

Western Cape agricultural performance based on the agricultural survey and Census 2022

by Tshepo Morokong¹

¹Deputy Director: Macro and Resource Economics, Agricultural Economic Services, Western Cape Department of Agriculture, Elsenburg, 7607.
Tel: +27 (0)21 808 5195, email: tshepo.morokong@westerncape.gov.za

1 Introduction

Agriculture (incl. forestry and fisheries) in South Africa contributes 3% of the national economy and 6% to total employment. The total income generated from agriculture and related services industry grew by 11,2% in 2022, having increased from R404,8 billion in 2021 to R450,2 billion in 2022 (Stats SA, 2022). Furthermore, employment increased from 783 745 to 814 518 jobs between 2021 and 2022 respectively, showing a growth rate of 4% (30 773).

The recorded employment numbers in agriculture and related services industry are higher than pre-pandemic employment numbers recorded for 2019, 2018 and 2017. This growth is ascribed to animal and animal products, which contributed the largest share of R172,8 billion, followed by horticultural crops at R109,5 billion and field crops at R95,4 billion (Stats SA, 2022).

Following Statistics South Africa's release of the Census 2022 and the Agricultural Survey 2023, this report presents an overview of the performance of agriculture in the Western Cape (WC). Starting with a discussion of population growth, the provincial-level agricultural industry performance and household-level participation in agriculture. The Western Cape's unique climate has a comparative advantage for horticultural products and it is also conducive for field crops and animal farming, albeit less in

comparison to horticulture. The province is responsible for more than half of the national primary agricultural exports to the world in value terms.

2 Population growth

The use of population statistics along with other economic indicators, such as the gross domestic product (GDP,) are useful for determining the GDP per capita, which is often used as a proxy for measuring the average standard of living. Moreover, the population growth is indicative of the increasing demand for agricultural products and in-depth analysis of the composition of the population provide insights for policymakers to make informed decision. South Africa's population increased by 20% (10,2 million) in the past 11 years between 2011 and 2022 (Stats SA, 2023). In the same period the Western Cape population increased at a faster rate of 28% (1,6 million). The province accounts for almost 12% share of the total national population. The Western Cape is the third most populated province after Gauteng (24%) and KwaZulu-Natal (20%). **Figure 1** shows the absolute population of the province and the relative share of the national population for each year of the Census from 1996 to 2022. For the past 26 years, the province's population has been increasing at an annual average

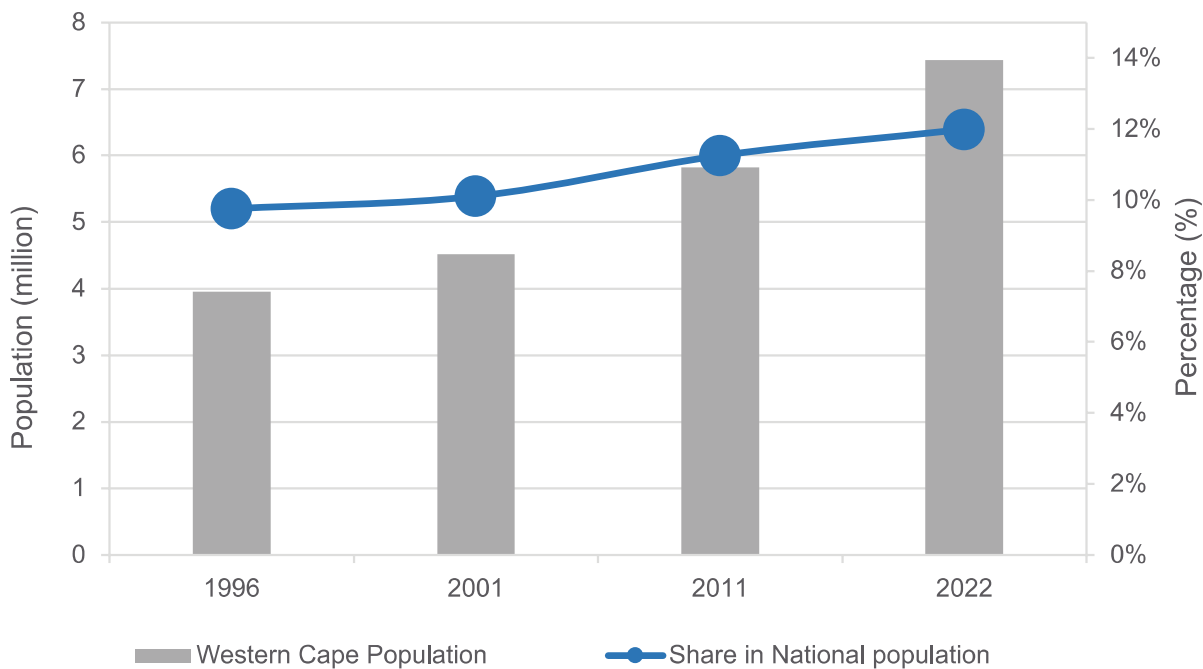


Figure 1: Western Cape Census absolute and relative population, Census 1996-2022.

Source: Stats SA, 2023

growth rate of 2,5% higher than the national annual average of 1,6%.

The Western Cape province population age distribution concerning the median age is 31 years in 2022, showing a decline of 3 years from 2011 and a decline of 5 years in both 2001 and 1996. By population groups in the 2022 Census, data shows a median age of 27 for Black African, 30 for Coloured, 37 for Indian/Asian and 45 for White.

Figure 2 reveals the regional breakdown of the Western Cape population by district for the period 2012 and 2022.

It observed that the majority of the province’s population resides in the Cape Town metropole area (64%), and the City of Cape Town has the fastest-growing population, which increased at a rate of 2% per annum over the past year. Overall, the relative breakdown of the population has not changed significantly over the past »

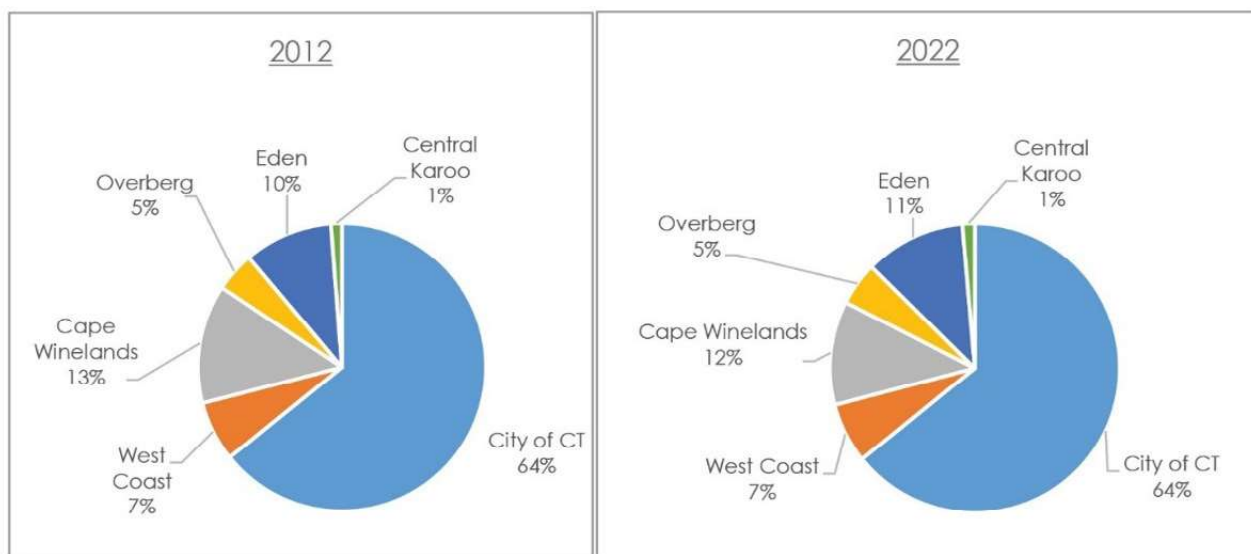


Figure 2: Western Cape population by district for the period 2012 and 2022.

Source: Morokong, Murdoch, Barends & Sibulali, 2023

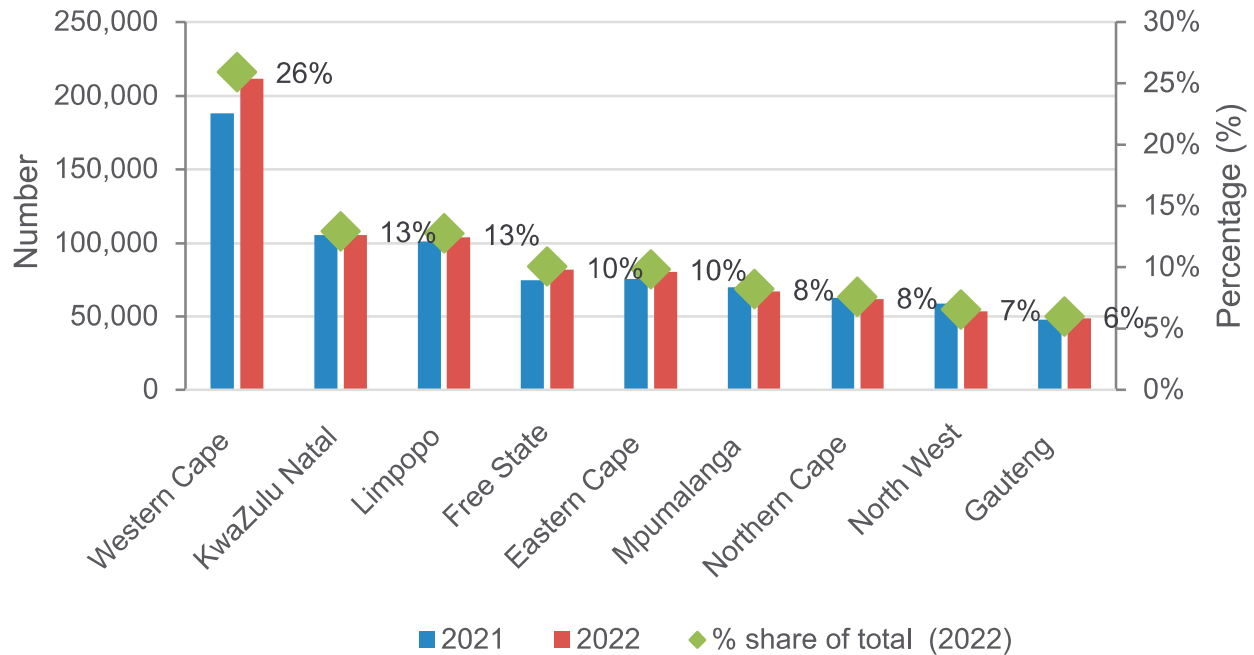


Figure 3: RSA agriculture and related industry employment by province, 2021 and 2022.

Source: Stats SA, 2022

decade, with the Garden Route (Eden) showing a growth of 1% and the Cape Winelands decreasing by 1%.

3 Provincial-level agricultural performance

Figure 3 illustrates agriculture and related services industry employment numbers per province during the period 2021 and 2022, and the share of total employment in 2022. In both years, the WC was a major employer in agricultural and related services. In 2022 the WC contributed 26% of total national employment in agriculture and related services industry. Only six of nine provinces experienced a positive employment growth rate between 2021 and 2022, in the lead was the WC, which grew by 12,4%, followed by Gauteng at 1,6%, and Free State at 9,7%, to mention a few.

Nationally, the agriculture and related services industry sales of goods and services increased from R375 billion to R410 billion in 2021 and 2022 respectively (Stats SA, 2022). Figure 4 illustrates the share (%) contribution of each province to agriculture and related industry services income generated through sales of goods

and services in 2021 and 2022. The WC agricultural sector is leading in both years, accounting for a share of 20% and 19% in 2021 and 2022 respectively. It showed a slight decline of 1% (R2,9 billion) in relative share in 2022, followed by the Free State at 14%, which has remained the same in both years. Gauteng and KwaZulu-Natal's relative shares increased by 2% and 1% respectively.

4 Western Cape agricultural households

The number of agricultural households declined by 35% from 84 567 in 2011 to 54 644 in 2022 (Stats SA, 2023). A closer look at the type of agricultural activities undertaken by participating households shows more than half of them involved in fruit or crop production (55%), followed by livestock and poultry production (28%), then grain, food, crop and industrial crops (10%), mixed farming (fruit, crop combined with livestock) (4%) and other activities (3%). The data on the number of agricultural households by type of place used for agricultural activities indicates the use of backyards (64%), followed by farmland (27%) and the remaining 10% in

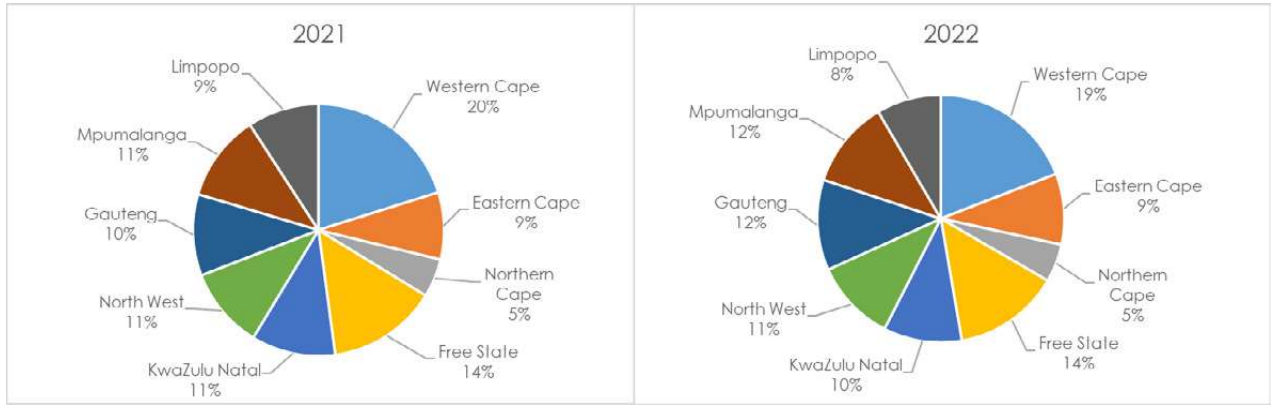


Figure 4: RSA agriculture and related services industry income by percentage contribution per province, 2021 and 2022. Source: Stats SA, 2022

communal and other unspecified locations.

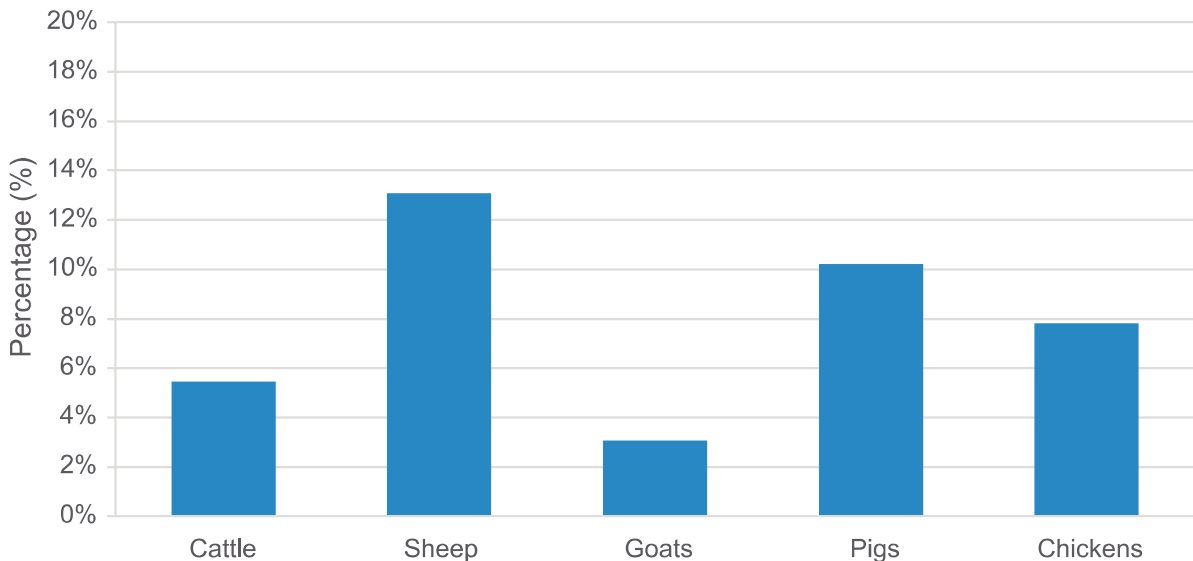
More than half (57%) of the agricultural households in the province are producing for their consumption, followed by 22% who produce only for sale, then 14% for sale and own consumption, and 7% for own consumption and sale. The Western Cape is a major player in the horticultural sector, and household-level agricultural activities also highlight this since more than half of them produce fruits or crops. However, the province is also involved in livestock farming. Figure 5 illustrates the percentage of livestock numbers in the province as a share of the national total. Nationally it is recorded that there are 12 million cattle and 17,6 million sheep and of those values, 5% and 13% are in the Western Cape. In the

case of goats (6,9 million) about 3% are in the province, pigs (1,9 million) about 10% and chickens (38,2 million) about 8%.

5 Concluding remarks

The role of agriculture in contributing to food security and economic growth is crucial in light of the growing population. However, the decline in the number of households involved in agricultural activities is concerning especially given the high cost of food and limited economic opportunities for the majority of the household in the province. However, these changes also reflect the shock on the domestic market due to extreme environmental events (e.g. droughts, fires, floods) that occurred in the past 11 years. >>

Figure 5: Western Cape share contribution to livestock numbers, Census 2022. Source: Stats SA, 2023





Coupled with the impact of the Covid-19 pandemic, energy challenges and geo-political instability in key trading markets it can be deduced why there were such major changes. The province continues to prioritise job creation, rural safety and economic growth as this is essential in keeping up with the growing population.

South Africa’s Agricultural Survey 2022 results presented a high-level overview of the agricultural industry’s performance.

Overall agriculture and related services industry income increased by 11,2% and employment numbers have surpassed pre-pandemic levels. Western Cape agriculture is dominant player in agriculture nationally and accounts for 26% of employment and contributes 19% of income

generated through sales of goods and services in agriculture and related services industry. However, the Agricultural Survey 2022 data was too aggregated and did not provide insights on the district and municipal level agricultural performance.

The lack of disaggregated data to cover district and municipalities limits the implementation of targeted interventions that are essential for removing bottlenecks in the agricultural value chains and ensuring adequate service delivery. Moreover, this is important to address in the next survey since agriculture takes place in local government, and municipal managers also rely on disaggregated data to inform their planning and decision-making, which have major implications on resource allocation. **AP**

References

Stats SA, 2023. *Statistical Release: Census 2022*, Pretoria: Department of Statistics South Africa

Stats SA, 2022. *Agricultural Survey (Preliminary)*, Pretoria: Department of Statistic South Africa
 Morokong, Murdoch, Barends & Sibulali. 2023. *Western Cape Agricultural Sector Profile*, Stellenbosch, Western Cape Department of Agriculture

Disclaimer

This document and its contents have been compiled by the Western Cape Department of Agriculture (WCDoA). Anyone who uses this information does so at his/her own risk and the WCDoA and the author(s) therefore, accept no liability for losses incurred resulting from the use of this information.

For more information, contact **Tshepo Morokong**: ✉ tshepo.morokong@westerncape.gov.za