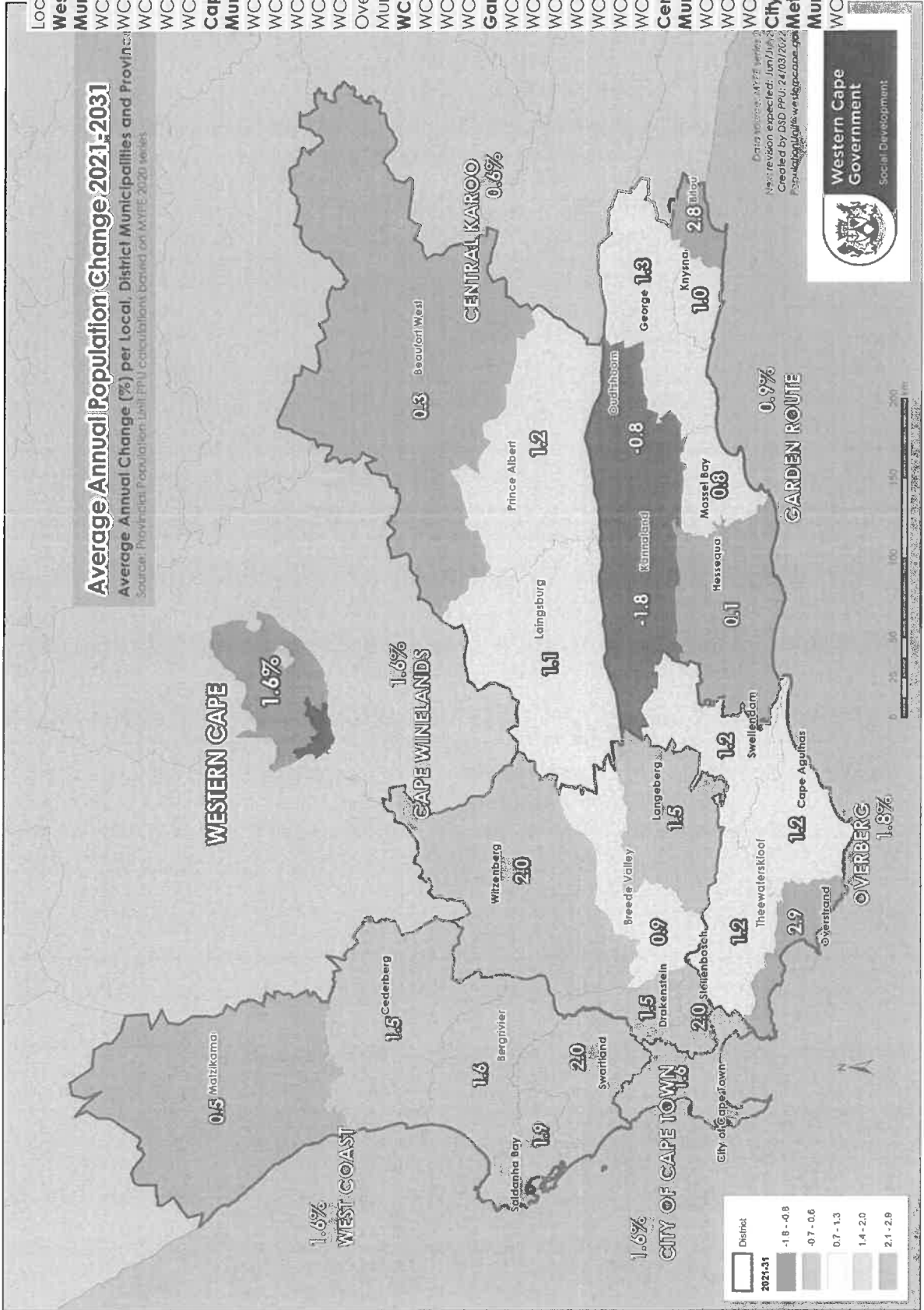
Data source: MYPE series
 Estimation period: Jun/20
 Created by DSD PPU: 24/03
 Population and PPU calculations based on MYPE 2020 series

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Source: MYPE series 2021
 PPU calculations

Average Annual Population Change 2021-2031

Average Annual Change (%) per Local, District Municipalities and Provincial
 Source: Provincial Population Unit (PPU) calculations based on MYPE 2020 series



Location	2011-2021	2021-2031
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WC053: Beaufort West	0.3%	0.3%
City of Cape Town Metropolitan Municipality	2.1%	1.6%
WC Total	1.9%	1.6%

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Source: MYPE series 2021
 PPU calculations



Data source: MYPE series 2021
 Next revision expected: Jan 2024
 Created by DSD PPU: 24/03/2024
 PPU: www.dsd.gov.za/ppu

Support & Further Work/Research

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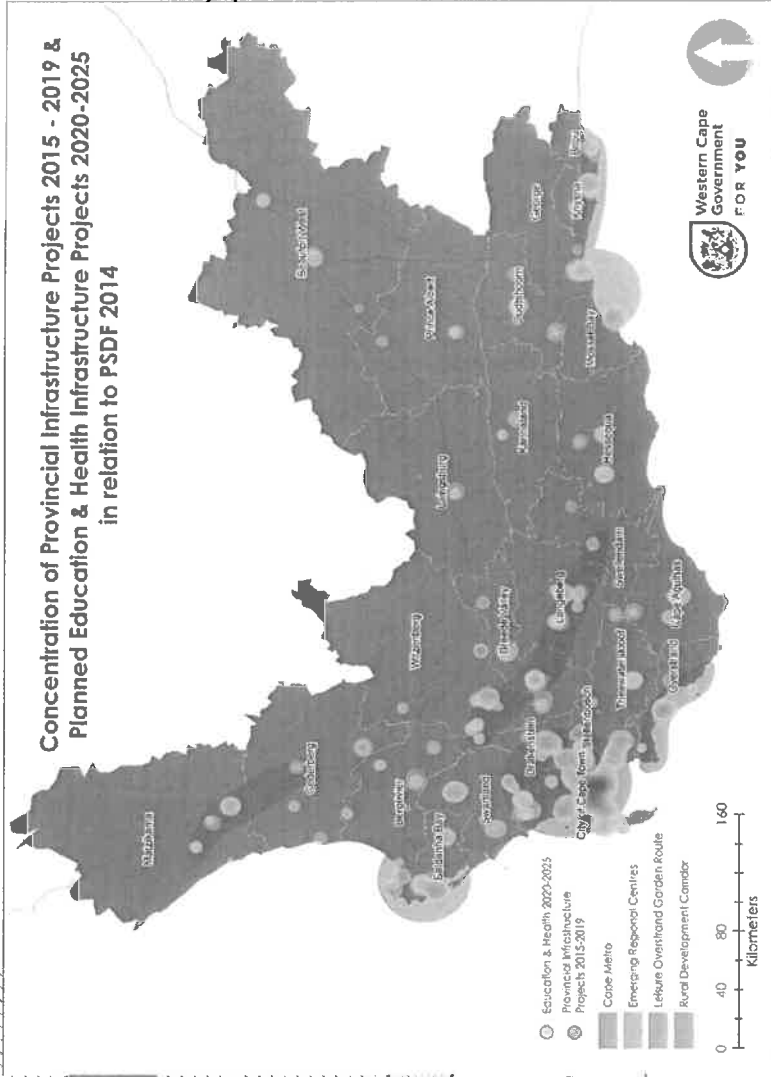
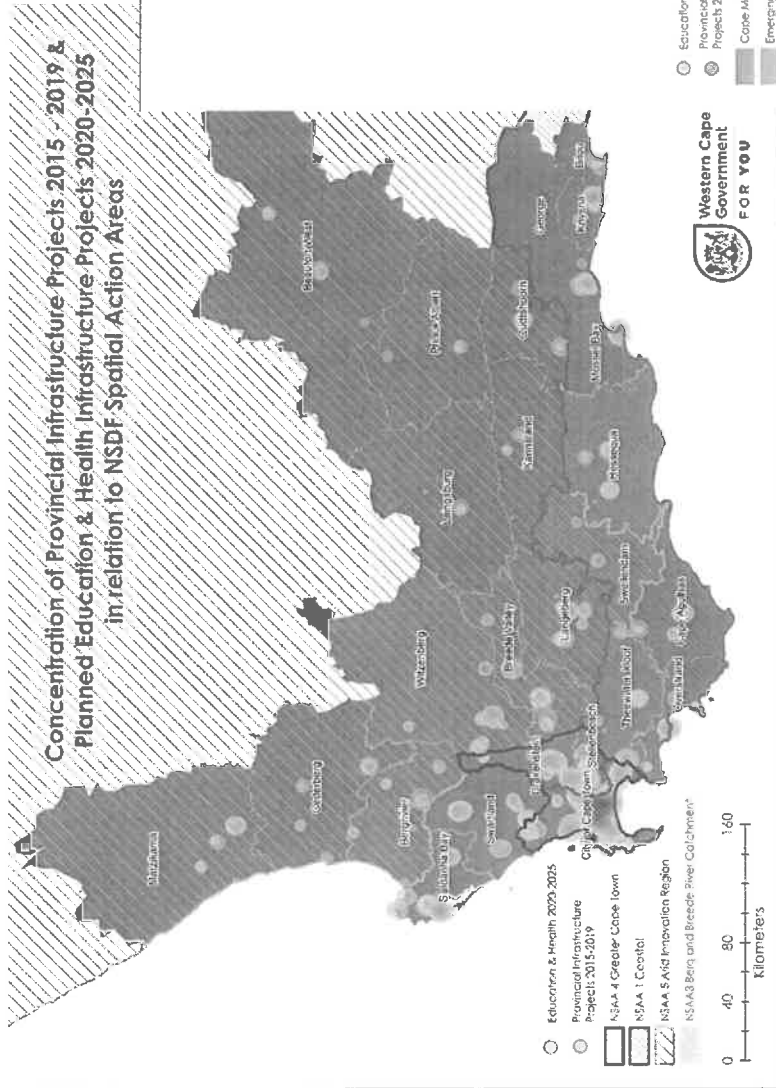
Support Initiatives

The following short-list of support initiatives are being undertaken:

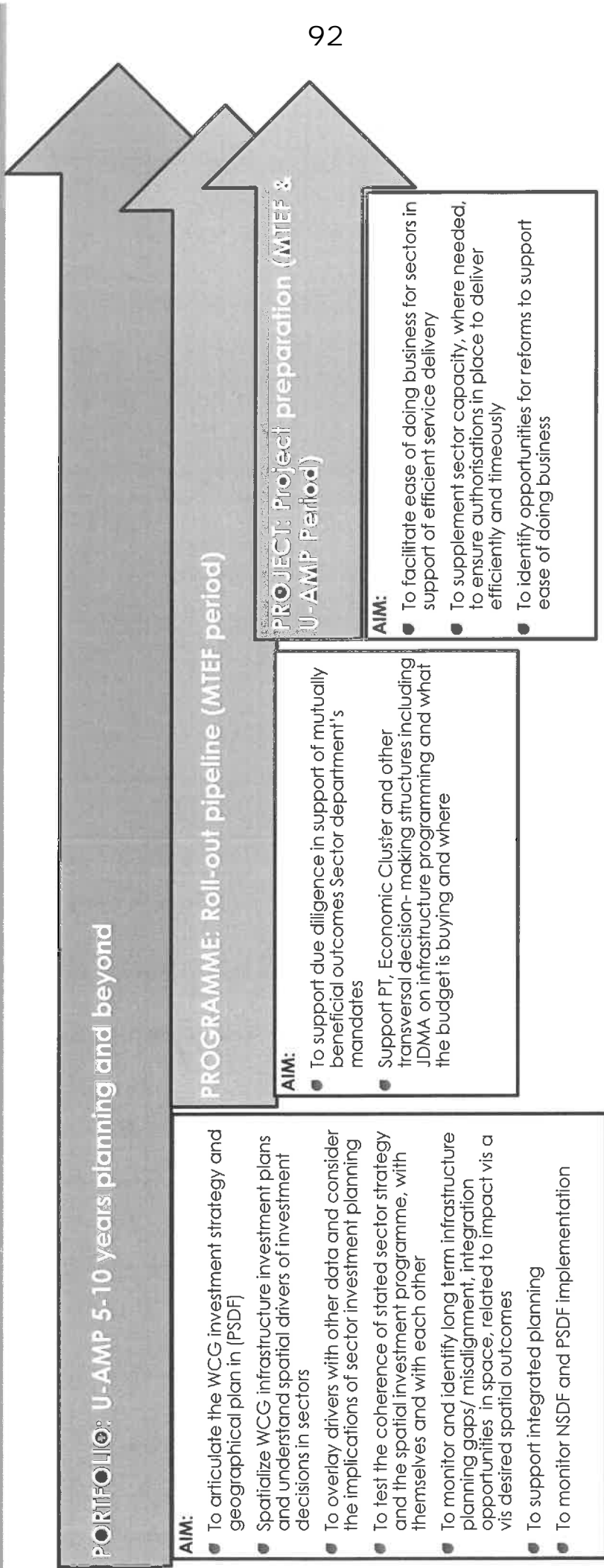
- Map and geospatial analysis of various items:
 - Population structure and distribution (sex, age, density, teenage pregnancies, etc.)
 - Spatial Performance & Development (demographic dividend, poverty, inequality, etc.)
 - Population, Urbanisation and Migration trends and patterns
 - Vulnerable groups (GBV, children, youth, age, etc.)
 - Infrastructure investment and government (Provincial) expenditure - what are we spending our money on and how much
 - Municipal Finance considerations
- Housing Market Studies:
 - 4 (George, Mossel Bay, Stellenbosch, Paarl/Wellington/Mbekweni
 - 7 (Plettenberg Bay, Hermanus/Kleinmond/Gansbaai, Worcester, Oudtshoorn, Malmesbury/Abbotsdale, Moorreesburg/Darling/Riebeeck Kasteel, Knysna/Sedgefield)
- Settlement environmental vulnerabilities – for resilience

Spatial Targeting in Policy & Practice (NSDF and PSDF)

- Capitalise
- Connect
- Consolidate
- Cluster



Overall Aims

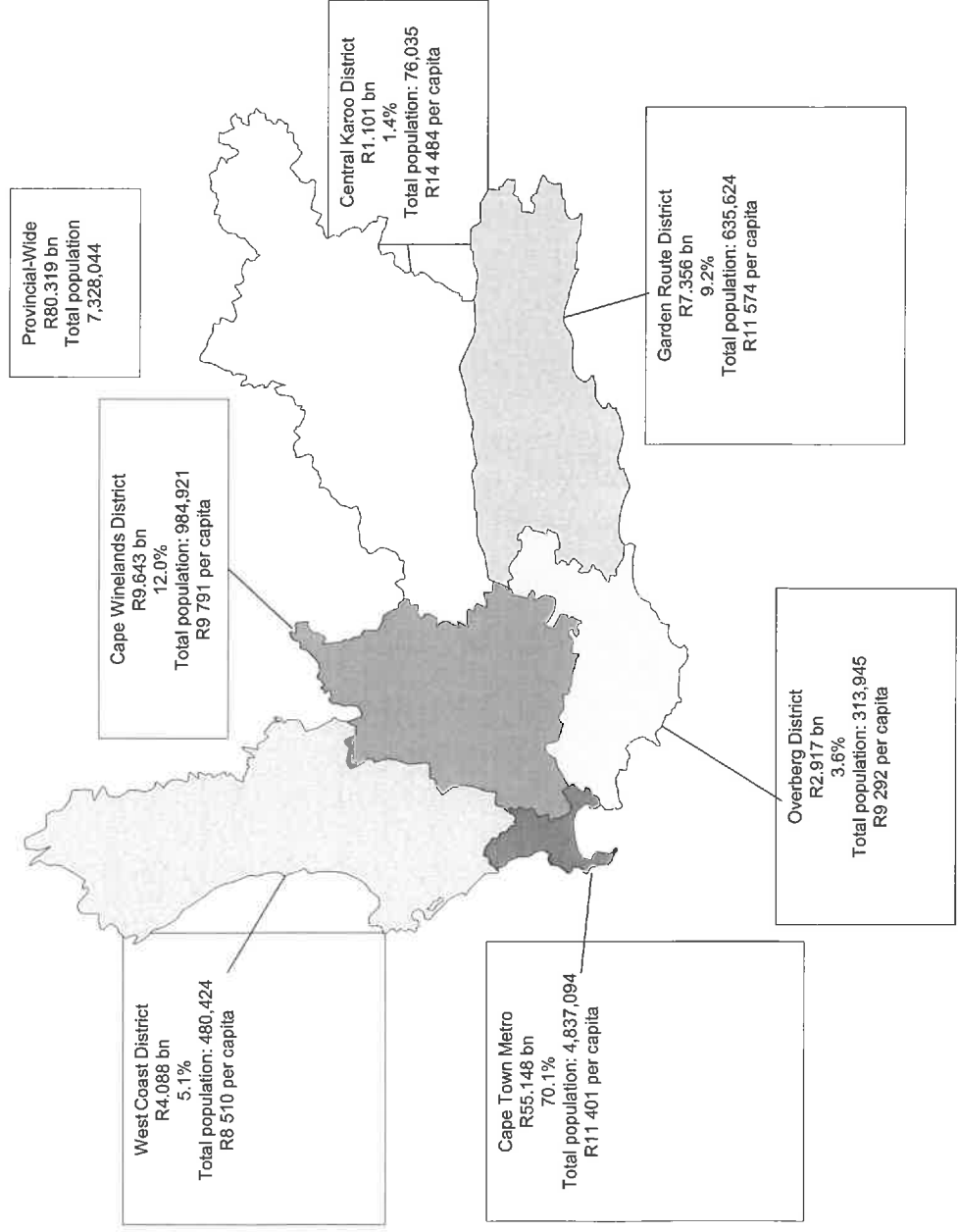
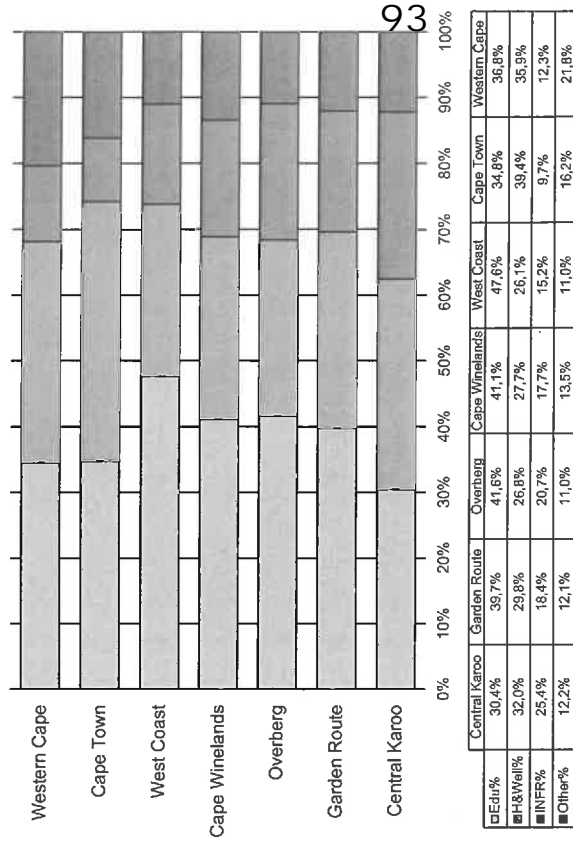


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Figure xy

Spatial Distribution of 2022/23 Provincial budget by district, total population and % of sector allocation at district level (total per capita)



Source of population data used: WCG PPU, 2023. Provincial, district and local municipality population estimates by sex and age (2002-2037) based on StatsSA MYPE base year 2022 (Feb2023)
 Disclaimer: Population data used is preliminary and may be subject to change pending Census 2022.

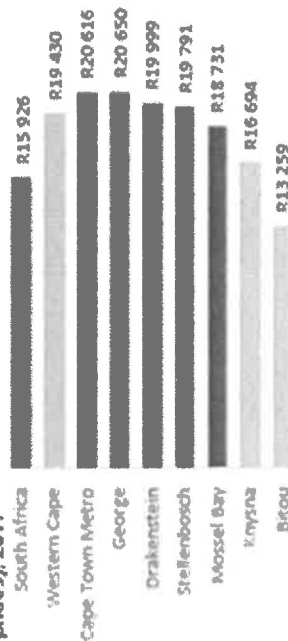
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Housing Market Studies

Demand Side

Average monthly household income (current prices), 2019



Source: 2021 Quantec, calculations by Urban Economics

- Housing demand data & informal settlement and backyarding as indicator of unmet demand
- Rental rates

Stellenbosch town household income brackets and affordable housing purchase price (2021)

Monthly household income bracket **	No. of households	Percent of total households	House affordable to household at lowest end of the bracket *	House affordable to household at top end of bracket
R0 - R3 500	11 537	32,6%	—	R142 112
R3 501 - R6 000	6 991	19,6%	R142 112	R328 887
R6 001 - R16 000	5 390	15,3%	R328 887	R649 654
R16 001 - R30 000	4 097	11,6%	R649 654	R1 218 103
R30 000 - R50 000	2 843	8,1%	R1 218 103	R2 030 171
R50 001 - R100 001	2 650	7,5%	R2 030 171	R4 060 343
> R100 000	1 739	4,9%	R4 060 343	—
Total	35 287	100,0%		



Centre for Affordable Housing Finance in Africa

Supply Side : Stock & Transactions

- **Ownership market**
 - housing stock by market segment (incl. Lightstone / Deeds Data comparison with Municipal Valuations Data)
 - housing stock by property type
- **Govt Subsidized Properties (GSP)**
 - number and spatial distribution
 - performance and role
- **Rental market** – rental prices by property type and size
- **New transactions** by market segment & property type
- **Resale transactions** by market segment & property type
- **Spatial distribution** of new and resale transactions
- **Churn incl turnover** of GSP
- **First Time Home Buyers** – how do they step not the ladder?
- **Mortgage Market** – new and bonded transactions by market segment, lender, property type & spatial distribution
- **Government delivery**
- **Rental market**

Conclusions

- State of the housing market
- Affordability
- Scope for inclusionary housing

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Conclusion

The presentation aim to encourage discussion and awareness:

1. To develop and have an appreciation for the broader context, the trends and patterns observed and emerging.
2. Reliance on outdated practices, 10-year interval Censuses and or questionable data credibility (the data limitations) remain challenging.
3. Need to develop small areas / settlement level methodologies to inform basic service delivery. Note an initiative commenced in DEA&DP towards a monitoring and tracking tool / dashboard, using tech and innovation (very basic).
4. Baseline in place. Census 2022 will be used to re-calibrate some of the key data sources.

Recommendations

It is recommended:


1. That it be noted that the information provided is preliminary, is subject to change and needs recalibration post Census 2022 data release. A follow-up session to share updated information is required.
2. That IDPs and Budgets (as key strategic instruments at local government level) need to be reflective and responsive to the local situation of each municipality to inform fiscal strategies of municipalities, and clearly articulating the municipalities' longer term vision and growth management plan.

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Thank you

Contact Us

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