



# Free facts

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**SA must guard against provincial decoupling**

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# FreeFACTS

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## SA must guard against provincial decoupling

South Africa is a large and diverse country. By area it is the 24th biggest country in the world with wide differences in climate, flora and fauna, and geology. And as the cliché goes, it is also the “Rainbow Nation,” with a diverse population, with groups of people who claim ancestry from many parts of the world.

This diversity is also seen economically. Parts of South Africa show economic and infrastructural development that could rival anything that is found in the developed world. It’s not for nothing that the coast around Cape Town is often used as a stand-in for southern California by movie and television production companies.

At the same time, other areas of South Africa look like they could be from any failed African state, or from one of the sprawling shanty towns that are features of cities in much of the developed world.

These differences are also seen in the economic performance of South Africa’s nine provinces. As a rule Gauteng and the Western Cape are the two biggest contributors to our overall economic performance. They are the only two provinces where the overall economic output is significantly higher than their share of the national population. For example, Gauteng accounts for 26.7% of South Africa’s population, but a third of overall economic output. The Western Cape makes up 12% of this country’s population, but accounts for 14% of South Africa’s GDP.

But concerningly, the Western Cape could be starting to decouple from South Africa. Its economic growth seems more robust, as does its employment numbers. In addition, between 2023 and 2024 residential property prices grew the most in the Western Cape, going up by 7.7%. By contrast, in Gauteng the average property price grew by only 0.7% - only KwaZulu-Natal, Limpopo, and the Northern Cape saw bigger declines.

This reflects the relatively better governance that the Western Cape enjoys, compared to the rest of the country. In the long-term, it is vital that governance outcomes improve significantly in our other eight provinces – a continued decoupling as is currently occurring could have serious long-term consequences.

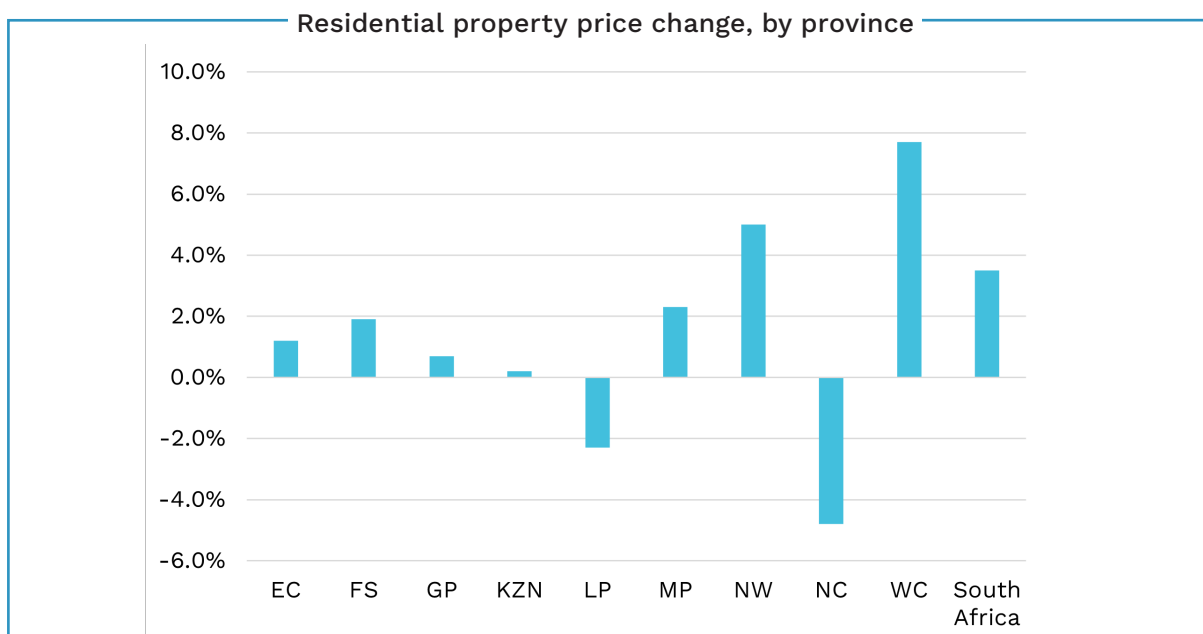
— Marius Roodt

## JOIN US

The IRR is an advocacy group that fights for your right to make decisions about your life, family and business, free from unnecessary government, political, and bureaucratic interference. FreeFACTS publishes evidence that communities are better off when individuals are free to make decisions about how they want to live, be educated, work, access healthcare, think, speak, own property, and protect their communities. If you agree with the issues we stand for, welcome to the team. There are millions of people just like you who are tired of South African politicians, activists, and commentators attempting to rein in your freedom to decide. Take control and make sure your voice is heard by becoming a friend of the IRR.

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## Provinces



Source: Statistics South Africa, *Residential Property Price Index*, March 2024, Statistical release P0160

Provincial GDP and GDP growth trends, 2015-23										
Province	GDP 2023 Rbn <sup>a</sup>	—Provincial GDP contribution to the economy of South Africa—				—Real growth rate <sup>b</sup> —				
		Rbn <sup>a</sup>	2015	2020	2022	2023	2015	2020	2022	2023
Eastern Cape	369.6		8.0%	7.7%	7.5%	7.7%	0.9%	-6.0%	2.1%	0.8%
Free State	221.6		4.9%	5.0%	4.9%	4.9%	-0.3%	-5.8%	1.8%	0.1%
Gauteng	1 558.40		33.4%	33.2%	32.9%	33.2%	1.2%	-7.3%	2.8%	0.7%
KwaZulu-Natal	766.7		16.4%	16.2%	16.0%	16.2%	1.2%	-4.9%	1.0%	1.1%
Limpopo	329.7		7.2%	7.6%	7.8%	7.6%	1.9%	-6.4%	0.9%	0.6%
Mpumalanga	342.1		7.5%	7.8%	8.0%	7.8%	0.4%	-5.3%	0.5%	0.4%
North West	284.6		6.3%	6.5%	6.7%	6.4%	4.1%	-5.6%	0.5%	0.3%
Northern Cape	99.1		2.1%	2.2%	2.3%	2.3%	2.0%	-5.2%	1.1%	0.5%
Western Cape	660.6		14.1%	13.8%	13.8%	14.0%	1.4%	-5.9%	2.8%	0.8%
<b>South Africa</b>	<b>4 632.40</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.3%</b>	<b>-6.2%</b>	<b>1.9%</b>	<b>0.7%</b>

Source: Stats SA, [www.statssa.gov.za](http://www.statssa.gov.za), *Provincial gross domestic product 2023*, Statistical release P0441.2, 19 September 2024, time series data, accessed 23 September 2024

a At constant 2015 prices.

b The percentage change from the previous year.

## Provinces

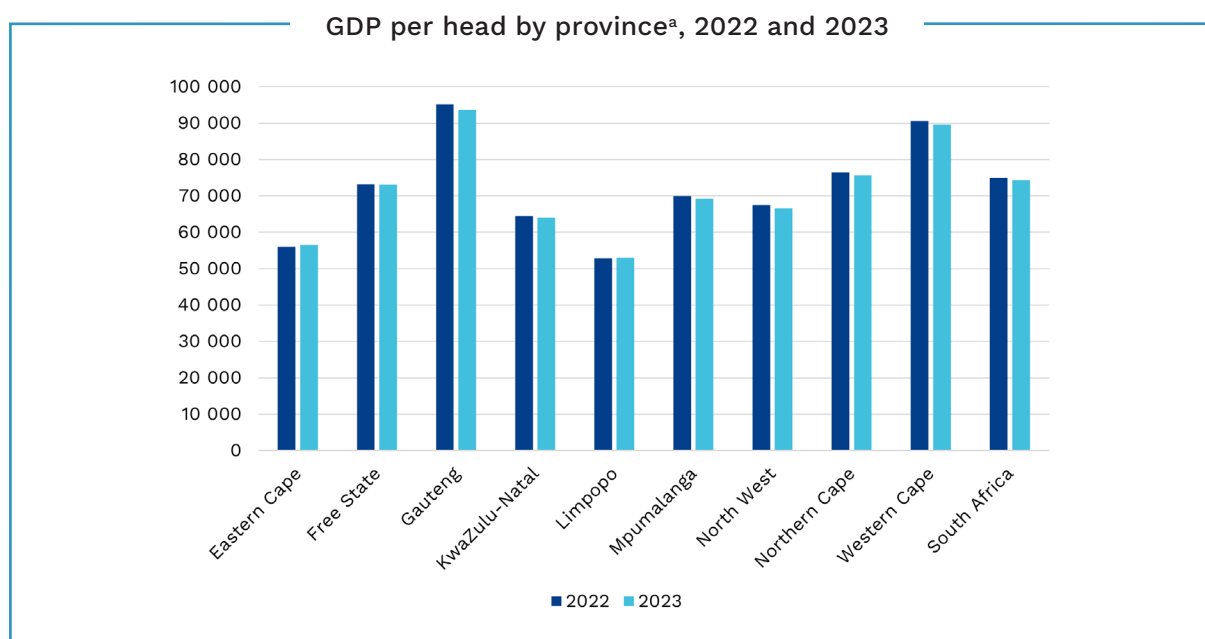
GDP per head by province <sup>a</sup> , 2022 and 2023						
Province	—Population millions <sup>b</sup> —		—GDP Rm—		—GDP per head <sup>c</sup> —	
	2022	2023	2022	2023	2022	2023
Eastern Cape	6.54	6.54	366 666	369 581	56 065	56 511
Free State	3	3.03	219 724	221 627	73 241	73 144
Gauteng	16.27	16.64	1 549 527	1 558 387	95 238	93 653
KwaZulu-Natal	11.82	11.96	761 998	766 726	64 467	64 108
Limpopo	6.17	6.23	326 393	329 712	52 900	52 923
Mpumalanga	4.86	4.94	340 142	342 126	69 988	69 256
North West	4.21	4.27	284 252	284 596	67 518	66 650
Northern Cape	1.29	1.31	98 623	99 078	76 452	75 632
Western Cape	7.23	7.37	655 071	660 600	90 605	89 634
<b>South Africa</b>	<b>61.38</b>	<b>62.28</b>	<b>4 600 300</b>	<b>4 632 433</b>	<b>74 948</b>	<b>74 381</b>

Source: Stats SA, [www.statssa.gov.za](http://www.statssa.gov.za), *Provincial gross domestic product 2023*, Statistical release P0441.2, 19 September 2024, time series data, accessed 23 September 2024; *General Household Survey 2023*, Statistical release P0318, released 23 May 2024, p2

a At constant 2015 prices.

b Population figures are from General Household Survey 2023. The population estimates which incorporate the results of Census 2022 will be released during 2025.

c IRR calculations.



## Provinces

### GDP<sup>a</sup> by province and industry (actual numbers), 2023

Province	Agriculture	Mining	Manufacturing	Electricity, gas and water	Construction	Trade
			—Rbn—			
Eastern Cape	11.6	1.3	71.4	11	12.3	79.3
Free State	16.5	27.9	36.1	11.9	5.4	40.7
Gauteng	12.1	50.3	366	73.3	50.7	286.1
KwaZulu-Natal	45.9	14.2	177	35.8	27.5	138.9
Limpopo	14.8	109.5	18.7	13.4	9.3	65.3
Mpumalanga	17.7	98.2	65.1	28.8	9.9	65.6
North West	12.5	113.4	23.4	15.2	6.2	48.1
Northern Cape	11.3	27.4	6.2	4.7	2.1	17.2
Western Cape	41.3	1.9	146.5	25.3	31.8	136.6
<b>South Africa<sup>b</sup></b>	<b>183.8</b>	<b>444.2</b>	<b>910.5</b>	<b>219.4</b>	<b>155.2</b>	<b>877.7</b>



### GDP<sup>a</sup> by province and industry (actual numbers), 2023

Transport	Finance	Personal services	General government	Taxes less	Total <sup>b</sup>
			—Rbn—		
26.9	87.6	125.5	55.8	54.6	537.4
21.2	60.3	55	32.2	34.7	342.1
181.2	635.8	220.2	217.6	236.6	2 329.80
99	195.7	210.9	77.3	115.5	1 137.70
22.9	70	114.5	42.9	54.4	535.6
23.9	78.8	81.8	24	55.8	549.5
21.5	64	70.7	28.5	45.6	449.1
12.7	20	25.7	15	16.1	158.2
85.6	259.7	103.2	52.7	100	984.7
<b>495</b>	<b>1 471.80</b>	<b>1 007.30</b>	<b>546</b>	<b>713.2</b>	<b>7 024.00</b>

Source: Stats SA, [www.statssa.gov.za](http://www.statssa.gov.za), *Provincial gross domestic product 2023*, Statistical release P0441.2, 19 September 2024, time series data, accessed 23 September 2024

a At current prices.

b Figures should add up vertically and horizontally but may not, owing to rounding.

## Provinces

### Provincial contribution to GDP, national population, employment and total tax revenue, 2023

	Contribution to GDP	Contribution to national population	Contribution to employment	Contribution to individual total tax assessed <sup>a</sup>
Eastern Cape	7.7%	10.5%	8.8%	8.2%
Free State	2.3%	4.9%	4.5%	4.7%
Gauteng	33.2%	26.7%	30.5%	35.7%
KwaZulu-Natal	16.2%	19.2%	16.2%	15.8%
Limpopo	7.8%	10.0%	9.0%	5.1%
Mpumalanga	7.8%	7.9%	7.1%	6.0%
North West	6.4%	6.8%	5.4%	4.4%
Northern Cape	2.3%	2.1%	2.0%	2.1%
Western Cape	14.0%	11.8%	16.6%	18.0%
<b>South Africa</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Stats SA, [www.statssa.gov.za](http://www.statssa.gov.za), *Provincial gross domestic product 2023*, Statistical release P0441.2, 19 September 2024, time series data, accessed 23 September 2024; *General Household Survey 2023*, Statistical release P0318, released 23 May 2024, p2; *Quarterly Labour Force Survey Quarter 2 2023*, Statistical release P0211, p5; SARS, *Tax Statistics 2023*, p54, accessed 24 September 2024

<sup>a</sup> 2022 data. Based on where the taxpayer resides as submitted on income tax returns. The total includes an individual tax data where province data was insufficient.