Socio-Economic

cape town & western cape
research

MIGRATION INTO THE WESTERN CAPE

April 2021

Executive Summary

This socio-economic fact sheet provides key information on the migration patterns into the Western Cape Specifically, it gives an overview of the provinces where the highest inward net migration is occurring into the Western Cape. The fact sheet reviews different pull factors that are associated with high levels of net inward domestic migration such as economic growth, job opportunities, business confidence and education. The key highlights in fact sheet are provided below:

Domestic Migration

- Over the past decade there has been net inward migration into the Western Cape from all other eight provinces of South Africa
- Total domestic net migration into the Western Cape over the last 15 years (2006 – 2019) reached 575 851.
- The highest inflow of migrants into the Western Cape has been from Eastern Cape and the lowest from North-West Province.
- From the 5-year period 2006 – 2011 to the period 2016 - 2021, inward migrants into the Western Cape from Gauteng have increased by 54.47%, whereas migrants from the Eastern Cape have declined by 4.28%.

Pull Factors

- The Western Cape's average annual growth from 2010 to 2019 was higher than the national average over the same period by 0.21%.
- The Western Cape had the lowest average annual unemployment rate of 16.76% among the nine provinces, with the unemployment rate in the Western Cape being 9 percentage points lower than the national average.
- Over the period 2011 to 2020, the Western Cape was the largest contributor of overall job creation in South Africa, accounting for 30% of national job creation over the period specified.
- the Western Cape also had the second highest labour force participation rate in the country of 67.37% over the period 2010 to 2019
- The Western Cape had the third highest average monthly real wage of ZAR7588.92 over the period 2010 to 2019.
- Over the 10-year period analysed, the Western Cape had the lowest degree of disposable income inequality – represented by an average annual GCI of 0.56.
- The Western Cape fared better than the national average in terms of business confidence, albeit business confidence decreased steadily over the period 2014 to 2020, with a steep drop toward the first half of 2020.
- TVET colleges in the Western Cape had the highest completion rates on all levels, NC(V) level 2 (74.2%), NC(V) level 3 (71%) and NC(V) level 4 had a completion rate of 66.5% in 2019.

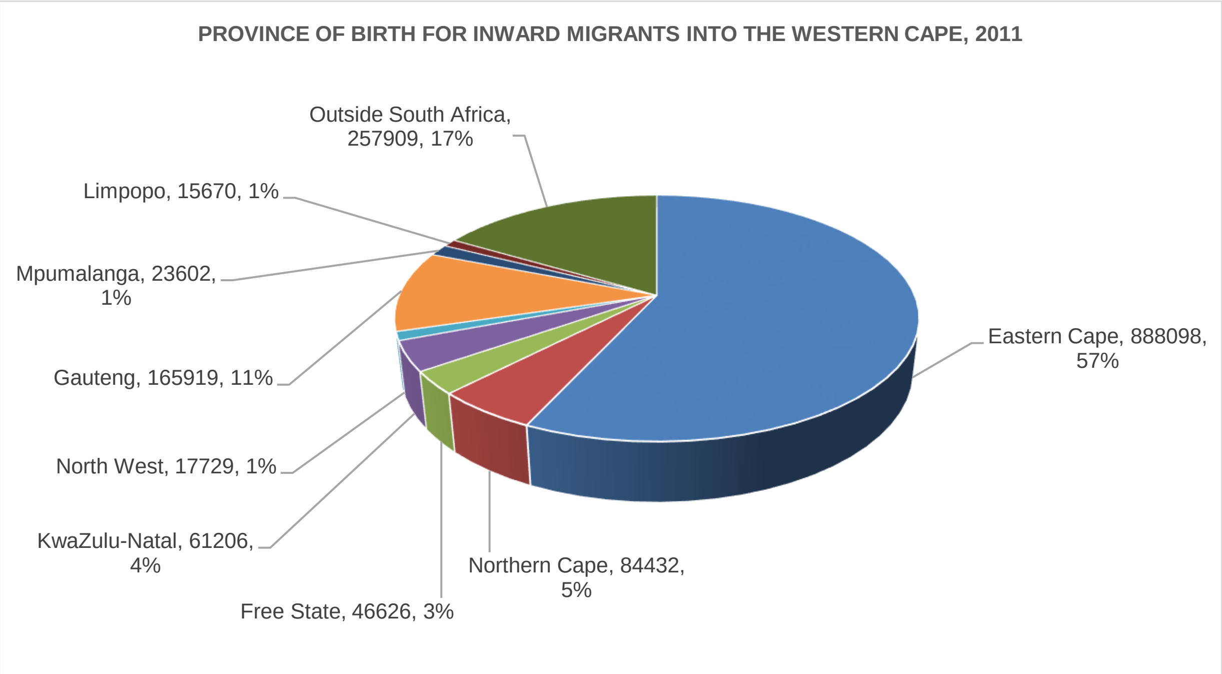
1. General Overview

This fact sheet will explore the different migration patterns of domestic and international migrants into the Western Cape. Migration is a global phenomenon caused by not only economic factors, but also social, political, cultural, environmental health, education and transportation factors. It commonly takes place in the form of push factors of fewer opportunities in the socio-economic situation and because of pull factors that exist in more developed areas.

Thus, noteworthy when looking at migration are push and pull factors. These are forces that can either induce people to move to a new location or oblige them to leave; they can be economic, political, cultural, and environmentally based. Push factors are conditions that can drive people to leave their homes. A few example of push factors are: not enough jobs in your region; few opportunities; poor living conditions; desertification; famine/drought ; political fear or persecution ; poor medical care; loss of wealth; and natural disasters. Pull factors are exactly the opposite of push factors; they are factors that attract people to a certain location. Examples of these pull factors are job opportunities; better living conditions; political and/or religious freedom; enjoyment; education; better medical care; and security. To migrate, people are so attracted to a place that they feel 'pulled' toward it.

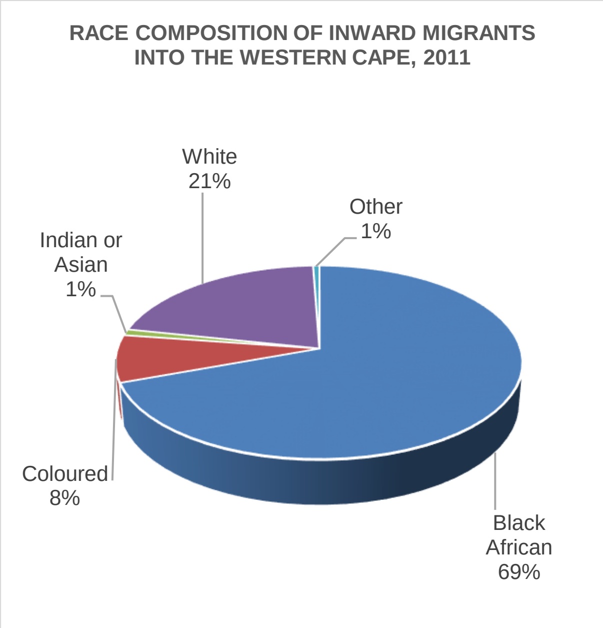
2. A review of the Census migration data

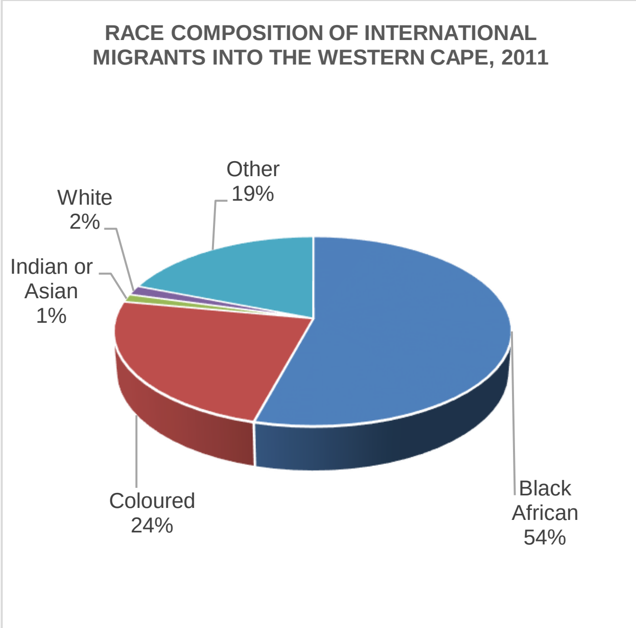
The census data from 2011 gives insight into the characteristics of inward migrants to the Western Cape. This information does not look at net migration, but only at inward migrants without taking cognisance of outward migration from the Western Cape. The graph below shows the results for people's province of birth who in 2011 listed their province of usual residence as the Western Cape. These figures are therefore cumulative and show total migration figures up until 2011.



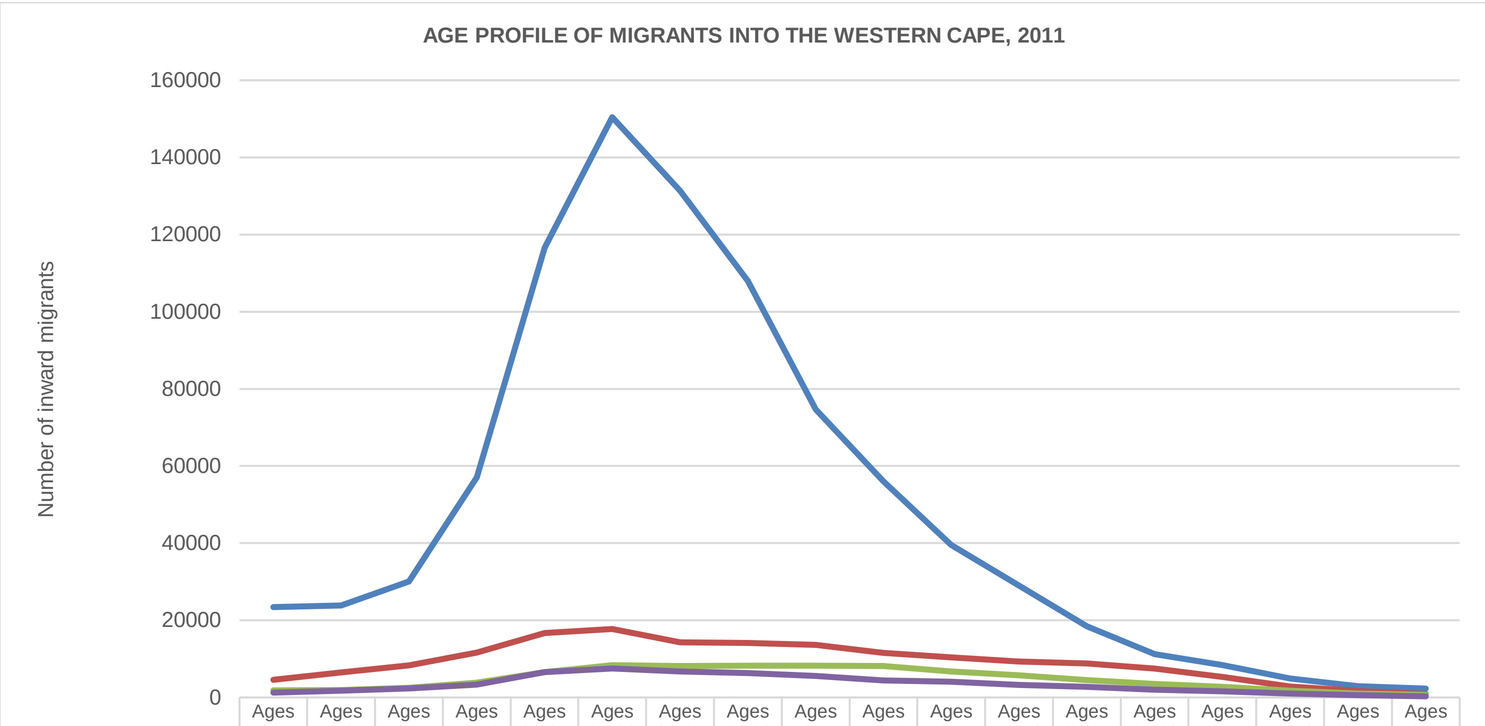
Source: Quantec, 2016

The race profiles of those who migrated to the Western Cape from all other 8 provinces can be seen below. The pie chart shows that the largest population group is the African Black population, making up 69% of domestic migrants, followed by Whites which make up 21% of domestic migrants. The composition of the international migrants looks slightly different, with Black African still making up the lions share of 54%, however, this was folloed by Coloured people making up 24%. Many of the international migrants into the Western Cape identified with the "Other" race group (19%) possibly because they were black non-Africans or do not identify with the term "Black African" for other reasons.





The age profiles of those who migrated to the Western Cape from the Eastern Cape, Gauteng, the Northern Cape and Kwa-Zulu Natal province can be seen below. The largest age group that recorded migration in the 2011 census was from 25years to 29years, the modal age range. This follows the international patterns of migration laid out by the population division of the United Nations. They postulate that the "age distribution of migrants generally peaks in the 20s."



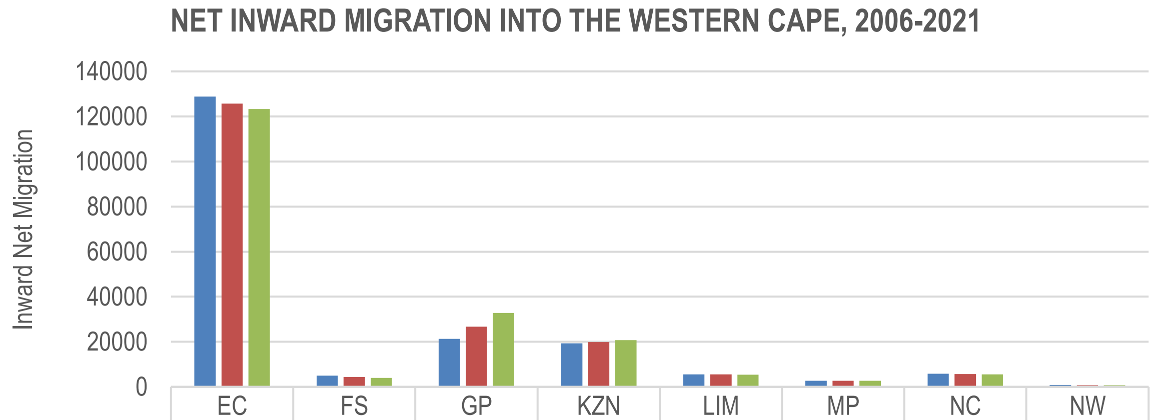
	Ages 0-4	Ages 5-9	Ages 10-14	Ages 15-19	Ages 20-24	Ages 25-29	Ages 30-34	Ages 35-39	Ages 40-44	Ages 45-49	Ages 50-54	Ages 55-59	Ages 60-64	Ages 65-69	Ages 70-74	Ages 75-79	Ages 80-84	Ages 85+
Eastern Cape	23447	23849	30072	57077	116608	150421	131376	107927	74611	56067	39562	28979	18399	11243	8356	4872	2941	2291
Gauteng	4539	6481	8348	11666	16695	17740	14316	14125	13653	11561	10390	9296	8825	7469	5354	2867	1685	909
Northern Cape	1853	1890	2479	3844	6604	8362	8180	8227	8224	8145	6692	5739	4484	3465	2768	1787	1002	687
KZN	1254	1746	2351	3318	6533	7509	6705	6331	5553	4411	4074	3216	2760	2002	1605	994	555	289

Quantec, 2016

3. Domestic Migration into the Western Cape, 2006-2021: Pull Factors

The graph below shows the net inward migration into the Western Cape from all other eight provinces of South Africa. The graph shows that the Western Cape is a net recipient of migrants from all eight provinces, with the highest inflow being from the Eastern Cape and the lowest from North-West Province. The graph shows that with the two major provinces, namely Gauteng and the Eastern Cape the trends are reversing. Overall, for the 5-year period 2006 to 2011 to the period 2016-2021, net inward migration from Gauteng have increased by 54.47%, whereas net inward migration from the Eastern Cape have declined by 4.28%. This trend reversal is surprising as a large pull factor for migrants from the Eastern Cape is the geographic proximity to the Western Cape, whereas Gauteng is not a neighbouring province with the Western Cape. The graph also reveals the following highlights:

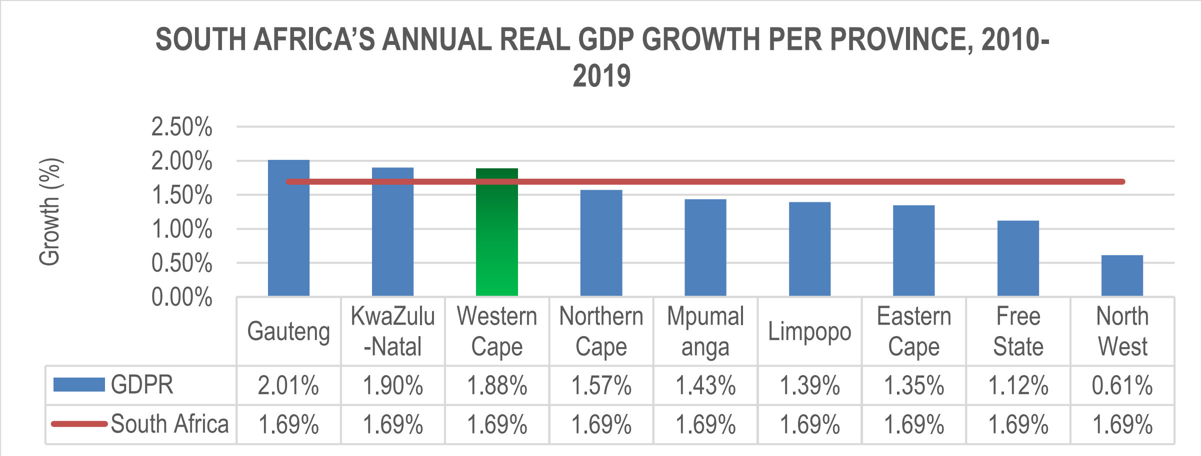
- Total domestic net migration into the Western Cape over the last 15 years reached 575 851.
- Net migration from the Eastern Cape and Gauteng totalled 377 908 and 80 882 over the last 15 years, respectively.
- Over the period 2016 – 2021, the Eastern Cape accounted for the largest proportion of migrants of 63.14%, followed by Gauteng with 16.82% and KZN with 10.63%



	EC	FS	GP	KZN	LIM	MP	NC	NW
2006 - 2011	128828	4910	21269	19317	5577	2644	5790	820
2011 - 2016	125760	4440	26759	19863	5476	2675	5645	756
2016 - 2021	123320	4002	32854	20754	5403	2756	5506	727

Source: Stats SA, 2021

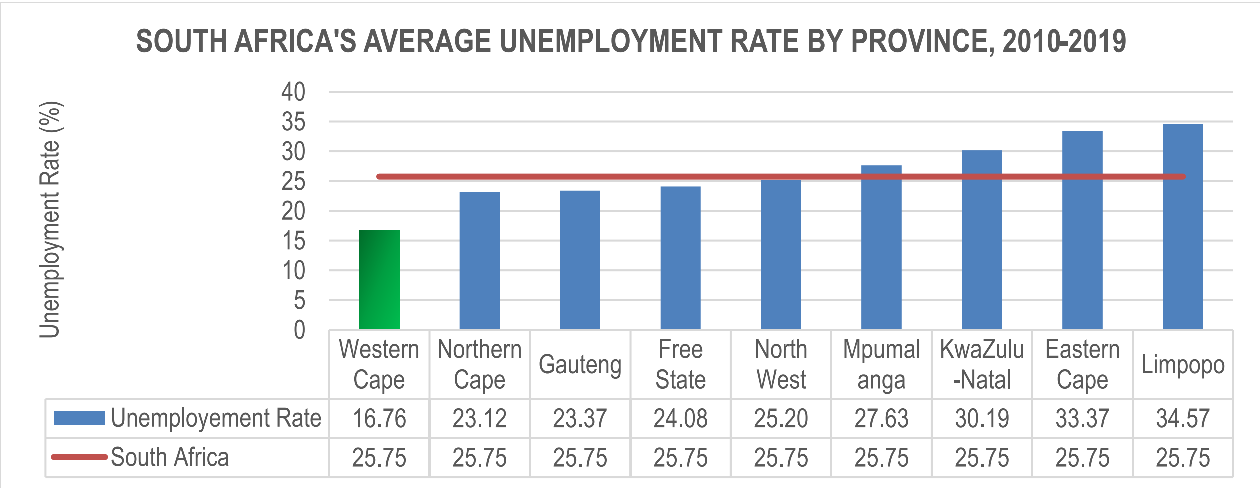
The socio-economic pull factors that attract people to the Western Cape includes the average economic growth rate, which outpaces the national average, as well as the employment opportunities and business confidence. The Western Cape's average annual growth over the last decade from 2010 to 2019 was higher than the national average over the same period by 0.21%. The Western Cape, Gauteng and KZN saw real GDP growth above the national average. This is unsurprising as these three provinces house the largest municipalities in the country. The growth differential, however, does not explain the growth in the migrants from Gauteng into the Western Cape.



	Gauteng	KwaZulu-Natal	Western Cape	Northern Cape	Mpumalanga	Limpopo	Eastern Cape	Free State	North West
GDPR	2.01%	1.90%	1.88%	1.57%	1.43%	1.39%	1.35%	1.12%	0.61%
South Africa	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%	1.69%

Source: Quantec, 2021[1]

Over the period 2010 to 2019, The Western Cape had the lowest average annual unemployment rate of 16.76% among the nine provinces, with the unemployment rate in the Western Cape being 9 percentage points lower than the national average. Moreover, the unemployment rate in the Western Cape was 5.35 percentage points lower than in Gauteng (23.12%), nearly 14 percentage points lower than in Kwa-Zulu Natal (30.19%) and more than half the rate of unemployment in the Eastern Cape (33.37%).

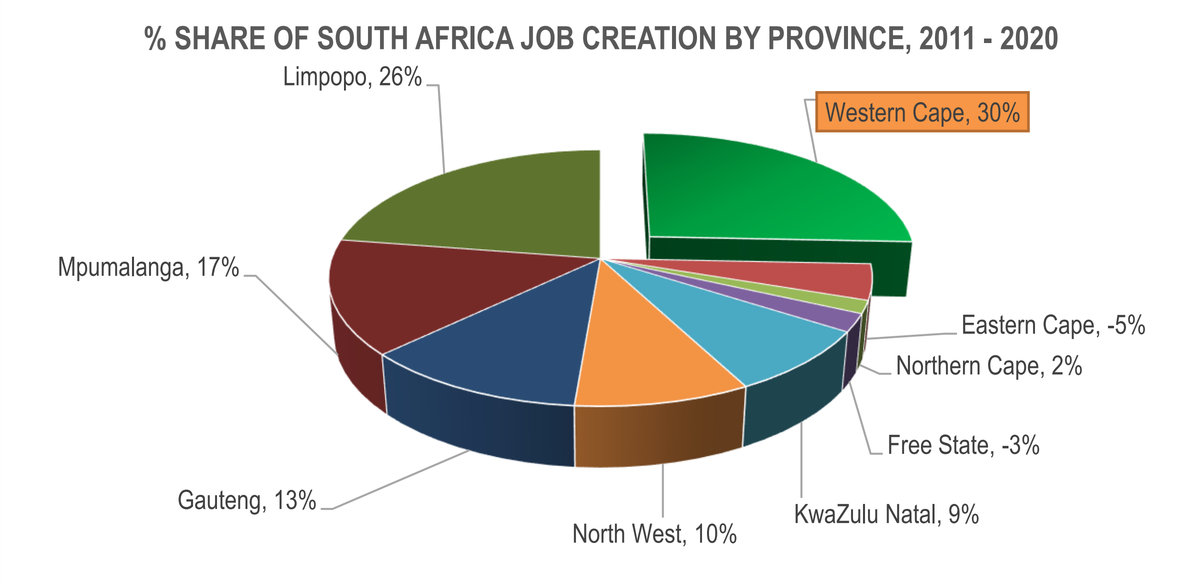


	Western Cape	Northern Cape	Gauteng	Free State	North West	Mpumalanga	KwaZulu-Natal	Eastern Cape	Limpopo
Unemployement Rate	16.76	23.12	23.37	24.08	25.20	27.63	30.19	33.37	34.57
South Africa	25.75	25.75	25.75	25.75	25.75	25.75	25.75	25.75	25.75

Source: Quantec, 2021

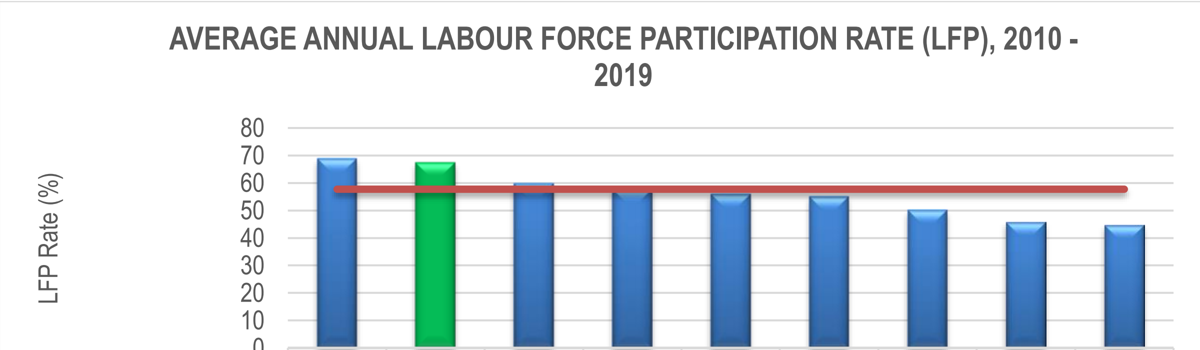
Furthermore, of the 1.12 million jobs created in South Africa from 2011 to 2020, more than 330 000 of these jobs were created in the Western Cape, thereby being the largest contributor of overall job creation in the country of 30% over the period specified. Limpopo was the second largest creator of jobs, contributing just under 294 000 jobs (26%) to the country. Mpumulanga, contributing 17% of overall job creation, followed this, while Gauteng and the North West accounted for 13% and 10% of overall job creation in South Africa over the period 2011 to 2020.

[1] GDPR is sourced from Quantec and is derived by using the Gross Value Added at constant 2010 Basic Prices (Rm)



Source: Stats SA, 2021

Furthermore, the Western Cape also had the second highest labour force participation rate in the country of 67.37% over the period 2010 to 2019. This labour force participation rate was higher than the national average by nearly 10 percentage points. Moreover, Gauteng had the highest labour force participation rate of 68.68%, which was less than 1 percentage point more than that of the Western Cape and 10.94 percentage points higher than the national average. Mpumalanga (55.93%), Northern Cape (55.13%), Kwa-Zulu Natal (50.08%), Limpopo (45.72%) and Eastern Cape all average labour force participation rates lower than the nation average of 57.74% over the period 2010 to 2019.

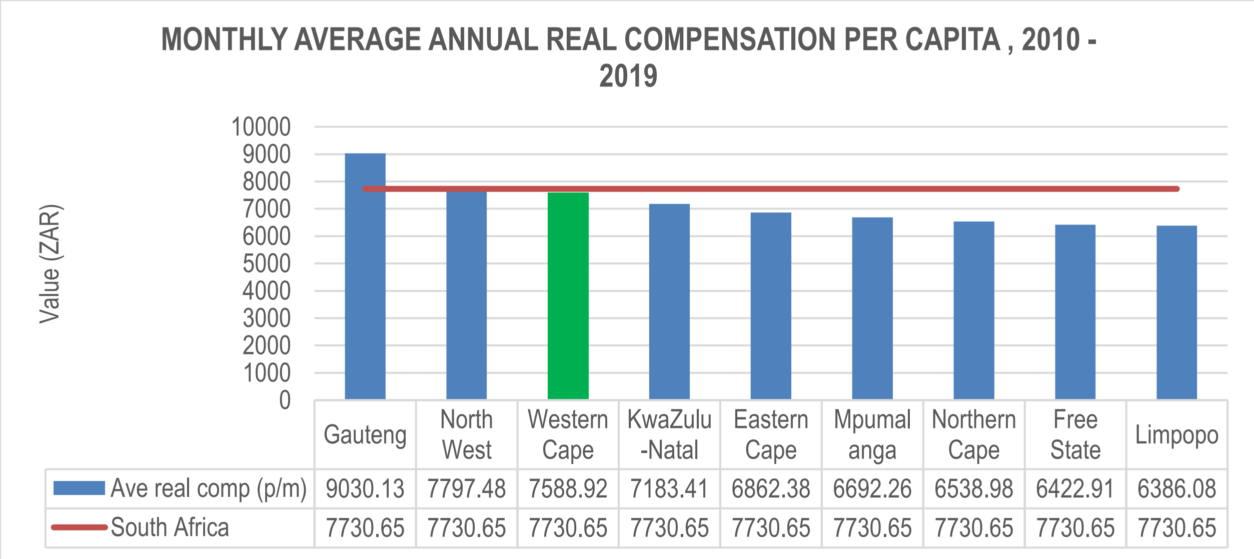


	Gauteng	Western Cape	Free State	North West	Mpumal anga	Northern Cape	KwaZulu -Natal	Limpopo	Eastern Cape
Average LFP rate	68.86	67.34	59.83	57.80	55.93	55.13	50.08	45.72	44.71
South Africa	57.74	57.74	57.74	57.74	57.74	57.74	57.74	57.74	57.74

Source: Quantec, 2021

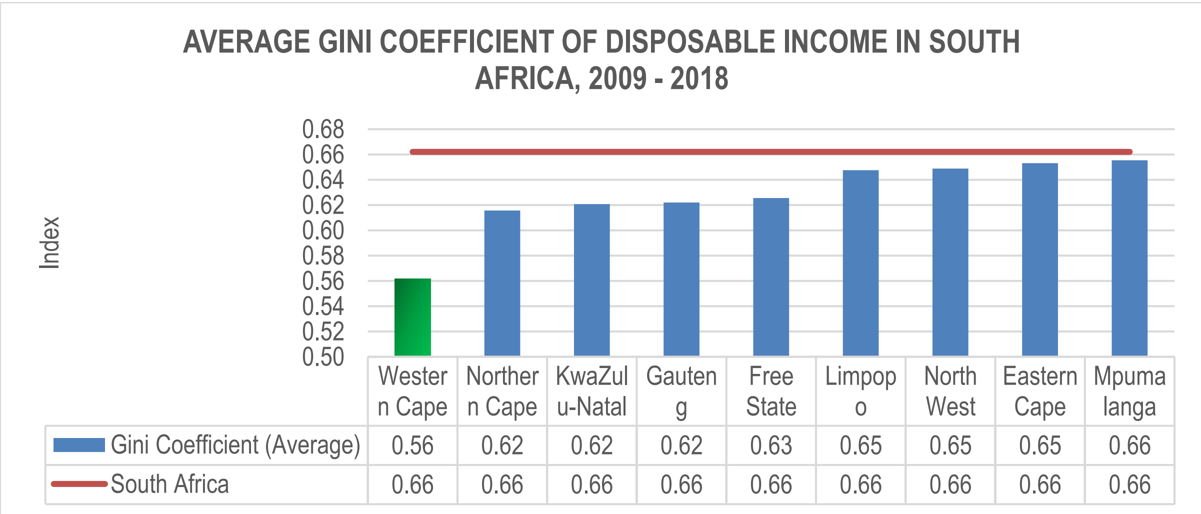
The graph below shows the average annual real compensation[2] per capita earned by workers on a monthly basis in South Africa, as well as the nine provinces from 2010 to 2019. From the graph, it is evident that Gauteng had the highest average real monthly wages of ZAR9030.13, followed by North West (ZAR7797.48). The Western Cape had the third highest average monthly wage of ZAR7588.92, albeit being placed third over a 10-year period does not negate other significant pull factors offered by the Western Cape such as those mentioned above.

[2] Average real compensation is derived by using the constant 2010 prices in ZAR million and dividing this by the average of workers employed (formal and informal) from 2010 – 2019.



Source: Quantec, 2021

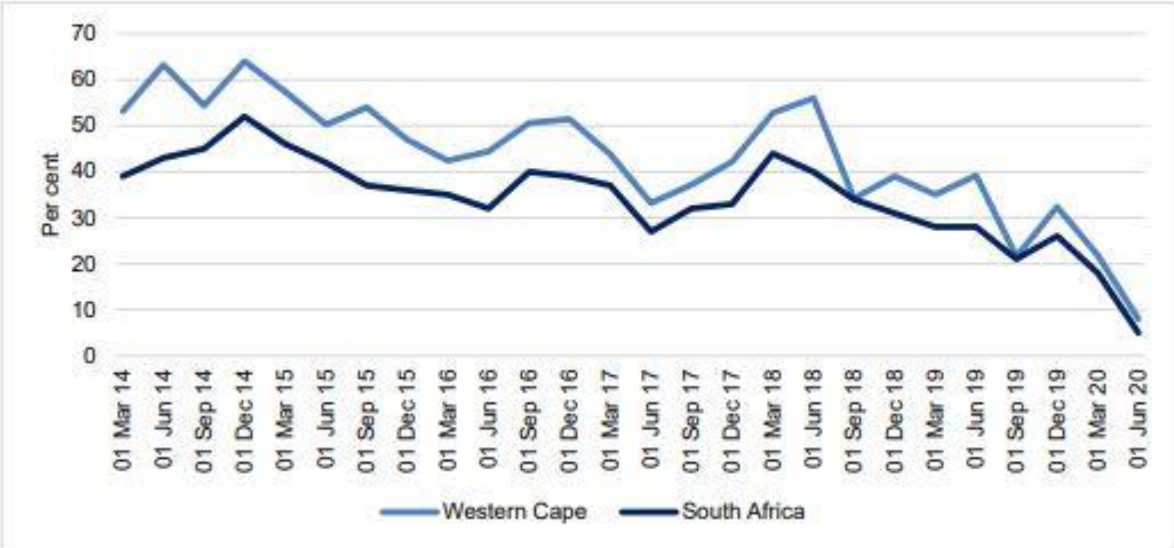
The Gini Coefficient is a metric used to measure the degree of income inequality of a country or region. The graph below illustrates the average Gini Coefficient Indix (GCI) for South Africa and its nine provinces based on the level of disposable income within each province. From the graph, it is evident that over the 10-year period analysed, the Western Cape had the lowest degree of disposable income inequality – represented by an average annual GCI of 0.56. This GCI was ten index points lower than the national average and eight index points lower than the second lowest GCI of Gauteng (0.62) and KZN (0.62). As disposable income may be directly related to savings and quality of life, it could explain much of the pull factors of migration toward the Western Cape over the last ten years.



Source: Quantec, 2021

The BER determines the confidence index by taking the percentage of respondents that rate prevailing conditions as satisfactory as an indicator or proxy of business confidence. The composite RMB/BER Business Confidence Index (BCI) is the unweighted mean of five sectoral indices, namely that of manufactures, building contractors, retailers, wholesalers and new vehicle dealers. Business confidence can vary between 0 and 100, where 0 indicates an extreme lack of confidence, 50 neutrality and 100 extreme confidence. Although the Western Cape fared better than the national average, business confidence still decreased steadily over the period 2014 to 2020, with a steep drop toward the first half of 2020.

FIGURE: BUSINESS CONFIDENCE INDEX, WESTERN CAPE AND SOUTH AFRICA, 2014 - 2020



Source: Pero, 2020

One of the major pull factors associated with migration is the quality of education available. In 2019, there were six Technical Vocational Education and Training (TVET) Colleges in the Western Cape with 90 627 (or 13.5%) enrolled in 2019. TVET colleges in the Western Cape had the highest completion rates on all levels, NC(V) level 2 (74.2%), NC(V) level 3 (71%) and NC(V) level 4 had a completion rate of 66.5% in 2019.

FIGURE: REGISTERED STUDENTS IN TVET COLLEGE BY NC(V) QUALIFICATION, PROVINCE AND LEVEL, 2019

Province	NC(V) Level 2				NC(V) Level 3				NC(V) Level 4			
	Number registered	Number wrote	Number completed	Completion rate (%)	Number registered	Number wrote	Number completed	Completion rate (%)	Number registered	Number wrote	Number completed	Completion rate (%)
Eastern Cape	10 622	5 266	3 150	**59.8**	4 808	3 828	2 290	**59.8**	3 772	3 275	1 651	**50.4**
Free State	4 507	2 138	1 363	**63.8**	1 617	1 311	706	**53.9**	1 116	1 010	561	**55.5**
Gauteng	17 395	8 252	5 099	**61.8**	7 520	5 757	3 553	**61.7**	5 319	4 503	1 999	**44.4**
Kwazulu-Natal	15 795	9 405	5 398	**57.4**	6 932	5 568	3 104	**55.7**	4 802	4 070	1 850	**45.5**
Limpopo	11 163	7 745	4 458	**57.6**	6 978	5 996	3 022	**50.4**	4 928	4 345	2 019	**46.5**
Mpumalanga	7 114	3 757	2 324	**61.9**	3 689	2 859	1 581	**55.3**	2 409	2 026	1 149	**56.7**
North West	4 167	2 071	1 255	**60.6**	1 989	1 563	911	**58.3**	1 246	1 056	509	**48.2**
Northern Cape	1 709	625	342	**54.7**	371	277	140	**50.5**	233	180	77	**42.8**
Western Cape	6 770	3 367	2 497	**74.2**	2 850	2 200	1 562	**71.0**	1 942	1 661	1 105	**66.5**
Total	**79 242**	**42 626**	**25 886**	**60.7**	**36 754**	**29 359**	**16 869**	**57.5**	**25 767**	**22 126**	**10 920**	**49.4**

Source: ***National Examinations Database, November 2019.***