economic development & tourism
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

MPUMALANGA
THE PLACE OF THE RISING SUN

SOCIO-ECONOMIC REVIEW & OUTLOOK FOR MPUMALANGA

SERO

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COMPILED BY: ECONOMIC ANALYSIS

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KEY FINDINGS

- In 2025, Mpumalanga's population of 5.08 million was equal to 8.0% of the national population.
- In 2024, Mpumalanga’s share of the national household number was 7.9% or 1.54 million.
- In terms of current prices, Mpumalanga's contribution to the national economy was the fifth largest with a share of 7.7% in 2024. In terms of constant 2015-prices, the contribution was, however, equal to 7.4% and placed Mpumalanga also fifth largest.
- In 2024, the three largest contributors to the provincial economy in constant 2015-prices were personal services (18.7%), finance (18.2%) and mining (15.2%).
- Mpumalanga’s average annual GDP growth of 0.3% per annum between 2019 and 2024 was the joint sixth fastest.
- In Q4 2025 the Mpumalanga economy was the largest ever on record.
- Current growth estimates for South Africa by the IMF points to subdued growth in 2026 (1.4%) and 2027 (1.5%).
- Mpumalanga’s GDP is forecasted to experience the same slow growth in 2026 and 2027 as is forecasted for the national economy.
- Between Q4 2024 and Q4 2025, Mpumalanga recorded 28 717 more jobs and the province registered an increase of 37 420 jobs over the last quarter.
- In Q4 2025, the employed in Mpumalanga was equal to 7.5% of the national number of employed.
- The latest employment level of 1.28 million was 37 537 more than the number employed in Q1 2020 before the lockdown was instituted.
- Trade (22.3%) and community services (21.4%) were the two industries that employed the highest number of individuals, whereas the utilities industry (2.7%) employed the lowest number.
- Mpumalanga (32.3%), recorded the joint fourth lowest official unemployment rate among the nine provinces.
- In Q4 2025, the male strict unemployment rate was 28.0%, the female unemployment 37.7% and the youth (15-34 years) unemployment rate was 44.7%.
- In 2023, 38.4% of Mpumalanga population lived below the lower-bound poverty line of R1 300 per capita per month.
- The Gini-coefficient was 0.541 in 2023 and Mpumalanga registered the lowest level among the nine provinces.
- In 2024, Mpumalanga recorded a HDI score of 0.67, an improvement from the relatively low level (0.57) achieved in 1996.
- Average household expenditure in Mpumalanga declined from R161 134 per annum in 2014/15 to R152 911 per annum (R12 743 per month) in 2022/23.
- The February 2026 inflation measurement in Mpumalanga of 2.7% was lower than the national level for the twenty-fifth consecutive month. It was also within the revised inflation target for the eighteenth consecutive month.
- By 2024, 5.5% of the people 20 years and older in Mpumalanga had not received any schooling.
- In 2025, Mpumalanga's Grade 12 pass rate (86.6%) was the seventh highest among the provinces.

TABLE OF CONTENTS

PREFACE

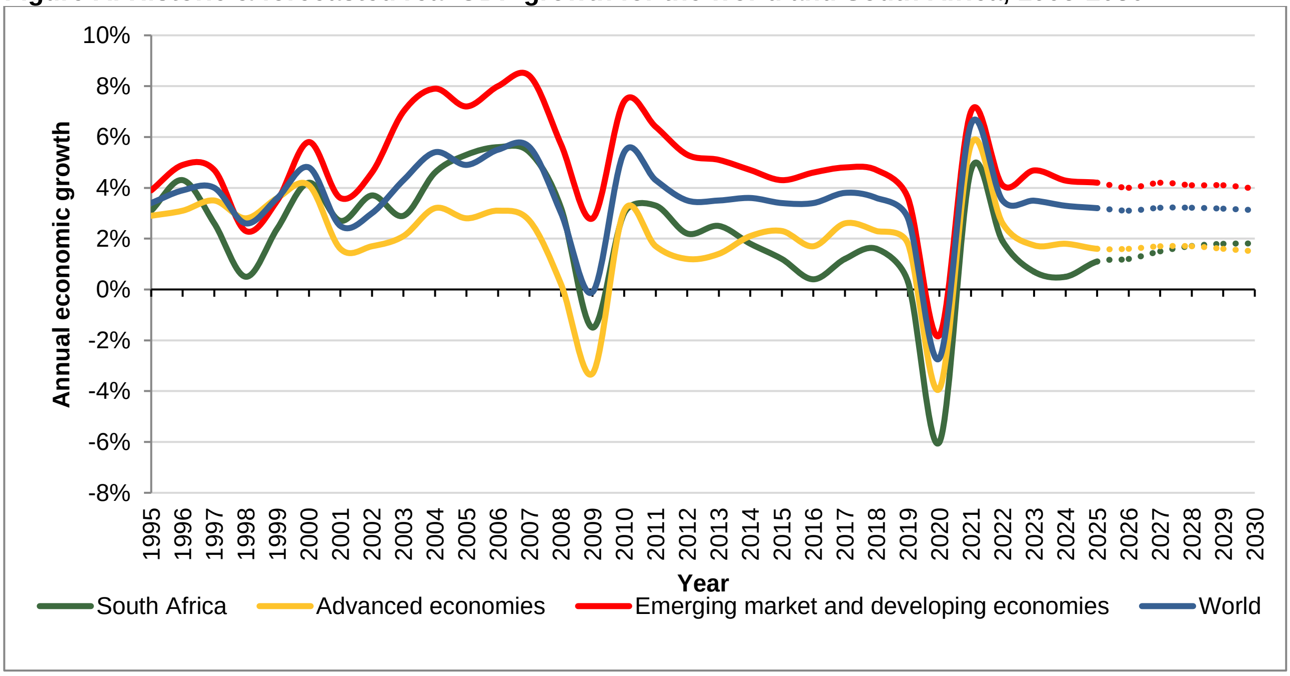
Economic outlook

In 2026, the global economy is expected to grow at a moderate rate of about 3.3%. Technology investment and ongoing fiscal and monetary support should help soften the impact of changing trade policies. Advanced economies are likely to grow at around 1.5%, helped by lower inflation and better financial conditions. At the same time, emerging market and developing economies are projected to grow just above 4%, supported by stronger activity in technology-related industries. Even so, high public debt levels, financial risks and structural problems in several major economies still weigh on the outlook.

Global growth is expected to stay stable through 2027 at around 3.2%. Trade tensions could ease, commodity prices might stabilise and financial conditions may improve. Advanced economies may see small gains as policies ease and inflation slows. Growth in emerging and developing economies should come from recovering exports, stronger domestic demand and lower inflation.

The downside risk, however, remain significant. Rising geopolitical tensions, possible setbacks in technology driven productivity and financial market corrections could slow global growth and prolong economic weakness. The recent conflict in the Middle East also adds uncertainty, increasing the risk of supply-chain disruptions and commodity price volatility, which may further negatively affect global confidence and economic activity.

Figure A: Historic & forecasted real GDP growth for the world and South Africa, 1995-2030



Source: International Monetary Fund (IMF) – World Economic Outlook, January 2026

The domestic economy tracked world growth relatively closely up to 2000 (Figure A). However, since then, and especially after the economic downturn in 2008/09, the domestic economy has struggled to achieve even modest world growth levels. In 2025, the South African economy expanded by 1.1% following an increase of only 0.5% in 2024. Forecast, however, suggest that South Africa could grow slightly faster than advanced economies towards the outer years of the outlook. The key measure of economic success identified in the Medium-term Development Plan (MTDP) is that South Africa achieves annual average gross domestic product (GDP) growth of 3% up to 2029/30.

Over the past three years, the economic growth has varied significantly across different industries (Table A). Finance, government services and personal services were the only industries to avoid any annual contractions. In contrast, construction experienced three consecutive annual contractions, while agriculture, manufacturing, utilities and trade recorded two contractions in the last three years. Real GDP grew by 1.1% in 2025, which was the fastest of the last three years. This growth was primarily driven by recoveries in agriculture, finance and transport. Despite improvements in electricity supply in 2025, industries such as manufacturing, utilities and construction failed to show growth.

Table A: GDP growth rates per industry at market prices (constant 2015 prices), 2023-2025

Industry	2023	2024	2025
Agriculture[1]	-4.6%	-8.7%	17.4%
Mining[2]	-0.1%	0.4%	0.2%
Manufacturing[3]	0.4%	-0.4%	-1.2%
Utilities[4]	-4.2%	3.5%	-4.3%
Construction[5]	-0.5%	-5.4%	-4.4%
Trade[6]	-1.6%	-1.2%	2.3%
Transport[7]	4.2%	-1.2%	0.8%
Finance[8]	1.4%	3.2%	1.9%
Government services[9]	0.7%	0.3%	0.4%
Personal services[10]	2.1%	1.2%	0.4%
Total	**0.8%**	**0.5%**	**1.1%**

Source: Statistics SA (Stats SA) – GDP, 2026

Table B: Forecasted growth for South Africa, 2026-2027

Organisation	2026	2027
IMF	1.4%	1.5%
OECD	1.3%	1.5%
World Bank	1.4%	1.5%
SARB	1.4%	1.9%
National Treasury	1.6%	1.8%

Sources: IMF – World Economic Outlook, January 2026
OECD – OECD Economic Outlook Interim Report, December 2025
World Bank – Global Economic Prospects, January 2026
SARB – Monetary Policy Committee (MPC) Statement, January 2026
National Treasury – 2026 Budget Review, February 2026

The IMF predicts a moderate increase in South Africa's real GDP, projecting slow growth of 1.4% in 2026, supported by resilient household spending, increased investment and ongoing structural reforms (Table B). The Organisation for Economic Cooperation and Development (OECD) projects that economic growth will expand by 1.3% in 2026, with an expected rise to 1.5% in 2027. The World Bank anticipates a similar expansion for South Africa in 2026 (1.4%) followed by an uptick in 2027 (1.5%). At the Monetary Policy Committee (MPC) meeting in January 2026 the economic growth forecast by the South African Reserve Bank (SARB) was pronounced as 1.4% for 2026 and 1.9% in 2027. The Minister of Finance announced in the February 2026 Budget Speech that the expected economic growth for 2026 is 1.6% and 1.8% for 2027.

[1] Detailed description = Agriculture, hunting, forestry and fishing
[2] Detailed description = Mining and quarrying
[3] Detailed description = Manufacturing
[4] Detailed description = Electricity, gas and water supply
[5] Detailed description = Construction
[6] Detailed description = Wholesale and retail trade, motor trade as well as hotels and restaurants
[7] Detailed description = Transportation, storage and communication
[8] Detailed description = Financial intermediation, insurance, real estate and business services
[9] Detailed description = General government services, central government, provincial government and local government
[10] Detailed description = Community, social and personal services i.e. education, health, social work, recreational, cultural

Domestic inflation outlook

The national average annual inflation rate as measured by the consumer price index (CPI) for 2025 was 3.2%. This was lower than the corresponding annual average rate of 4.4% in 2024. The year-on-year CPI (for all urban areas) was 3.0% in February 2026, down from 3.5% in January 2026. Inflation was within the revised target of the SARB for the eighteenth month in succession. The MPC announced at the conclusion of its March 2026 meeting that the SARB's national inflation forecast was 3.7% for 2026, 3.3% for 2027 and 3.0% for 2028.

Domestic balance of payments

South Africa's trade surplus shrunk slightly from R214 billion in 2024 to R212 billion in 2025 as the value of goods exports increased less than that of merchandise imports. The increase in the value of exports of goods and services in 2025 reflected higher export volumes and prices, while the increase in imports of goods and services reflected higher prices. The shortfall on the services, income and current transfer account narrowed slightly from R262 billion in 2024 to R247 billion in 2025. The deficit on the current account of the balance of payments narrowed noticeably to R35 billion in 2025 from R48 billion in 2024. The current account deficit as a ratio of GDP narrowed to 1.1% in 2025 from 0.7% in 2024.

Table C: South Africa's balance of payments on current account (R billions), 2024-2025

Components	2024	2025
Merchandise exports	1 893	1 906
Net gold exports	150	172
Merchandise imports	-1 828	-1 866
Trade balance	214	212
Net service, income & current transfer payments	-262	-247
Balance on current account	-48	-35
- As a % of GDP	-0.7%	-0.5%

Source: SARB – Balance of Payments, March 2026
Note: Due to rounding numbers do not necessarily add up to totals or change

Domestic labour market

In Q4 2025, approximately 17.1 million South Africans between the ages of 15 and 64 were employed in the economy. The domestic economy gained only 21 066 jobs in the twelve months between Q4 2024 and Q4 2025. To demonstrate the employment change in the 5-year period since 2020, Table D presents changes from the 5-year period from Q4 2020 to Q4 2025, annual changes from Q4 2024 to Q4 2025 as well as quarterly changes between Q3 2025 and Q4 2025.

The latest employment level of 17.1 million was 716 353 jobs more than the 16.38 million persons employed in Q1 2020 before the COVID-19 lockdown. Furthermore, the national economy gained 2.08 million jobs over the 5-year period for an average gain of 415 071 jobs per year. Over the 5-year period from 2020 to 2025, only private households lost jobs and the other nine added jobs. The highest number of job gains over the 5-year period were in finance (650 229) followed by community services (483 548).

The data presented in Table D demonstrates that six industries recorded job gains year-on-year. Employment levels in community services (75 427) and construction (65 466) increased the most between Q4 2024 and Q4 2025. The highest job destruction over the 1-year period was evident in manufacturing (-126 805).

In Q4 2025, the unemployment rate was 31.4%, which was slightly lower than the 31.9% recorded a year ago. The labour absorption rate (employment to population ratio) was 40.6% in Q4 2025, which was slightly lower/worse than the 41.1% registered in Q4 2024. The labour force participation rate in Q4 2025 (59.3%) was lower than a year (60.3%) ago.

Table D: South Africa's employment changes, 2020-2025

Industry	Employed number 2025 '000	5-year employment change Q4 2020 to Q4 2025 '000	Annual employment change Q4 2024 to Q4 2025 '000	Quarterly employment change Q3 2025 to Q4 2025 '000
Agriculture	950 168	139 959	26 223	30 018
Mining	433 825	60 269	-21 881	-5 315
Manufacturing	1 548 471	57 840	-126 805	-61 212
Utilities	133 650	34 538	23 135	24 493
Construction	1 424 540	258 459	65 466	34 937
Trade	3 325 736	262 623	-95 393	-98 083
Transport	1 140 462	197 657	76 460	27 559
Finance	2 961 745	650 229	13 845	32 021
Community services	4 034 400	483 548	75 427	46 180
Private households	1 128 836	-67 896	-17 435	17 582
Total	**17 098 908**	**2 075 357**	**21 066**	**44 085**

Source: Stats SA – Quarterly Labour Force Survey (QLFS), 2026
Note: Due to rounding numbers do not necessarily add up to totals or change

Labour productivity

According to the SARB *Quarterly Bulletin December 2025*, labour productivity in the formal non-agricultural sector accelerated from 1.0% in Q1 2025 to 3.0% in Q2 2025 as the year-on-year growth in non-agricultural output picked up and employment growth slowed. Growth in nominal unit labour cost in the formal non-agricultural sector eased further, dropping from 3.1% in Q1 2025 to 2.0% in Q2 2025 as growth in total remuneration slowed, while non-agricultural output growth accelerated.

Employment activity

The latest research by Career Junction shows the number of vacancies has increased by 4.5% year-on-year. Over the past two years (Q4 2023 to Q4 2025), hiring activity has increased by 1.5%.

When comparing hiring activity over the last three months (October, November and December 2025) with the previous three months (July, August and September 2025), overall recruitment activity increased by 6%. Hiring activity grew strongly for medical and health professionals (+36%), with additional increases recorded in warehousing and logistics (+10%). No significant declining hiring trends were observed in any industry during Q4 2025.

1. INTRODUCTION

The Socio-Economic Review and Outlook (SERO) of Mpumalanga is a bi-annual publication from Economic Analysis. The purpose of the SERO is to provide an essential reference to policy makers in Mpumalanga by providing socio-economic data and analysis for assessing the success of government social and economic policies in the province. Placing Mpumalanga on a sound growth and integrated development trajectory requires coherent and co-ordinated public sector response to the province's socio-economic opportunities and challenges. Therefore, the SERO is crucial in the provincial planning, policy and budget processes to ensure that any measures introduced by the Provincial Government, are in line with the ever-changing socio-economic dynamics.

The following socio-economic aspects of Mpumalanga were analysed in the September 2025 publication: demographics, aspects related to economic growth and job creation, aspects related to poverty and the high cost of living and aspects related to household services and crime. Due to the dynamic nature of data and the regular release of the latest data sets, it is important to note that the cut-off date for data presented in the document was the last week of March 2026.

Data presented was primarily sourced from Statistics South Africa (Stats SA) with certain aspects gathered from Department of Basic Education, Mpumalanga Department of Education, Department of Health, Health Systems Trust (HST), the Regional eXplorer (ReX) of S&P Global, IMF, National Planning Commission, OECD, Quantec, SARB, South African Social Security Agency (SASSA), South African Tourism and World Bank.

2. DEMOGRAPHICS

2.1. Population figures and growth

Population

Although the mid-year population estimates for 2025 are available, the official population figures remain those from *Census 2022*, and as such the analysis is not based on the 2025 estimate. According to Stats SA's *Census 2022*, Mpumalanga's population was 5.1 million or 8.3% of the national total (Table 1). Mpumalanga registered the sixth largest/fourth lowest share among the provinces. Gauteng (24.3%) was the province with the largest share of the national population, followed by KwaZulu-Natal with a 20.0% share. Northern Cape recorded the lowest percentage share of the national population at 2.2%. Mpumalanga's population increased by 1.1 million from 4.0 million in 2011, whilst the share of the national total increased from 7.8%.

Households

Although the household numbers from the General Household Survey (GHS) for 2024 are available, the official household figures remain those from Census 2022, and as such the analysis is not based on the 2024 survey. According to Stats SA's Census 2022, Mpumalanga's households numbered slightly more than 1.4 million or 8.0% of the national total in 2022 (Table 2). Mpumalanga registered the sixth largest/fourth lowest share among the provinces. Gauteng (29.8%) was the province with the largest share of South Africa's households, followed by KwaZulu-Natal with a 16.0% share. Northern Cape (1.9%) recorded the lowest percentage share of households. Mpumalanga's household number increased by 346 233 from 1.08 million in 2011 and the share of the national total increased by 0.6 percentage points.

Table 1: Population in South Africa by province, 2011, 2016, 2022 & 2025

Region	Census 2011		Community Survey 2016		Census 2022		Mid-year Population Estimate 2025	
	Number	% share of national	Number	% share of national	Number	% share of national	Number	% share of national
Western Cape	5 822 734	11.2	6 279 730	11.3	7 433 019	12.0	7 627 688	12.1
Eastern Cape	6 562 053	12.7	6 996 976	12.6	7 230 204	11.7	7 090 788	11.2
Northern Cape	1 145 861	2.2	1 193 780	2.1	1 335 946	2.2	1 379 183	2.2
Free State	2 754 590	5.3	2 834 714	5.1	2 964 412	4.8	3 039 834	4.8
KwaZulu-Natal	10 267 300	19.8	11 065 240	19.9	12 423 907	20.0	12 232 247	19.4
North West	3 509 953	6.8	3 748 436	6.7	3 804 548	6.1	4 183 947	6.6
Gauteng	12 272 263	23.7	13 399 724	24.1	15 099 422	24.3	16 104 933	25.5
Mpumalanga	**4 039 939**	**7.8**	**4 335 964**	**7.8**	**5 143 324**	**8.3**	**5 076 133**	**8.0**
Limpopo	5 404 868	10.4	5 799 090	10.4	6 572 720	10.6	6 366 192	10.1
Total	**51 770 560**	**100.0**	**55 653 655**	**100.0**	**62 027 503**	**100.0**	**63 100 945**	**100.0**

Sources: Stats SA – Census 2011
Stats SA – Community Survey (CS) 2016
Stats SA – Census 2022
Stats SA – Mid-year Population Estimates (MYPE) 2025

Table 2: Households in South Africa by province, 2011, 2016, 2022 & 2024

Region	Census 2011		Community Survey 2016		Census 2022		General Household Survey 2024	
	Number	% share of national	Number	% share of national	Number	% share of national	Number	% share of national
Western Cape	1 634 000	11.3	1 933 876	11.4	2 264 032	12.7	2 195 420	11.2
Eastern Cape	1 687 385	11.7	1 773 395	10.5	1 838 960	10.3	1 780 326	9.1
Northern Cape	301 405	2.1	353 709	2.1	333 553	1.9	388 338	2.0
Free State	823 316	5.7	946 639	5.6	845 250	4.7	1 023 981	5.2
KwaZulu-Natal	2 539 429	17.6	2 875 843	17.0	2 853 741	16.0	3 386 729	17.3
North West	1 062 015	7.3	1 248 766	7.4	1 141 291	6.4	1 431 861	7.3
Gauteng	3 909 022	27.1	4 951 137	29.3	5 318 665	29.8	5 981 072	30.6
Mpumalanga	**1 075 488**	**7.4**	**1 238 861**	**7.3**	**1 421 721**	**8.0**	**1 541 759**	**7.9**
Limpopo	1 418 102	9.8	1 601 083	9.5	1 811 565	10.2	1 821 800	9.3
Total	**14 450 161**	**100.0**	**16 923 309**	**100.0**	**17 828 778**	**100.0**	**19 551 285**	**100.0**

Sources: Stats SA – Census 2011
Stats SA – CS 2016
Stats SA – Census 2022
Stats SA – General Household Survey (GHS) 2024

Gender and age

Figure 1 shows the population cohort of Mpumalanga according to Census 2022. Females constituted 2.67 million or 52.0% of the provincial population distribution and males 2.47 million (48.0%). The youth cohort (0-34 year) made up 64.3% of the total population in the province and the age group 60 years and older, only 8.1%. The age cohort of 0-4 years represented the most populous age cohort with 542 593 individuals or some 10.6% of the provincial population. In South Africa, the youth cohort made up 61.1% of the total population and the age group 60 years and older, 9.9%. Nationally the most populous age cohort was also the 0-4 year group that represented some 9.4% of the population.

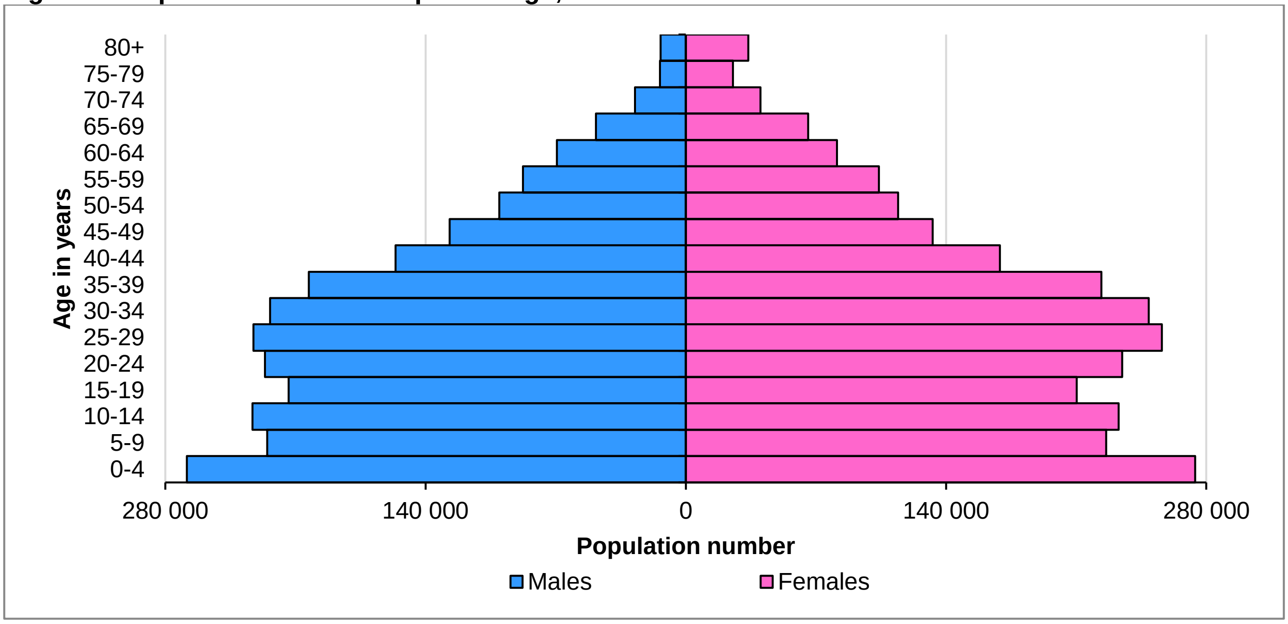
Population growth

Over the period 2011 to 2022, the population of South Africa increased by 1.8% per annum and that of Mpumalanga by 2.3% per annum. Mpumalanga recorded the second fastest average annual increase behind Western Cape (2.4%). According to estimates, the population of Free State increased the slowest - 0.7% annually (Figure 2).

Population groups

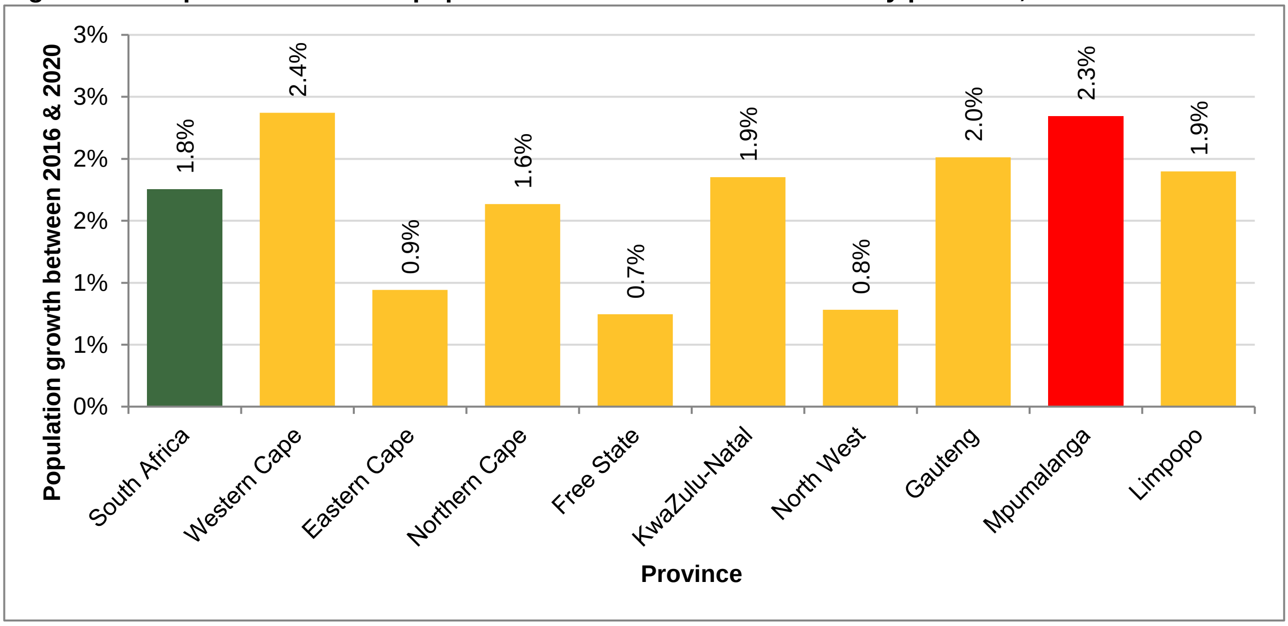
The breakdown by population group for Mpumalanga in 2011 and 2022, is presented in Figure 3. The majority of Mpumalanga's population in 2022 was Black Africans (95.2%) with Whites contributing 3.6%. Coloureds (0.6%) and Asians (0.5%) jointly contributed 1.1% to the total population in 2022.

Figure 1: Population cohort of Mpumalanga, 2022



Source: Stats SA – Census 2022

Figure 2: Comparison of annual population increase in South Africa by province, 2011-2022

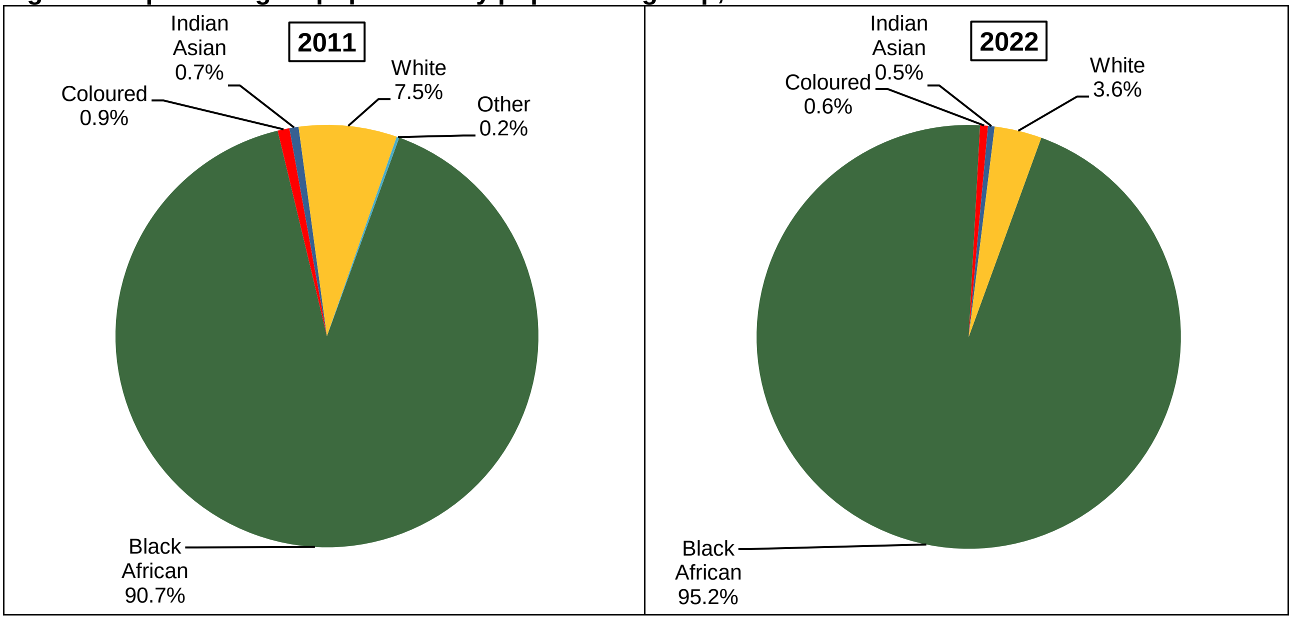


Sources: Stats SA – Census 2011
Stats SA – Census 2022

Population by district

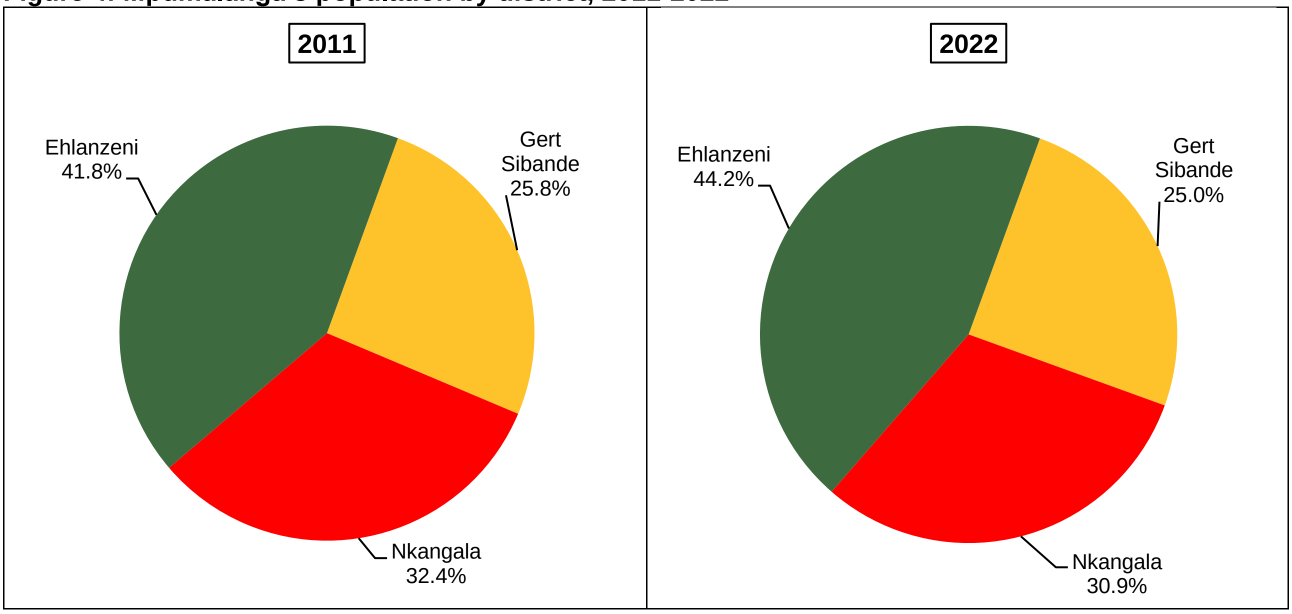
In 2022, 44.2% of Mpumalanga's population resided in Ehlanzeni, 30.9% in Nkangala and 25.0% in Gert Sibande (Figure 4). Females were in the majority in Ehlanzeni (52.8%), Gert Sibande (51.7%), as well as in Nkangala (51.0%). In 2022, 66.0% of Ehlanzeni's population was younger than 35 years of age, followed by Gert Sibande (64.3%) and Nkangala (61.8%).

Figure 3: Mpumalanga's population by population group, 2011-2022



Source: ***Stats SA – Census 2011***
Stats SA – Census 2022

Figure 4: Mpumalanga's population by district, 2011-2022



Source: ***Stats SA – Census 2011***
Stats SA – Census 2022

2.2 Fertility

The fertility rate is defined as the number of children the average women would have in her lifetime. According to the MYPE 2025, Mpumalanga's average fertility rate for the period 2011 to 2016 was 2.46 and 2.29 in the period 2016 to 2021. When compared with the other provinces Mpumalanga registered the joint sixth highest fertility rate for the period 2016 to 2021, with Limpopo (3.07) the highest and Gauteng (1.82) the lowest. It is anticipated that Mpumalanga's fertility rate will decline to 2.25 in the period 2021 to 2026. It is expected to again be the sixth highest of the nine provinces.

2.3 Life expectancy

The NDP targets both average male and female life expectancy at birth to improve to 70 years by 2030. In

2025, life expectancy in South Africa was 69.6 years for females and 64.0 years for males. Mpumalanga's male life expectancy at birth was 59.9 years for the period 2011 to 2016 and 61.1 years for the period 2016 to 2021. Mpumalanga's male life expectancy for the period 2016 to 2021 was the fourth highest of the nine provinces. Western Cape (66.0 years) had the highest/best male life expectancy with Free State (55.5 years) the lowest. According to the *MYPE 2025*, the projection for the period 2021 to 2026 is that male life expectancy in Mpumalanga could increase to 62.8 years.

Mpumalanga's female life expectancy for the periods 2011 to 2016 and 2016 to 2021 were 65.1 years and 66.4 years, respectively. Mpumalanga recorded the fourth highest female life expectancy for the period 2016 to 2021. Western Cape (71.2 years) had the highest/best female life expectancy and Free State (62.4 years) the lowest. According to the *MYPE 2025*, the projection for the period 2021 to 2026 is that female life expectancy in Mpumalanga could increase to 67.7 years.

2.4 Migration

Table 3 shows the net migration streams of the provinces over the period 2011 to 2022. The data was sourced from Census 2022. Intercensal migration analysis looks at migration flows between censuses. Western Cape, Northern Cape, North West, Gauteng and Mpumalanga showed positive intercensal net-migration. Therefore, between 2011 and 2022, more people migrated into these provinces than migrated out.

Gauteng and Western Cape recorded the highest number of persons who moved into these provinces since their birth as shown by the lifetime net migration. Mpumalanga registered a negative lifetime net migration of 24 246. This was the lowest negative lifetime migration.

Table 3: Net migration in South Africa by province, 2011-2022

Region	Intercensal migration	Lifetime migration
Western Cape	294 029	1 740 389
Eastern Cape	-62 629	-1 577 976
Northern Cape	12 094	-80 491
Free State	-9 878	-330 218
KwaZulu-Natal	-10 067	-428 786
North West	47 275	126 439
Gauteng	399 353	4 137 735
Mpumalanga	**12 650**	**-24 246**
Limpopo	-114 328	-1 202 122

Source: Stats SA – Census 2022

2.5 Disability

The disability status indicator is computed as prescribed by the United Nations (UN) disability index computation guidelines. A person is regarded as having a disability if they reported any of the following degrees of difficulty in the six functional domains of seeing, hearing, communicating, walking/climbing stairs, remembering or concentrating and self-care:

- A person who reported 'some difficulty' in at least two domains of functioning.
- A person who reported 'a lot of difficulty' in any of the six domains of functioning.
- A person who reported 'unable to do' in any of the six domains of functioning.

Table 4 presents the findings of Census 2011 and Census 2022 on disability in South Africa. Using the described classification system, 7.4% of South Africans aged 5 years and older were classified as disabled in 2011 and 6.0% in 2022. Mpumalanga's percentage of persons aged 5 years and older with disability was 7.0%

in 2011 and declined to 5.1% in 2022. Mpumalanga recorded the seventh largest/third lowest share of people with disability compared with the other provinces. Eastern Cape (8.5%) recorded the highest share and Gauteng (4.9%) the lowest.

Table 4: Percentage of persons aged 5 years and older with disability by province, 2011-22

Region	Census 2011	Census 2022
Western Cape	5.3%	5.4%
Eastern Cape	9.5%	8.5%
Northern Cape	11.0%	7.6%
Free State	10.9%	8.4%
KwaZulu-Natal	8.3%	6.1%
North West	9.8%	7.0%
Gauteng	5.2%	4.9%
Mpumalanga	**7.0%**	**5.1%**
Limpopo	6.7%	5.0%
South Africa	**7.4%**	**6.0%**

Source: Stats SA – Census 2022

3. ECONOMIC GROWTH AND JOB CREATION (MTDP PRIORITY 1)

The *Medium Term Development Plan* (MTDP) proposes three strategic, interrelated and interlinked priorities. Strategic Priority 1, *Inclusive Growth and Job Creation*, is established as the apex priority and all spheres of government, clusters and sectors must align efforts to drive relevant economic interventions. This priority mandates the implementation of policies and strategies designed to stimulate the economy, ensuring sustained GDP growth and the creation of new employment opportunities across various sectors.

3.1 Economic growth

The MTDP target is an average annual economic growth of at least 3%.

3.1.1 GDP contribution and growth

On 18 September 2025, Stats SA published statistics on provincial GDP from 2013 to 2024. Therefore, for the purpose of this publication, and to fill in the gap between 1996 and 2013, the provincial GDP estimates will combine the statistics from Stats SA as well as provincial GDP estimates from S&P Global.

Provincial contribution

It is estimated that in 2024, Mpumalanga contributed some R567.6 billion in current prices, or some 7.7% (fifth largest), to the GDP of South Africa. Converted to constant 2015 prices, Mpumalanga's contribution was R344.1 billion in 2024. In 2024, Mpumalanga's contribution in constant 2015 prices was also the fifth largest among the nine provinces. Mpumalanga's contribution in constant 2015 prices decreased from 8.3% in 1996 to 7.4% in 2024. Gauteng (33.7%) was the main contributor to the national economy in 2024.

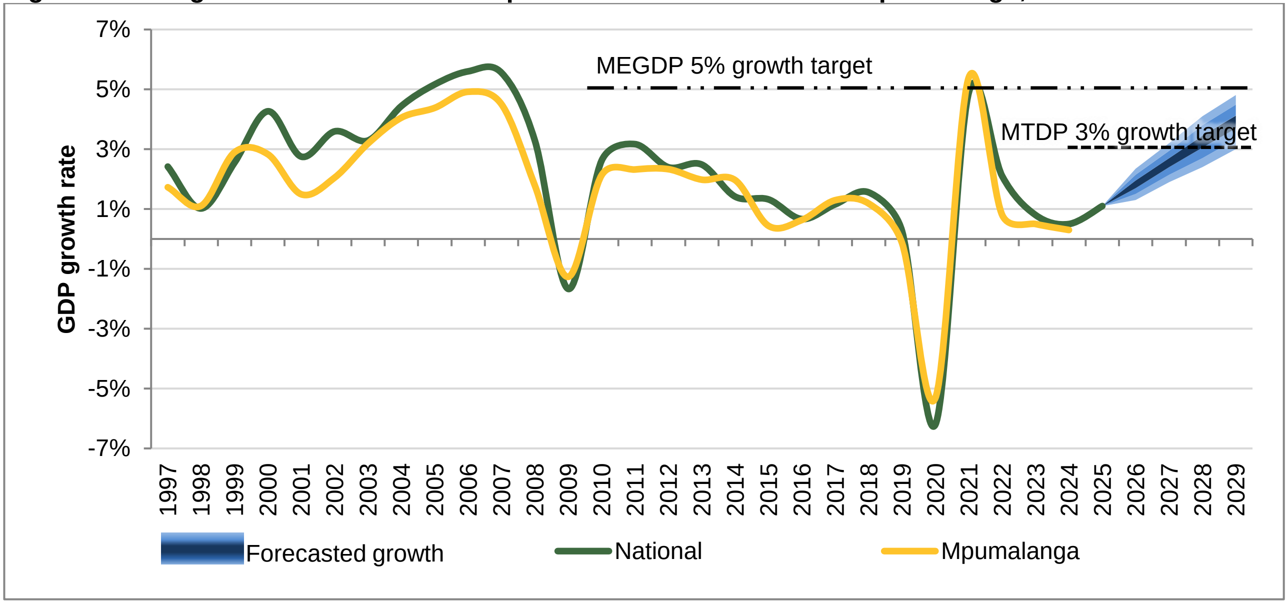
Historic growth patterns

In general, the economic growth of the province, as measured by growth in the GDP, was lower than the national rate (Figure 5). The provincial economy has outperformed the national economy in terms of GDP growth only in 1998, 1999, 2014, 2017, 2020 and 2021. The average annual growth rate for the country and Mpumalanga over the period 1996 to 2024 was 2.2% and 1.7%, respectively.

It is of great concern that the average annual economic growth for South Africa was only 0.4% between 2019 and 2024, whereas Mpumalanga's economy expanded by only 0.3% per annum over the same period (Table 5). Mpumalanga recorded only the eighth fastest/second slowest annual average GDP growth rate in the 28-

year period and the joint sixth fastest growth between 2019 and 2024. In 2024, Mpumalanga's economy expanded by 0.3%, which was slower than the 0.5% growth registered in 2023. In 2023, Mpumalanga's growth was the seventh fastest overall and the 2024 estimate is sixth fastest.

Figure 5: GDP growth rates at constant prices for South Africa and Mpumalanga, 1997-2029



Sources: ***Stats SA – GDP, 2026***
Stats SA - Provincial Gross Domestic Product 2024
S&P Global – ReX, December 2025

Table 5: Historic and forecasted GDP growth rates at constant prices for South Africa and provinces, 1996-2029

Province	1996-2024	1996-2000	2001-2006	2007-2012	2013-2018	2019-2024	2024-2029
Western Cape	2.5%	2.8%	5.2%	2.2%	1.4%	0.6%	2.5%
Eastern Cape	1.8%	2.4%	3.6%	1.8%	0.8%	0.4%	2.0%
Northern Cape	1.8%	2.7%	3.4%	1.5%	1.4%	0.4%	2.2%
Free Sate	1.4%	1.1%	3.8%	1.6%	0.8%	0.2%	2.1%
KwaZulu-Natal	2.2%	2.1%	4.2%	2.3%	1.4%	0.4%	2.2%
North West	2.1%	0.9%	5.0%	1.5%	0.5%	0.4%	1.7%
Gauteng	2.3%	3.1%	4.8%	2.1%	1.4%	0.3%	2.3%
Mpumalanga	**1.7%**	**2.1%**	**3.7%**	**1.5%**	**1.1%**	**0.3%**	**2.0%**
Limpopo	2.2%	3.9%	3.7%	1.4%	1.1%	0.3%	2.4%
South Africa	**2.2%**	**2.6%**	**4.4%**	**1.9%**	**1.2%**	**0.4%**	**2.2%**

Sources: ***Stats SA – Provincial Gross Domestic Product 2024***
S&P Global – ReX, December 2025

Because of the moderate economic growth experienced in South Africa over the last 28 years, the South African economy has not doubled in size between 1996 and 2024. From Figure 6 it is also evident that no provincial economy in 2024 was double its size of 1996. By 2024, the Western Cape economy, which grew the fastest between 1996 and 2024, was 199.7% of its 1996 size. Mpumalanga's economy was 162.2% of its 1996 size and registered the eight highest/second lowest increase. For an economy to double in size over a 28-year period, an annual average growth rate of 2.5% is required.

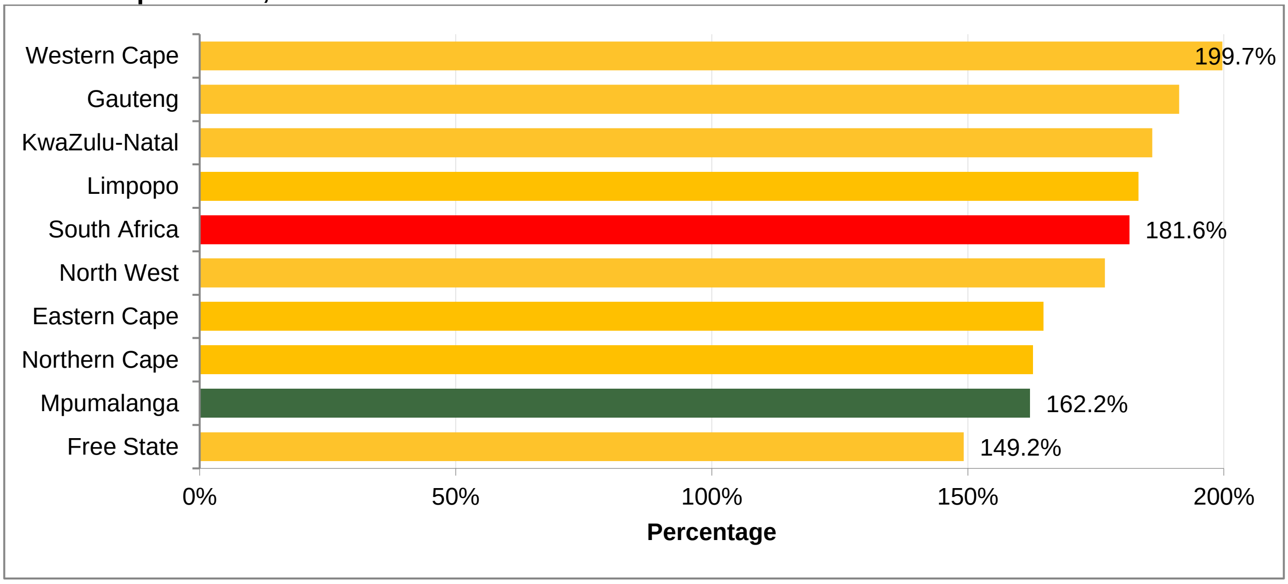
Economic growth since COVID-19

Prior to the COVID-19 outbreak in 2019, the economy of South Africa was already underperforming with a very low 0.3% growth rate and a quarter-on-quarter[11] (q-o-q) GDP growth (seasonally adjusted) in Q1 2020 of 0.0%.

[11] Q-o-q analysis compares the current quarter to the previous quarter.

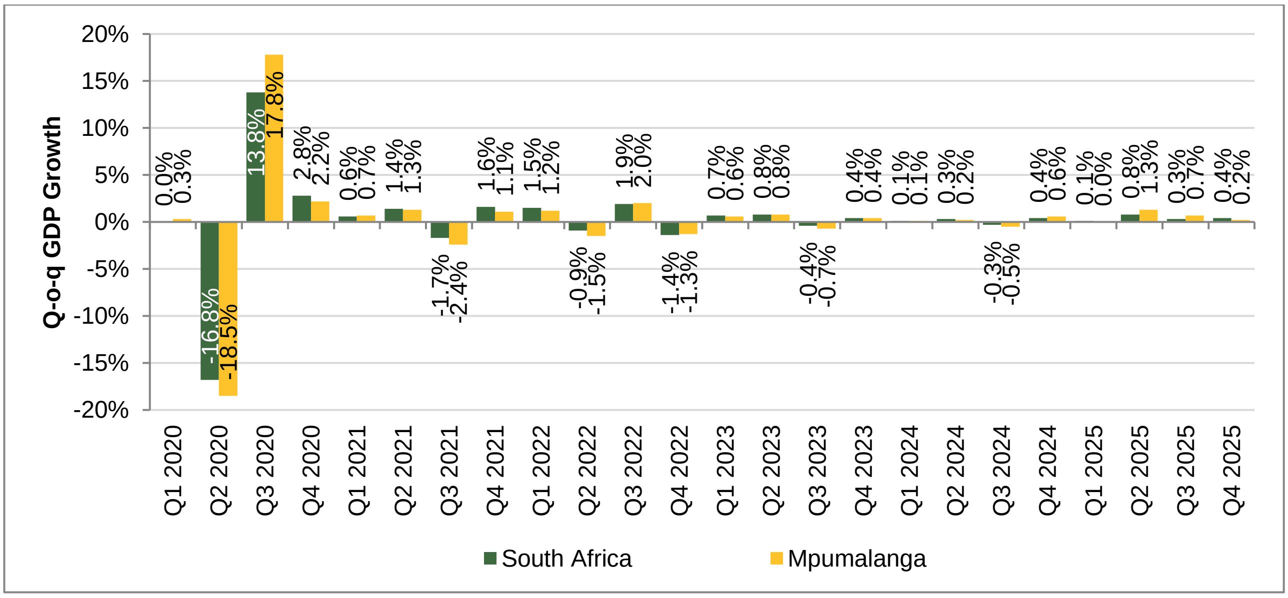
In Q2 2020, when the COVID-19 lockdown was at its most severe, the South African economy contracted by 16.8% (seasonally adjusted) and the Mpumalanga economy by 18.5% (Figure 7). With the easing of the lockdown, the national and provincial economies expanded again in Q3 2020 by 13.8% and 17.8%, respectively. The national economy would eventually contract by 6.2% in 2020 and the Mpumalanga economy by 5.3%.

Figure 6: GDP (constant prices) expressed as a percentage of 1996 GDP values in South Africa & provinces, 2024



Sources: Stats SA – Provincial Gross Domestic Product 2024
S&P Global – ReX, December 2025

Figure 7: Real q-o-q GDP growth (seasonally adjusted) in South Africa & Mpumalanga, Q1 2020-Q4 2025



Sources: Stats SA – GDP, 2026
S&P Global – ReX, December 2025 & calculations based thereon

The national and provincial economies have faced persistent challenges in its economic recovery efforts since 2020, grappling with both domestic and global factors. On the domestic front, load shedding has posed a significant obstacle, while globally, modest growth hindered mostly by supply chain bottlenecks has compounded the difficulties. Nevertheless, in 2021, both the South African and Mpumalanga economies registered, respective, economic growth of 4.9% and 5.4% from the low base of 2020. Growth slowed to 2.1%

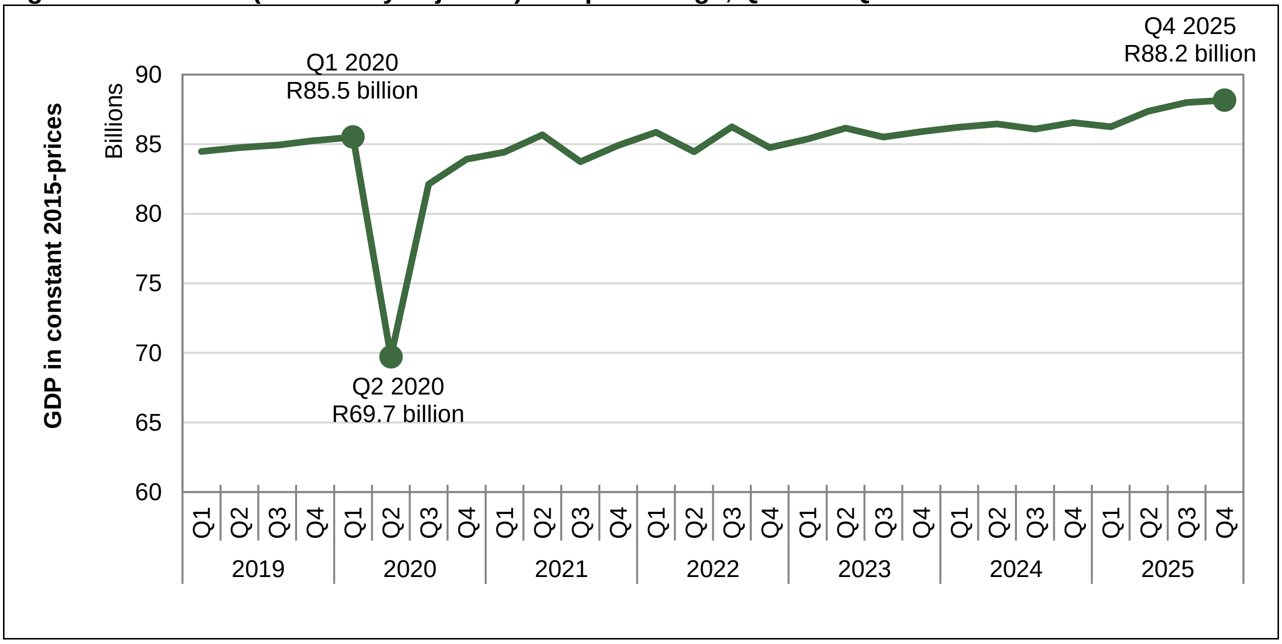
nationally and 0.8% provincially in 2022, followed by even weaker expansion in 2023 at 0.8% and 0.5%, respectively. In 2024, the national economy expanded by only 0.5% and the Mpumalanga economy by 0.3%.

In Q4 2025, the South African economy expanded by 0.4%, following an expansion of 0.3% in the previous quarter. Over the last twenty-two quarters since the severe slump in Q2 2020, the South African economy has recorded seventeen quarters of expansion and five of decline (Figure 7). Despite the seventeen quarters of expansion, the national economy was only 3.4% larger in Q4 2025 than what it was in Q1 2020, before the COVID-19 pandemic.

The national economy experienced real GDP growth of 1.1% in 2025. The 2025 growth was below the growth target and South Africa's economic progress since COVID-19 has been predominantly stagnant. The annual increase in real GDP in 2025 was primarily led by higher economic activities in agriculture, trade and finance. Utilities, construction and manufacturing contracted in 2025.

The provincial economy has also registered seventeen quarters of growth and five of contraction since the drop in economic activity during Q2 2020. The contraction in Q2 2020 was so severe that the provincial economy, despite the seventeen quarters of expansion, was only 3.1% larger in Q4 2025 than what it was in Q1 2020. The sharp decline in Mpumalanga's economic activity during Q2 2020, when lockdown restrictions were at their most severe, is evident in Figure 8. In Q1 2020, real GDP was R85.5 billion, which shrunk to R69.7 billion in Q2 2020 as the economy was severely impeded by the strict lockdown regulations. In Q4 2025, the Mpumalanga economy was the largest ever on record.

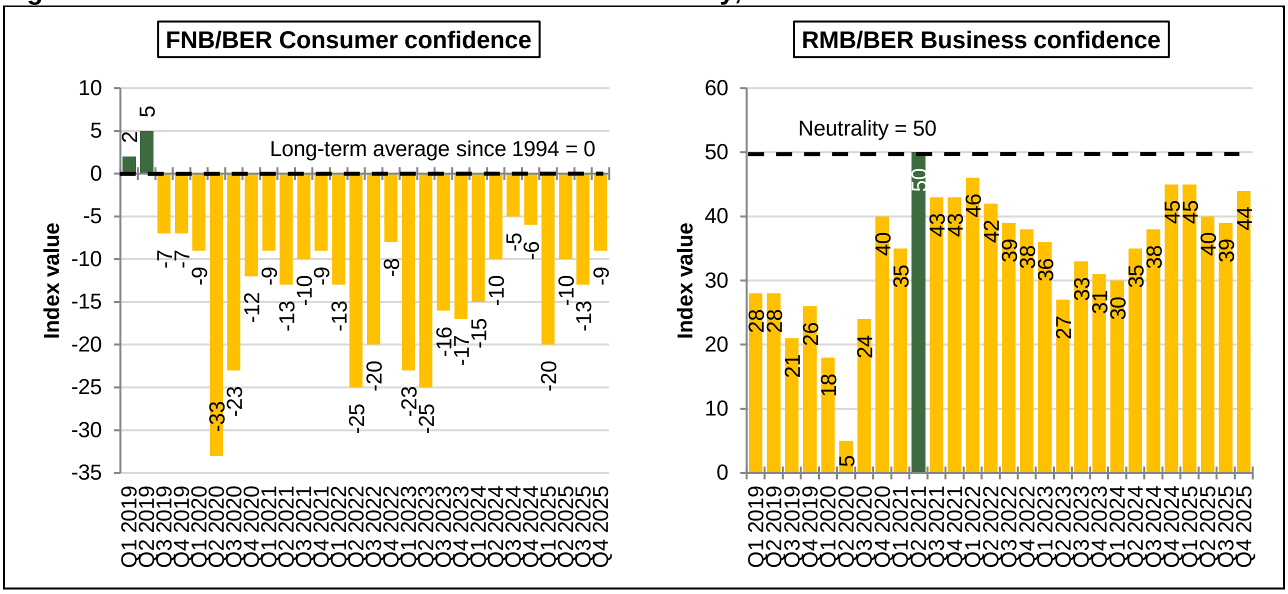
Figure 8: Real GDP (seasonally adjusted) in Mpumalanga, Q1 2019-Q4 2025



Source: S&P Global – ReX, December 2025 & calculations based thereon

Consumer confidence as well as business confidence in South Africa has been predominantly negative over the last six years (Figure 9). Consumer confidence rebounded from -13 index points to -9 in Q4 2025, moving closer to the relatively positive levels observed during the second half of 2024. Following two consecutive declines, business confidence rose by five points to 44 in Q4 2025. It, however, signal that underlying economic conditions remain subdued and most firms remain dissatisfied.

Figure 9: Confidence levels in the South African economy, 2019-2025



Sources: Bureau for Economic Research (BER) – FNB/BER Consumer Confidence Index, 2025
BER – RMB/BER Business Confidence Index, 2025

Forecasted growth

Current 2026 growth estimates for South Africa by the IMF (1.4%) and World Bank (1.4%) points to below average economic growth in 2026. The Organisation for Economic Cooperation and Development (OECD) also projects slow economic growth of 1.3% in 2026. The latest South African Reserve Bank (SARB) forecast in January 2026 estimated the national economy to expand by 1.4% in 2026 and the Minister of Finance announced in the February 2026 Budget Speech that the expected economic growth for 2026 is 1.6%.

The annual average growth rates for South Africa and Mpumalanga, from 2024 to 2029, are forecasted at 2.2% and 2.0%, respectively (Table 5). Mpumalanga's economy is forecasted to achieve the joint second slowest annual average growth among the nine provinces over the period 2024 to 2029. It is expected that the Mpumalanga economy will expand in 2026 by 1.3%.

GDP per capita

GDP per capita is often considered an indicator of a region's standard of living on the rationale that all citizens would benefit from the region's increased economic production. Mpumalanga Vision 2030, states that the GDP per capita expressed in constant 2015 prices must increase from an estimated R72 500 in 2010 to R140 000 by 2030. In 2024, the provincial GDP per capita was, however, lower than in 2010 with an estimate of only R68 700 per person. Sustained annual average GDP growth of more than 5% is necessary to come near to the set target of R140 000 by 2030.

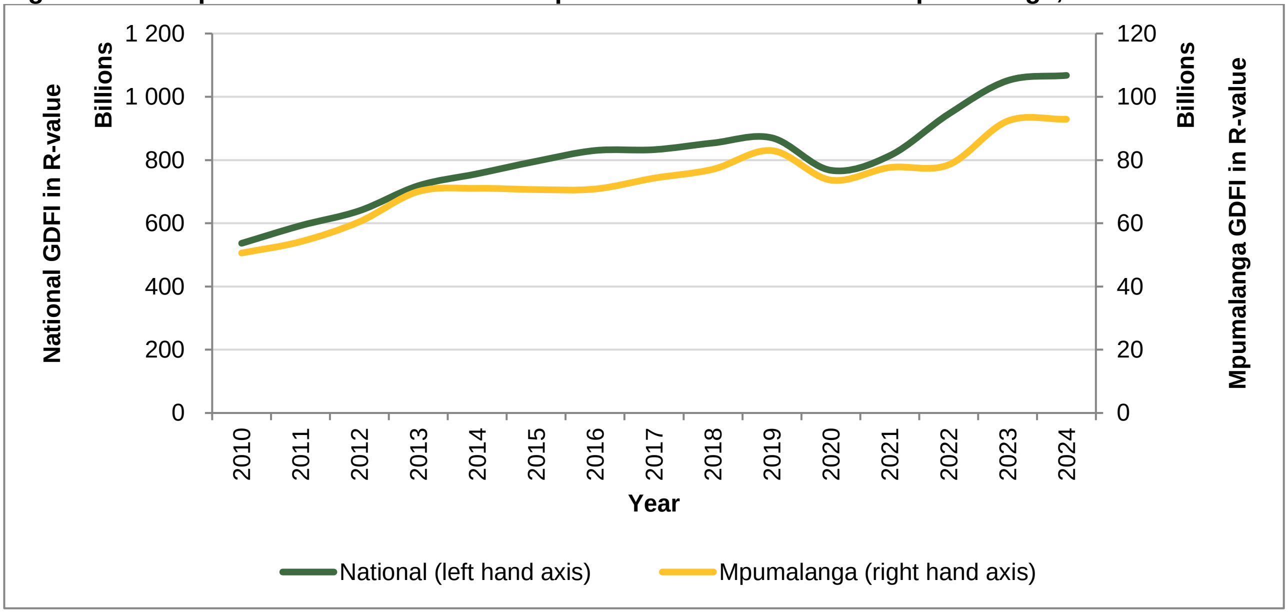
Fixed investment

The MTDP aims to facilitate domestic and foreign investment in Mpumalanga, targeting a minimum of R50 billion in total investment.

Investment in infrastructure builds economic capacity and enhances competitiveness, while contributing to the quality of life of poor people. In 2024, the gross domestic fixed investment (GDFI) in Mpumalanga amounted to R92.9 billion which was equal to 9.3% of total GDFI in South Africa (Figure 10). From 2021 to 2024, GDFI expanded on average by 9.5% per annum in South Africa and by 6.2% per annum in Mpumalanga.

In 2024, expenditure by the Mpumalanga Provincial Government (MPG) on infrastructure was equal to approximately 1.5% of provincial GDP. If the 2024 Municipal Infrastructure Grant (MIG) expenditure by municipalities is added to MPG infrastructure expenditure, then public expenditure on infrastructure was equal to 2.1%.

Figure 10: Comparison of GDFI at constant prices in South Africa and Mpumalanga, 2010-2024



Source: Quantec, 2025

The Mpumalanga Investment and Mining Conference, held in October 2025, brought together the Mpumalanga Provincial Government, the national Department of Mineral and Petroleum Resources, private companies and other social partners to address key challenges facing the economy. A key outcome of the conference was the announcement of investment pledges amounting to approximately R240 billion, underscoring strong investor interest in the province.

3.1.2 Inclusive growth

The overall Inclusive Growth Index[12] (IGI) seeks to reflect the extent to which people living within a specific region can be considered included in the benefits of economic growth and national prosperity and the extent to which they are equipped with the skills that aid participation in the economy. An examination of the differences between regions is important in that it highlights geographical patterns in economic inclusion and prosperity.

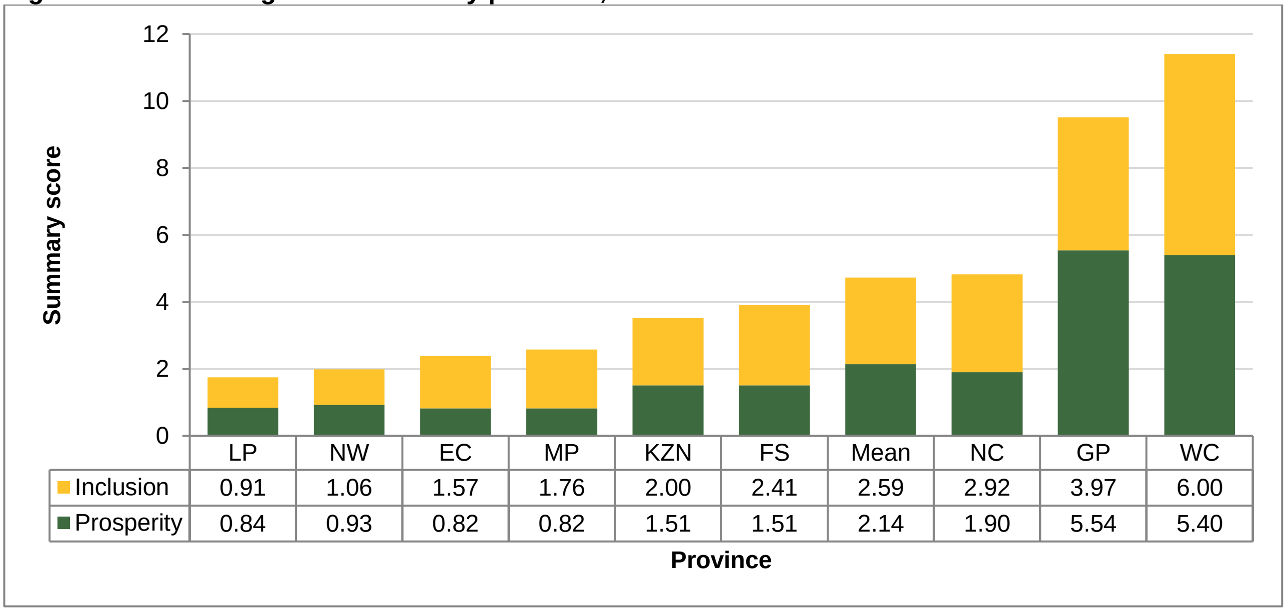
In 2024, Western Cape and Gauteng recorded the highest overall IGI scores of 11.40 and 9.51, respectively (Figure 11). Limpopo (1.75) and North West (1.99), registered the lowest overall scores among the nine provinces. Mpumalanga's overall IGI score of 2.58 was the sixth highest/fourth lowest among the nine provinces. Mpumalanga's score was considerably lower than Western Cape and Gauteng in the first two positions and lower than the mean (4.73) for the nine provinces. The economic inclusion theme made the largest contribution in eight provinces (including Mpumalanga) and the prosperity theme only made the largest

[12] The Inclusive Growth Index was adapted from the Inclusive Growth (IG) Monitor developed by Manchester University in 2014. The Inclusive Growth Index depicts the extent to which people living within an area may be considered as economically included and benefiting from broader national prosperity. The index is divided into two themes (Economic inclusion and Prosperity) each with three underlying dimensions constituted by a set of two indicators. Each indicator is normalised giving a minimum score of zero for the lowest scoring area and a maximum of one for the highest scoring. This means that each dimension has a minimum score of zero and a maximum score of two, therefore each theme can have a minimum score of zero and maximum of six.

contribution in Gauteng.

If the individual prosperity and economic inclusion themes are considered, there were differences in rankings compared with the overall IGI score. For example, Mpumalanga scored joint ninth highest/lowest in the prosperity theme and sixth highest/fourth lowest in the economic inclusion theme.

Figure 11: Inclusive growth scores by province, 2024

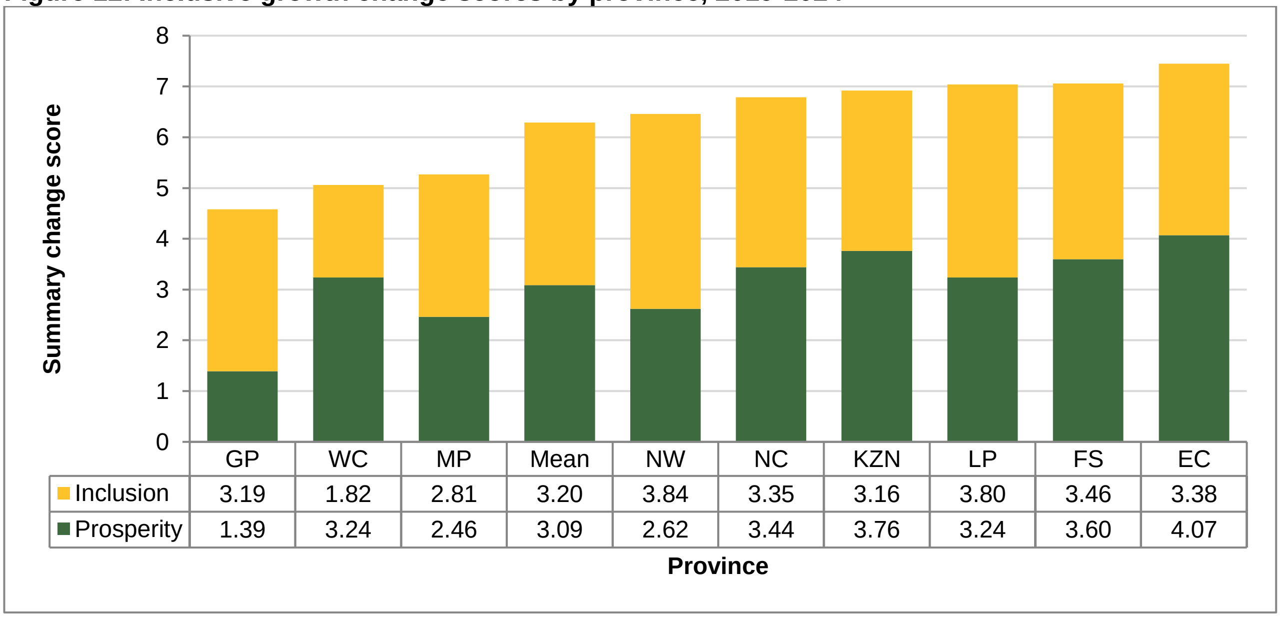


	LP	NW	EC	MP	KZN	FS	Mean	NC	GP	WC
Inclusion	0.91	1.06	1.57	1.76	2.00	2.41	2.59	2.92	3.97	6.00
Prosperity	0.84	0.93	0.82	0.82	1.51	1.51	2.14	1.90	5.54	5.40

Source: DEDT - Economic Analysis Inclusive Growth Model, 2025

The normalised change scores, displayed in Figure 12, provide a way of assessing overall change on the two themes based upon percentage change in the underlying indicators. Here an area with the lowest score has the least improvement or greatest deterioration on a given theme, whereas the area with the highest score has the biggest improvement or least deterioration. The change scores provide a way of summarising the performance of different regions in inclusive growth over the 5-year period between 2019 and 2024.

Figure 12: Inclusive growth change scores by province, 2019-2024



	GP	WC	MP	Mean	NW	NC	KZN	LP	FS	EC
Inclusion	3.19	1.82	2.81	3.20	3.84	3.35	3.16	3.80	3.46	3.38
Prosperity	1.39	3.24	2.46	3.09	2.62	3.44	3.76	3.24	3.60	4.07

Source: DEDT - Economic Analysis Inclusive Growth Model, 2025

When examining change in economic inclusion and prosperity together, the overall IGI change scores show that between 2019 and 2024, Eastern Cape (7.45), Free State (7.06) and Limpopo (7.04) experienced the biggest improvement in their respective scores. Mpumalanga (5.27) recorded the third lowest/seventh highest IGI change score, and it is evident that Mpumalanga's IGI change score was lower than the mean IGI change score (6.29) between 2019 and 2024.

When one considers the change in individual theme scores, it is apparent that the majority of change in all nine provinces were not down to one dominant theme. Four provinces (Mpumalanga included) recorded higher change scores in the inclusion theme than in the prosperity theme, whereas five provinces recorded higher change scores in the prosperity theme.

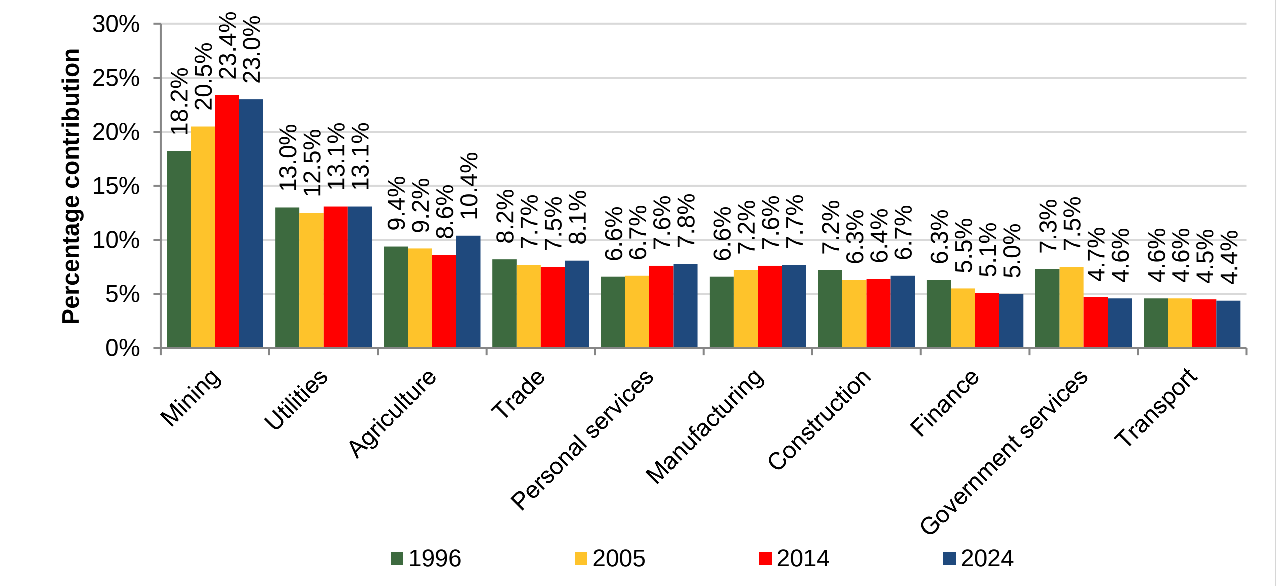
Between 2019 and 2024, North West (3.84) registered the highest improvement in economic inclusion and Western Cape (1.82) the lowest. Over the same period, Eastern Cape (4.07) recorded the highest change score in the prosperity theme and Gauteng (1.39) the lowest. Mpumalanga recorded the second lowest change score in the economic inclusion theme and the second lowest in the prosperity themes between 2019 and 2024.

3.1.3 Regional contribution

The economic industries are classified according to the International Standard Industrial Classification of all Economic Activities (ISIC). This classification system, employed by Stats SA, groups together economic activities that are closely related. Statistical information is then collected and classified according to the categories of economic activities, which are as homogenous as possible.

Figure 13 depicts the contribution of each of the economic industries in Mpumalanga to the corresponding national industry between 1996 and 2024. It is estimated that in 2024, the province was a substantial role-player in the national mining and utilities (mainly electricity) industries, with respective shares of 23.0% and 13.1%. It is noticeable that the contribution by Mpumalanga's mining, utilities, agriculture, personal services and manufacturing industries increased between 1996 and 2024, whereas the other industries' contribution declined.

Figure 13: Mpumalanga's contribution to South Africa's industries at constant prices, 1996-2024



Sources: Stats SA – Provincial Gross Domestic Product 2024
S&P Global – ReX, December 2025

Table 6 exhibits the contribution by each of the three districts to the provincial industries in 2019 and 2024. Nkangala was the largest contributor to the provincial GVA with a share of 38.9% in 2024. In 2024, the contribution by Gert Sibande was 25.8% and that of Ehlanzeni 35.3%. Nkangala made considerable contributions to the province's mining (66.0%), utilities (45.8%) and manufacturing (38.6%) in 2024. Gert Sibande made substantial contributions to agriculture (38.5%) and manufacturing (32.4%), whereas Ehlanzeni played a major role in the province's construction (41.7%), trade (42.8%), finance (43.8%) and community services (45.3%).

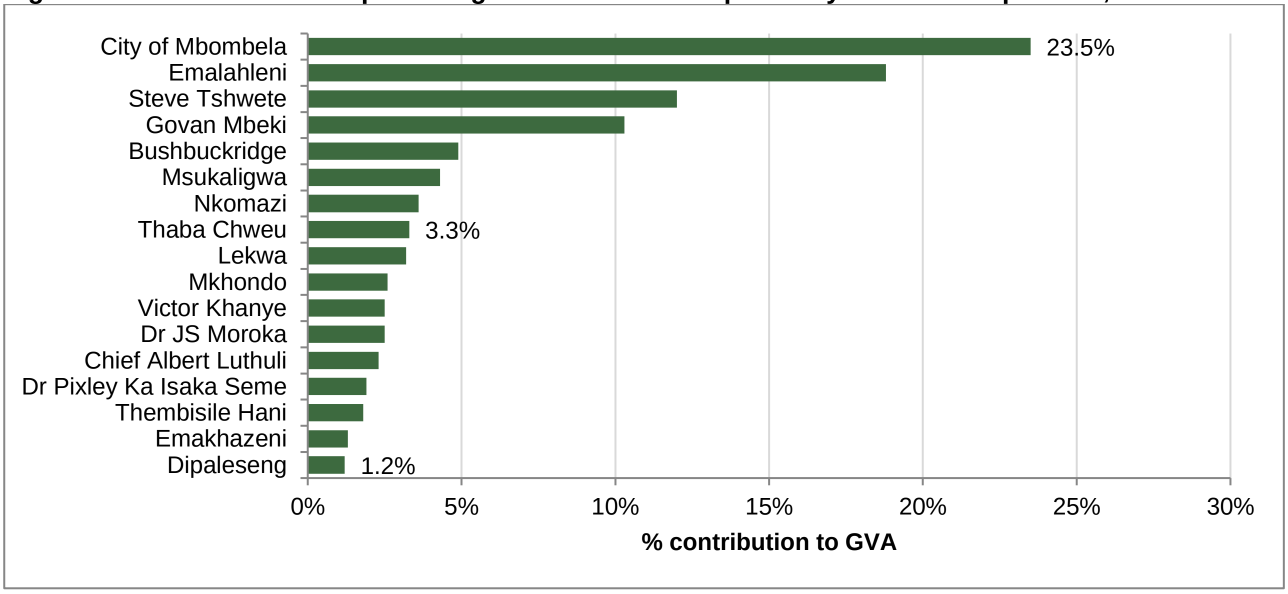
Table 6: Regional contribution to Mpumalanga's industries, GVA at constant prices, 2019-2024

Industry	Gert Sibande		Nkangala		Ehlanzeni	
	2019	**2024**	**2019**	**2024**	**2019**	**2024**
Agriculture	38.3%	38.5%	27.1%	28.7%	34.6%	32.7%
Mining	27.7%	26.2%	64.0%	66.0%	8.3%	7.8%
Manufacturing	35.7%	32.4%	34.2%	38.6%	30.1%	29.0%
Utilities	23.6%	23.1%	47.6%	45.8%	28.7%	31.1%
Construction	24.0%	24.0%	31.6%	34.3%	44.4%	41.7%
Trade	26.0%	25.7%	28.6%	31.5%	45.4%	42.8%
Transport	28.5%	28.2%	31.7%	35.1%	39.8%	36.7%
Finance	20.6%	21.3%	32.0%	34.9%	47.4%	43.8%
Community services	23.9%	23.5%	28.6%	31.1%	47.5%	45.3%
Total	**26.6%**	**25.8%**	**37.1%**	**38.9%**	**36.2%**	**35.3%**

Source: S&P Global – ReX, December 2025

Figure 14 depicts the percentage contribution by the seventeen local municipal areas to the provincial GDP in 2024. In 2024, City of Mbombela (23.5%), Emalahleni (18.8%), Steve Tshwete (12.0%) and Govan Mbeki (10.3%) contributed 64.6% to the Mpumalanga economy. Dipaleseng (1.2%) made the smallest contribution to the provincial economy.

Figure 14: Contribution to Mpumalanga GDP at constant prices by local municipal area, 2024



Source: S&P Global – ReX, December 2025

3.1.4 Sectoral contribution and performance

Current prices and constant prices

Current prices measures GDP using the actual prices we notice in the economy. Current prices make no adjustment for inflation and is also called nominal prices. Constant prices adjust for the effects of inflation and is also called real prices.

Table 7 and Figure 15 displays the GDP contribution in 2024 of the various economic industries in Mpumalanga in terms of current and constant 2015 prices. In terms of current prices in 2024, mining (R98.1 billion) was the largest industry and finance (R84.8 billion) the second largest industry in Mpumalanga. In terms of constant 2015 prices, personal services (R58.1 billion) was the largest industry in 2024 and finance (R56.5 billion) the second largest industry.

Table 7: Contribution of industries to Mpumalanga's GDP at basic prices, 2024

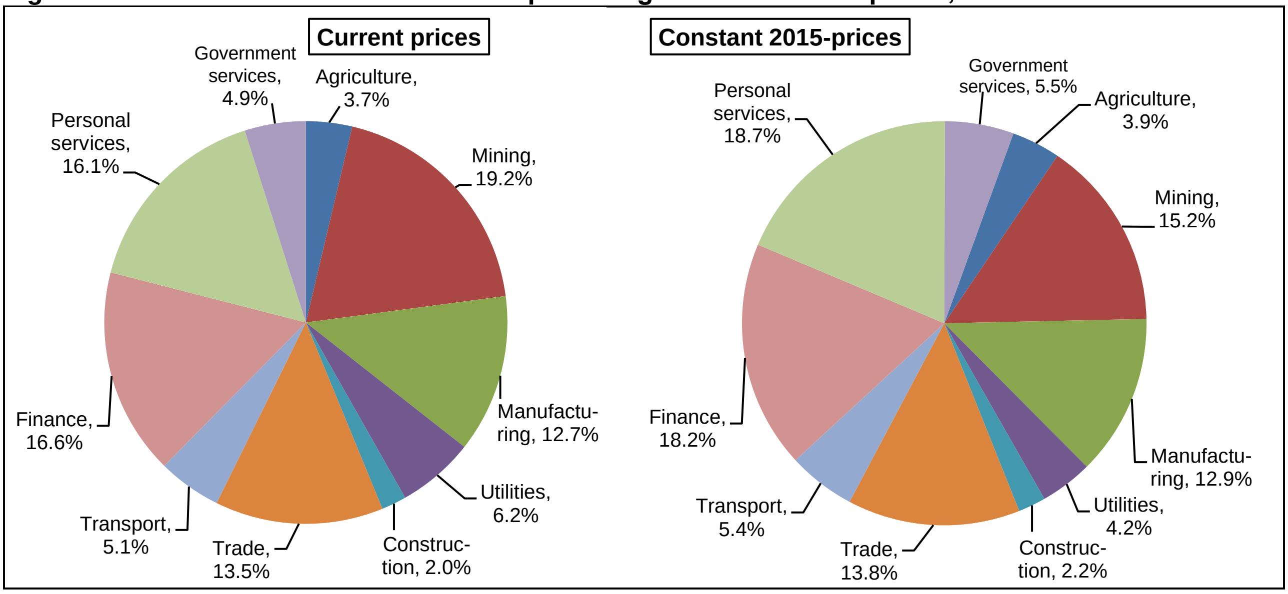
Industry	Current prices		Constant 2015 prices	
	Value R-billion	% contribution	Value R-billion	% contribution
Agriculture	R19.1	3.7%	R12.0	3.9%
Mining	R98.1	19.2%	R47.1	15.2%
Manufacturing	R65.2	12.7%	R40.1	12.9%
Utilities	R31.7	6.2%	R13.1	4.2%
Construction	R10.3	2.0%	R6.9	2.2%
Trade	R69.1	13.5%	R43.0	13.8%
Transport	R26.2	5.1%	R16.7	5.4%
Finance	R84.8	16.6%	R56.5	18.2%
Personal services	R82.7	16.1%	R58.1	18.7%
Government services	R24.8	4.9%	R17.2	5.5%
All industries at basic prices	**R512.0**	**100.0%**	**R310.6**	**100.0%**

Source: Stats SA – Provincial Gross Domestic Product 2024

In comparing the economy over different years, it is important to know if the economy is really producing more, or if the price of the products merely increased. If the GDP contribution of an industry went from R1 billion a year to R1.5 billion in the next year, that would seem to be a very substantial increase of 50% in production. However, if inflation was at 10% a year, the value of that extra 50% value addition would be reduced by the effects of inflation to 40%.

Using constant prices enables one to measure the actual change in output and not the increase due to the effects of inflation. When comparing the growth and the contribution of an industry between various years, there must be an adjustment for the effects of inflation. Therefore, in this publication, growth rates and contributions of industries are generally done with the aid of real or constant prices.

Figure 15: Contribution of industries to Mpumalanga's GDP at basic prices, 2024



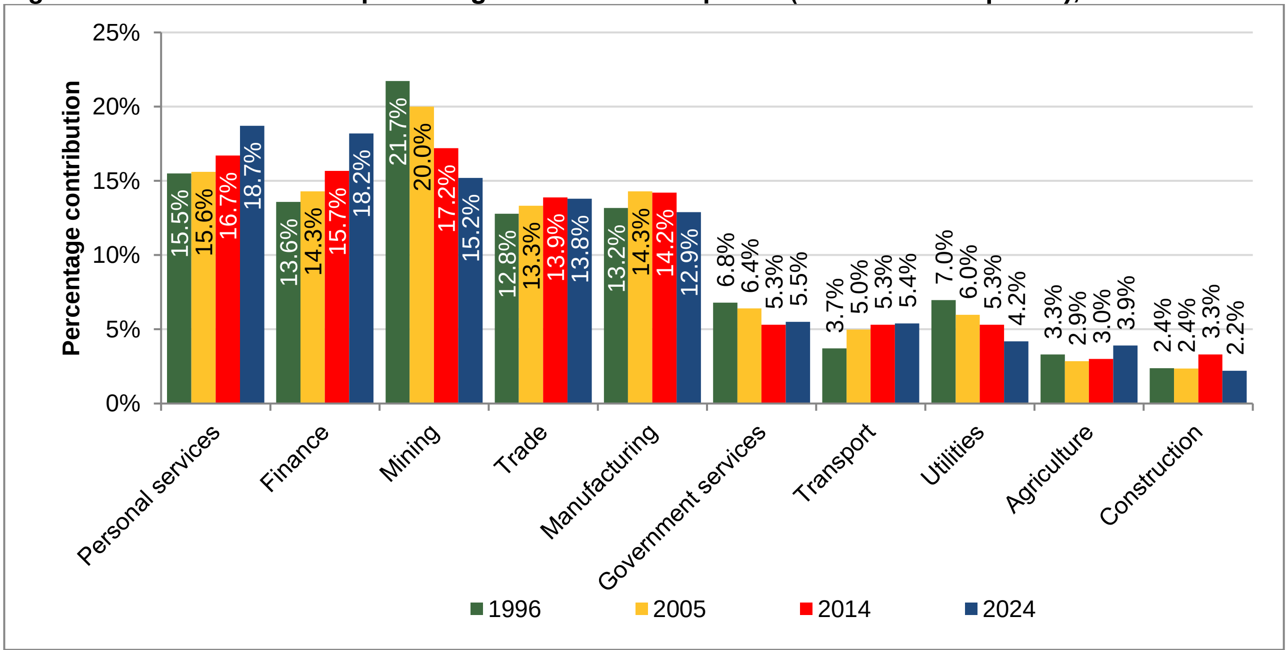
Source: Stats SA – Provincial Gross Domestic Product 2024

Structure of the provincial economy in constant 2015 prices

In 2024, the primary sector in Mpumalanga contributed 19.0%, the secondary sector 19.3% and the tertiary sector 61.6% to the provincial GDP at basic prices. Although the economy depended less on the primary sector in 2024 than in 1996 (25.0%), it continued to stand in contrast to the national primary sector's small contribution of 7.6% in 2024. The much smaller contribution by mining to the national economy (4.9% versus 15.2% in Mpumalanga) was the main reason for the difference in primary sector contribution. Nationally, the secondary sector added 17.3% and the tertiary sector 75.1% in 2024, with finance (27.0%) the single largest industry.

Figure 16 displays the share of each economic industry in the provincial economy between 1996 and 2024. It is estimated that in 2024, the three largest contributors to the provincial economy were personal services (18.7%), finance (18.2%) and mining (15.2%). The top three's ranking was somewhat different from 1996, when personal services contributed 15.5%, mining 21.7% and finance 13.6%.

Figure 16: Contribution to Mpumalanga's GDP at basic prices (constant 2015-prices), 1996-2024



Sources: Stats SA – Provincial Gross Domestic Product 2024
S&P Global – ReX, December 2025

Historic and forecasted growth for the economic industries of Mpumalanga is presented in Table 8. Between 1996 and 2024, the industries with the fastest economic growth were transport (3.2%) and finance (2.9%). Over the period 2024-2029, it is expected that agriculture (5.4%) and finance (3.2%) will record the highest average annual growth per annum. The relatively low growth expectation for mining and manufacturing is concerning.

Figure 17 illustrates the change in value by industry from 2019 to 2024. The real value of six industries increased whereas four industries declined. Personal services (R6.4 billion) registered the largest increase over the 5-year period and mining (-R5.6 billion) the largest decline.

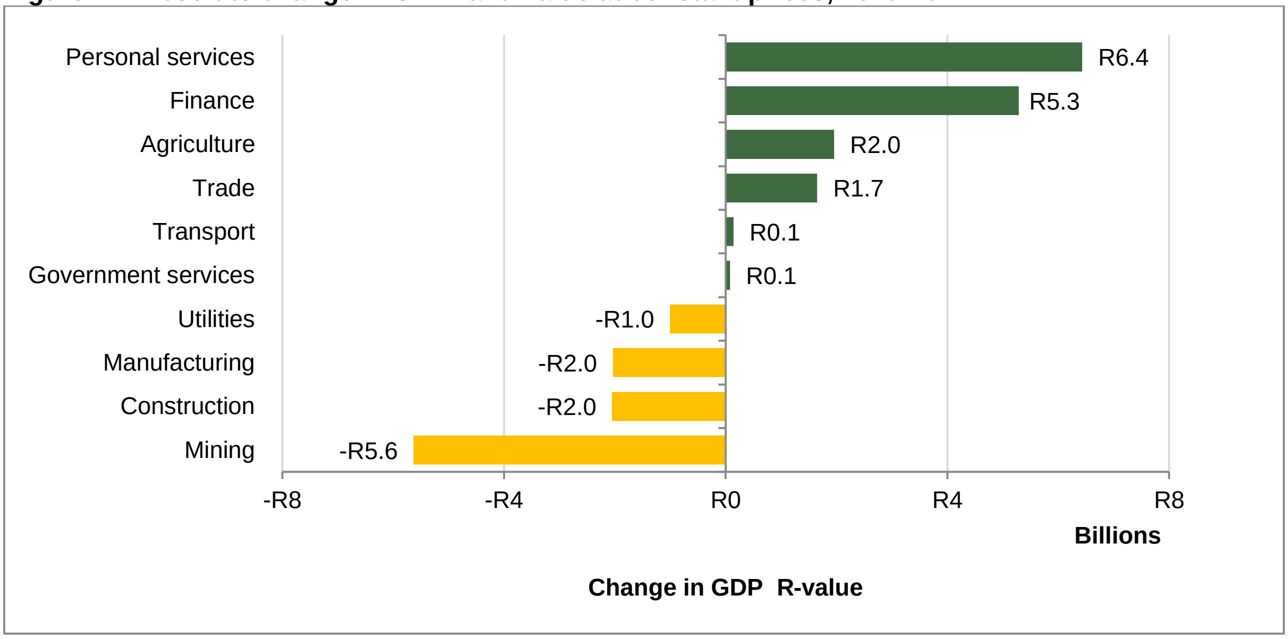
According to Table 9, finance is expected to be the main driver of provincial economic growth between 2024 and 2029. Personal services and trade are expected to make the second largest contribution to provincial growth in the 5-year period, followed by agriculture and transport.

Table 8: Mpumalanga's GDP growth rates per industry at constant prices, 1996-2029

Industry	1996-2024	1996-2000	2001-2006	2007-2012	2013-2018	2019-2024	2024-2029
Agriculture	2.4%	3.4%	0.4%	3.6%	6.1%	6.4%	5.4%
Mining	0.5%	2.6%	1.5%	-0.7%	1.6%	-3.1%	0.5%
Primary sector	***0.8%***	***2.7%***	***1.4%***	***-0.2%***	***2.3%***	***-1.4%***	***1.6%***
Manufacturing	1.8%	4.1%	4.4%	1.0%	0.4%	-0.9%	0.9%
Utilities	0.0%	0.1%	4.3%	0.3%	-1.6%	-2.4%	1.0%
Construction	1.6%	-4.3%	8.4%	4.7%	-0.9%	-5.8%	2.4%
Secondary sector	***1.3%***	***2.1%***	***4.8%***	***1.3%***	***-0.2%***	***-1.9%***	***1.1%***
Trade	2.1%	4.0%	3.5%	2.1%	0.4%	1.0%	1.9%
Transport	3.2%	6.8%	6.2%	2.1%	1.8%	-0.2%	3.1%
Finance	2.9%	1.0%	6.5%	2.2%	2.1%	1.7%	3.2%
Personal services	2.5%	3.7%	3.2%	1.3%	1.0%	3.4%	1.9%
Government services	1.1%	0.3%	3.7%	2.1%	1.4%	-0.8%	1.6%
Tertiary sector	***2.4%***	***2.9%***	***4.4%***	***1.9%***	***1.3%***	***1.6%***	***2.3%***
Total	**1.7%**	**2.1%**	**3.7%**	**1.5%**	**1.1%**	**0.3%**	**2.0%**

Sources: Stats SA – Provincial Gross Domestic Product 2024
S&P Global – ReX, December 2025

Figure 17: Absolute change in GDP rand value at constant prices, 2019-2024



Source: Stats SA – Provincial Gross Domestic Product, 2024

Table 9: Industry contribution to GDP at constant prices in Mpumalanga, 2024-2029

Industry	GDP share 2024	Forecasted industry growth 2024-2029	Estimated contribution to provincial economic growth 2024-2029
Agriculture	3.9%	5.4%	0.2%
Mining	15.2%	0.5%	0.1%
Manufacturing	12.9%	0.9%	0.1%
Utilities	4.2%	1.0%	0.0%
Construction	2.2%	2.4%	0.1%
Trade	13.8%	1.1%	0.3%
Transport	5.4%	3.1%	0.2%
Finance	18.2%	3.2%	0.6%
Personal services	18.7%	1.9%	0.3%
Government services	5.5%	1.6%	0.1%
Total	**100.0%**	**2.0%**	**-**

Sources: Stats SA – Provincial Gross Domestic Product, 2024
S&P Global – ReX, December 2025

Structure of the districts

Table 10 displays the share of each economic industry in the three districts' economies in 2019 and 2024. The community services industry was the largest industry in Gert Sibande in 2024 with a 22.1% share. Mining activities made the largest contribution to the Nkangala economy as it added 25.7% to the district's economy in 2024. In 2024, the largest contributing industry in Ehlanzeni was community services with a share of 31.2%. The contributions by the tertiary sectors in the three districts increased between 2019 and 2024.

Table 10: Contribution to individual districts' GVA at constant prices by industry, 2019-2024

Industry	Gert Sibande		Nkangala		Ehlanzeni	
	2019	2024	2019	2024	2019	2024
Agriculture	4.7%	5.8%	2.4%	2.8%	3.1%	3.6%
Mining	18.0%	15.4%	29.8%	25.7%	3.9%	3.4%
Primary sector	***22.7%***	***21.2%***	***32.1%***	***28.6%***	***7.1%***	***6.9%***
Manufacturing	18.5%	16.2%	12.7%	12.8%	11.4%	10.6%
Utilities	4.1%	3.8%	5.9%	5.0%	3.7%	3.7%
Construction	2.6%	2.1%	2.5%	2.0%	3.6%	2.6%
Secondary sector	***25.2%***	***22.0%***	***21.1%***	***19.7%***	***18.7%***	***16.9%***
Trade	13.2%	13.8%	10.4%	11.2%	16.9%	16.8%
Transport	5.8%	5.9%	4.6%	4.9%	6.0%	5.6%
Finance	12.9%	15.0%	14.4%	16.3%	21.9%	22.6%
Community services	20.2%	22.1%	17.3%	19.4%	29.5%	31.2%
Tertiary sector	***52.1%***	***56.8%***	***46.8%***	***51.7%***	***74.3%***	***76.1%***
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: S&P Global – ReX, December 2025

3.1.5 Diversification of the economy

The Tress Index measures the level of concentration or diversification in an economy. An index score of zero represents a much diversified economy, while a number closer to 100 indicates a high level of concentration.

In 2024, the economy of Mpumalanga appears to be more diversified than that of South Africa with an index score of 38.1 compared to a national score of 44.7. Among the nine provinces, Mpumalanga had the most diversified economy in terms of the Tress Index.

3.1.6 Comparative advantage of the economy

The location quotient is an indication of the comparative advantage of an economy. An economy has a location quotient larger (smaller) than one, or a comparative advantage (disadvantage) in a particular industry when the share of that industry in the provincial economy is greater (less) than the share of the same industry in the national economy.

Table 11 provides the location quotients of the various industries in Mpumalanga, indicating their respective comparative advantages. In Mpumalanga, agriculture (1.60), mining (1.88), utilities (3.50), construction (1.06) and trade (1.15) held a comparative advantage over the same industry in the national economy. A rule of thumb is that when an industry has a location quotient of 1.2 or above it indicates that some degree of specialisation is taking place in that particular industry compared with the national industry. Mpumalanga recorded three industries (agriculture, mining and utilities) with a location quotient higher than 1.2.

Comparative advantage analysis can be improved with two indicators to yield a dynamic location quotient. These two indicators are percentage change in location quotient over time and the size of the industry in terms of jobs. Industries can then be classified in four quadrants based on its location quotient and change in location quotient and ranked according to size.

Table 11: Comparative advantage of industries in Mpumalanga and districts, 2025

Industry	Mpumalanga
Agriculture	1.60
Mining	1.88
Manufacturing	0.56
Utilities	3.50
Construction	1.06
Trade	1.15
Transport	0.65
Finance	0.83
Community services	0.91
Total	**1.00**

Source: DEDT – Comparative Advantage & Regional Competitiveness Model, 2026

The logic follows that an industry in the upper right quadrant (location quotient ≥1.2 and change in location quotient ≥0%) holds a comparative advantage over the industry in the base region, and is also expanding the advantage over time (between 2020 and 2025). These industries are “standouts” that distinguish the provincial economy and are doing more so every year. Such industries are especially important if they are also large in terms of job numbers. In Mpumalanga, no industry can be regarded as a “standout” industry (Table 12).

The lower right quadrant (location quotient <1.2 and change in location quotient ≥0%) contains industries which do not have a comparative advantage yet, but are becoming more so over time. If these industries continue this trend, they will move over the horizontal cut-off into the upper right quadrant. They can be called “pre-emergent” industries, having the potential to contribute more to the region’s economy in future. In Mpumalanga, trade, finance and construction (ranked according to employment size) can be regarded as “pre-emergent” industries.

The upper left quadrant (location quotient ≥1.2 and negative change in location quotient) contains industries that hold a comparative advantage over the industry in the base region, but with a declining advantage. If a medium or large industry is in this quadrant, it is an important warning that the province is losing a major part of its economy and should inform planning and investment priorities accordingly. They can be called industries in need of “intensive care”, as this quadrant usually indicates industries in decline. In Mpumalanga, agriculture, mining and utilities recorded a location quotient in excess of 1.2 that also declined over time.

Table 12: Dynamic location quotient classification of industries in Mpumalanga, 2020-2025

Location quotient ≥ 1.2 and negative change in location quotient *“Intensive care”*	**Location quotient ≥ 1.2 and positive change in location quotient** *“Standouts”*
Agriculture Mining Utilities	
Location quotient < 1.2 and negative change in location quotient *“Little promise”*	**Location quotient < 1.2 and positive change in location quotient** *“Pre-emergent”*
Community services Manufacturing Transport	Trade Finance Construction

Source: DEDT – Comparative Advantage & Regional Competitiveness Model, 2026

Finally, the lower left quadrant (location quotient <1.2 and negative change in location quotient) contains industries which are less important regionally than nationally and are also declining in employment. These industries holds “little promise” in terms of relative employment size and labour growth, however, the province needs to attract more businesses in those industries in order to maintain an economy that is sufficiently balanced and diversified in comparison to the national economy. Community services, manufacturing and transport were the industries in Mpumalanga that ranked in this quadrant.

3.1.7 Tourism

Because tourism is not a clearly defined industry in the ISIC, it was therefore the first economic activity to use Satellite Account standards to measure its impact on national economies – as approved by the United Nations (UN) in March 2000.

Stats SA calculates a Tourism Satellite Account[13] (TSA) for tourism in South Africa. According to the latest preliminary TSA for 2022, the national tourism sector was simulated to have directly contributed some 3.5% to GDP. Some 733 385 persons were directly engaged in producing goods and services purchased by visitors, which accounted for 4.7% of total employment in 2022.

The current lack of sufficient baseline data of tourism supply on a provincial level makes an assessment of the supply side, and therefore a similar exercise such as the TSA for South Africa on a provincial basis, virtually impossible. It is possible to simulate scenarios that can give an indication of the GDP and employment contribution by tourism in Mpumalanga. From a recent study conducted by DEDT[14], the direct contribution that tourism makes to the Mpumalanga economy could be between 3.0% and 3.5% of provincial GDP. Furthermore, the tourism industry's contribution to employment in Mpumalanga could be between 4.6% and 4.7%.

It is, however, possible to express tourism spend as a percentage of regional GDP in order to indicate how large an impact it makes and whether its contribution is growing. In terms of this indicator, tourism spend in 2019 was equal to 7.3% of South Africa's GDP and 7.0% of Mpumalanga's GDP. In 2024, tourism spend in South Africa was equal to 6.9% of GDP, whilst in Mpumalanga it was equal to 5.8% of the provincial GDP. In 2024, Eastern Cape (8.9%) registered the largest tourism spend as share of GDP and Mpumalanga the second smallest (Table 13).

Table 13: Tourism spend in South Africa and provinces, 2019-2024

Province	2019		2024	
	Total tourism spend R-million	**Tourism spend as % of GDP (current prices)**	**Total tourism spend R-million**	**Tourism spend as % of GDP (current prices)**
Western Cape	77 027	9.9%	88 327	8.5%
Eastern Cape	35 224	8.1%	49 827	8.9%
Northern Cape	7 846	6.6%	9 874	6.0%
Free State	18 938	6.8%	25 292	6.9%
KwaZulu-Natal	65 773	7.2%	84 656	7.1%
North West	19 547	6.0%	23 584	5.5%
Gauteng	130 688	6.8%	155 347	6.3%
Mpumalanga	**30 199**	**7.0%**	**33 008**	**5.8%**
Limpopo	26 105	6.2%	34 212	6.0%
Total	**411 345**	**7.3%**	**504 126**	**6.9%**

Source: S&P Global – ReX, December 2025

According to South African Tourism's *Tourism Performance Report 2024*, Mpumalanga was the province that recorded the second highest number of foreign arrivals in 2024, with a share of 23.8% of total foreign arrivals.

[13] A Satellite Account is a term developed by the UN to measure the size of economic sectors that are not defined as industries in national accounts.
[14] Relevant Tourism Statistics & Perspectives with specific reference to Mpumalanga, December 2025.

This was up from the 16.7% of total foreign arrivals in 2019. In 2024, Mpumalanga captured 18.3% of the total bednights spent by all foreign tourists in South Africa. This was higher than the 14.9% share recorded in 2019.

Mpumalanga was the sixth most frequented destination province with a 6.7% share of domestic day trips in 2024. Mpumalanga's share of day trips declined from 8.9% in 2015 to 6.7% in 2024. In 2024, Mpumalanga (10.3%) was also the sixth most frequented destination province with respect to domestic overnight trips. Between 2015 and 2024, Mpumalanga's share as a destination of overnight trips increased from 9.5% to 10.3%.

3.1.8 International trade

Mpumalanga's contribution to total national trade[15] was 2.5% in 2024, equal to the 2.5% share in 2019. The two leading provinces, in terms of total trade contribution in 2024, were Gauteng with a share of 65.9% and Western Cape with 13.7%. Mpumalanga contributed 3.7% and 1.1% to national exports and national imports, respectively.

The value of Mpumalanga's exports increased by 8.4% per annum between 2019 and 2024, whilst imports increased by 6.7% per annum over the same 5-year period. In contrast, the national exports increased by 9.3% per annum, whereas the value of national imports increased by 7.1% per annum.

Mpumalanga registered a positive trade balance of R56.3 billion in 2024, continuing the trend of exports exceeding imports since 1996. During the same period, the trade balance of South Africa fluctuated between positive and negative territory, finishing 2024 with a surplus of R214 billion.

Among the three districts, Nkangala (71.5%) was the main contributor to provincial exports in 2024, followed by Ehlanzeni and Gert Sibande with respective contributions of 16.6% and 11.9% (Table 14). Exports from Gert Sibande (18.2% per annum) recorded the highest increase between 2019 and 2024.

Ehlanzeni attracted 54.7% of Mpumalanga's imports in 2024, followed by Nkangala and Gert Sibande. Imports flowing to Gert Sibande recorded the highest increase (13.6% per annum) over the 5-year period and those to Nkangala recorded no (0.0% per annum).

Table 14: Mpumalanga districts' contribution to provincial exports and imports, 1996-2024

District	Exports			Imports		
	Share of Mpumalanga 2024	Growth per annum		Share of Mpumalanga 2024	Growth per annum	
		1996-2024	2019-24		1996-2024	2019-24
Gert Sibande	11.9%	14.9%	18.2%	19.4%	8.0%	13.6%
Nkangala	71.5%	14.8%	9.2%	25.9%	12.4%	0.0%
Ehlanzeni	16.6%	9.4%	1.4%	54.7%	18.6%	8.7%

Source: S&P Global – ReX, December 2025

Among the three districts, Nkangala recorded the largest positive trade balance of R49.0 billion in 2024, followed by Gert Sibande (R5.3 billion). Gert Sibande is the only district in Mpumalanga that, from time to time in the 28-year period, recorded a negative trade balance.

3.2 Job creation

The MTDP targets the creation of 60 000 jobs per annum up to 2029/2030 in Mpumalanga.

[15] International trade data is obtained from administrative data collected by SARS' Department of Customs and Excise. The postal code or street address of the South African importer/exporter is recorded with each transaction, allowing S&P Global to analyse trade data at a regional level

3.2.1 Labour force profile

South Africa’s employment figure increased from 17.08 million in Q4 2024 to 17.1 million in Q4 2025. The national economy gained 21 067 jobs on an annual basis and 44 085 jobs on a quarterly basis. The national unemployment rate (official definition) improved from 31.9% in Q4 2024 to 31.4% in Q4 2025. The unemployment rate according to the combined rate of unemployment and potential labour force, however, increased/deteriorated from 41.9% in Q4 2024 to 42.1% in Q4 2025.

The provincial labour force of 1.9 million individuals in Q4 2025 was 25 504 less than a year earlier (Table 15). Mpumalanga’s provincial labour force, however, increased by 6 032 on a quarterly basis. In Q4 2025, the province experienced a year-on-year increase in employment, with 28 718 more individuals employed compared to Q4 2024. On a quarterly basis, employment in Mpumalanga increased by 37 421 in Q4 2025.

The number of unemployed people (official definition) in the province declined by 54 221 on an annual basis and by 31 389 on a quarterly basis. The official unemployment rate of the province declined/improved from 34.7% in Q4 2024 to 32.3% in Q4 2025. The combined rate of unemployment and potential labour force also declined/improved from 47.2% in Q4 2024 to 46.3% in Q4 2025. Both the official and combined unemployment rates declined/improved on a quarterly basis.

Table 15: Labour force profile of Mpumalanga, 2024-2025

Indicator	Q4 2024 ‘000	Q3 2025 ‘000	Q4 2025 ‘000	Q3 2025-Q4 2025 change ‘000	Year-on-year change ‘000
	Number				
- Working age population (15-64 years)	3 189	3 219	3 228	9	40
- Outside the Labour Force	1 268	1 330	1 333	3	65
- Labour Force/EAP	1 920	1 889	1 895	6	-26
- Employed	1 255	1 246	1 283	37	29
- Unemployed	666	643	611	-31	-54
	Rate				
	%	%	%	%	%
- Unemployment rate (strict)	34.7	34.0	32.3	-1.7	-2.4
- Unemployment rate (combined rate)	47.2	47.5	46.3	-1.2	-0.9
- Absorption rate	39.3	38.7	39.8	1.1	0.5
- Labour force participation rate	60.2	58.7	58.7	0.0	-1.5

Source: Stats SA – QLFS, 2026
Note: Due to rounding numbers do not necessarily add up to totals or change

The labour force participation rate is the proportion of the working-age population that is either employed or unemployed. Mpumalanga’s participation rate deteriorated on an annual basis to 58.7% in Q4 2025. The absorption rate is the proportion of the working age population that is employed. Mpumalanga’s absorption rate improved on an annual and quarterly basis to 39.8% in Q4 2025.

The decline in the unemployment rate alongside a higher absorption rate suggests that job creation has improved for those active in the labour market. However, the lower labour force participation rate indicates that a portion of the working-age population has withdrawn from seeking work, possibly due to discouragement or barriers to entry. This points to a labour market that is strengthening for participants but still excluding many potential workers.

The gap between the labour force participation rate and the absorption rate – the labour market slack – was 20.9 percentage points in Q4 2024 and narrowed to 18.9 percentage points in Q4 2025. This gap represents the proportion of the working-age population that is actively seeking work but is not currently employed. When the gap narrows, as in this annual change, it usually indicates that more people are looking for work and finding jobs.

3.2.2 Employment

The national labour market gained nearly 2.1 million jobs in the 5-year period from Q4 2020 to Q4 2025 (Table 16). Therefore, the average annual jobs gained on the national level was 415 000 per year. Gauteng (613 031) recorded the largest increase in job numbers over the five year period and Free State (26 244) the smallest increase. Mpumalanga's increase in employment numbers over the 5-year period of 135 176 was the fourth lowest increase among the provinces. Mpumalanga's average annual employment increase of 2.3% per annum was the fourth highest of the provinces.

The national labour market gained only 21 067 jobs between Q4 2024 and Q4 2025. Mpumalanga's employment increased by 28 717 over the 1-year period. Gauteng (101 558) recorded the highest number of job gains over a 1-year period and North West the highest annual increase in percentage terms of 4.1%. Mpumalanga recorded the fourth highest number of job gains and the fourth highest average annual employment increase.

Between Q3 2025 and Q4 2025 Mpumalanga's employment numbers increased by 37 420 or by 3.0%. Western Cape (93 319) recorded the highest number of quarterly job gains and Northern Cape (5.5%) the highest quarterly increase in percentage terms. In Q4 2025, total employment in Mpumalanga constituted 7.5% of employment in the country, which was higher than the 7.3% share recorded in Q4 2024, but lower than the 7.6% share recorded in Q4 2020.

Table 16: Changes in employment in South Africa and provinces, 2020-2025

Region	Q4 2020 '000	Q4 2024 '000	Q3 2025 '000	Q4 2025 '000	5-year change '000	1-year change '000	Q3 to Q4 2025 '000
Western Cape	2 338	2 812	2 814	2 907	569	95	93
Eastern Cape	1 236	1 455	1 408	1 377	141	-79	-32
Northern Cape	308	355	319	337	29	-18	17
Free State	745	750	782	771	26	21	-11
KwaZulu-Natal	2 454	2 892	2 757	2 716	261	-176	-41
North West	944	935	937	973	29	38	36
Gauteng	4 570	5 081	5 237	5 183	613	102	-54
Mpumalanga	**1 148**	**1 255**	**1 246**	**1 283**	**135**	**29**	**37**
Limpopo	1 281	1 543	1 555	1 552	271	9	-3
South Africa	**15 024**	**17 078**	**17 055**	**17 099**	**2 075**	**21**	**44**

Source: Stats SA – QLFS, 2026
Note: Due to rounding numbers do not necessarily add up to totals or change

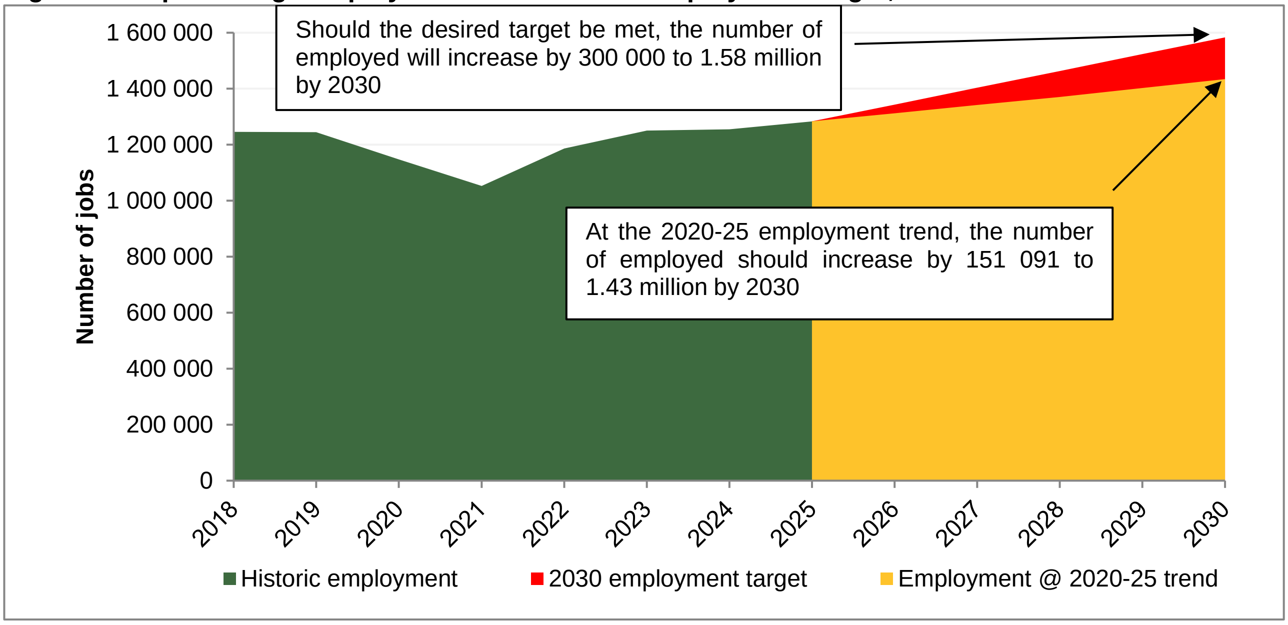
Employment target

The MTDP targets the creation of 60 000 jobs per annum up to 2029/2030 in Mpumalanga. If it materialise, some 300 000 more people in Mpumalanga should be in employment by the end of 2030 than in 2025. The 300 000 new jobs equates to an annual average employment growth of 4.3%. Figure 18 depicts historical employment numbers and required employment growth in Mpumalanga. It is evident from the illustration that the employment increase of 2.0% per annum – the average annual employment growth between 2020 and 2025 – will result in a lower employment number than the envisaged target of 1.58 million jobs by 2030.

Changes in employment since COVID-19

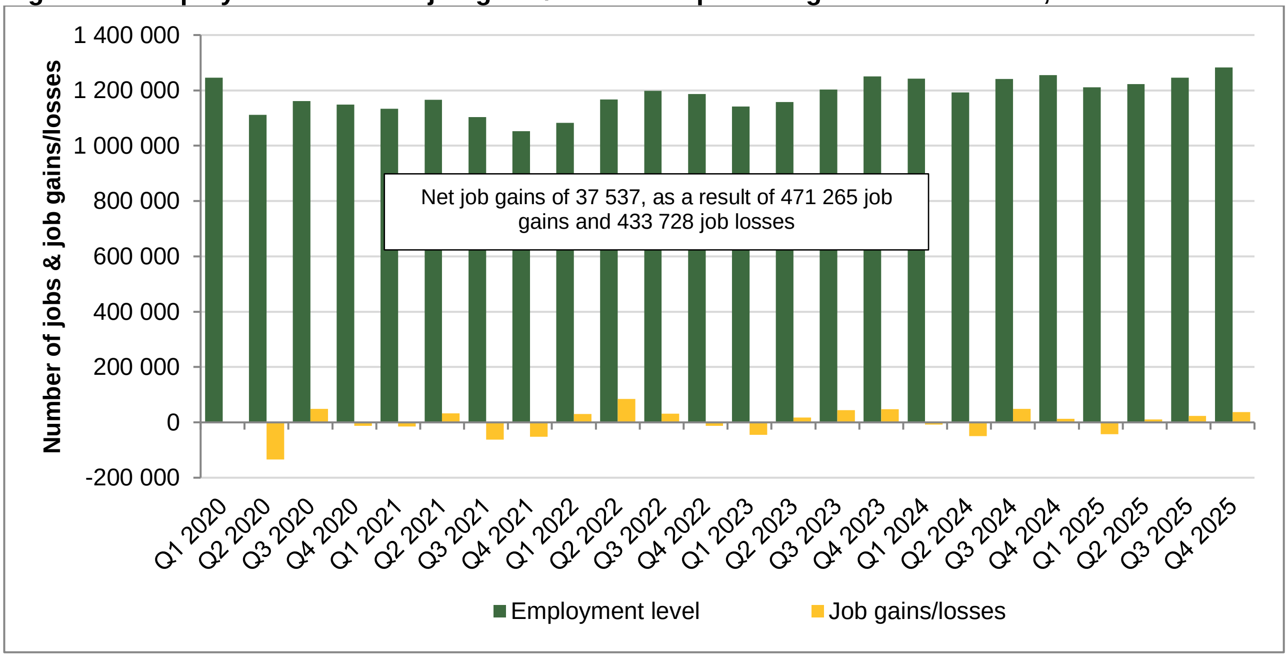
To demonstrate the employment change since before the COVID-19 lockdown, Figure 19 presents the quarterly employment changes up to Q4 2025. Over the twenty-three quarters under consideration, job gains were recorded in thirteen quarters and job losses in ten. The latest employment level of 1.28 million in Mpumalanga was 37 537 higher than the number employed in Q1 2020 before the lockdown was instituted. In Q4 2025, Gauteng (613 031) and Western Cape (569 359) exceeded their respective pre-COVID levels by the highest number.

Figure 18: Mpumalanga employment numbers and employment target, 2018-2030



Source: Stats SA – QLFS, 2026 & calculations based thereon

Figure 19: Employment level and job gains/losses in Mpumalanga since COVID-19, 2020-2025



Source: Stats SA – QLFS, 2026

Aggregate employment

Table 17 shows the aggregated employment composition of employment in South Africa and the province between Q3 2025 and Q4 2025. In Mpumalanga, the formal employees' share of total employment declined from 67.2% in Q3 2025 to 65.4% in Q4 2025. The formal sector in Mpumalanga (65.4%) recorded a significantly smaller share of total employment than was the case nationally (72.0%). In Mpumalanga, the informal sector's share increased from 26.1% in Q3 2025 to 27.5% in Q4 2025 on a quarterly basis.

Table 17: Aggregate employment in South Africa & Mpumalanga, 2025

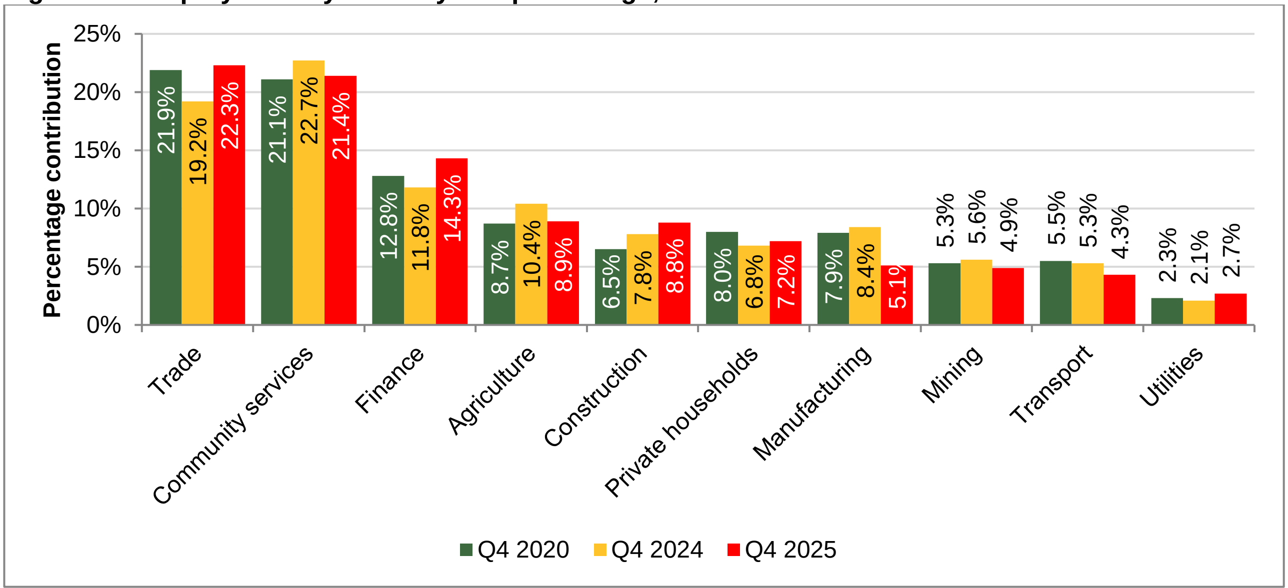
Sector	Q3 2025		Q4 2025	
	SA	**MP**	**SA**	**MP**
Formal sector	70.3%	67.2%	72.0%	65.4%
Informal sector[16]	23.2%	26.1%	21.4%	27.5%
Private households	6.5%	6.6%	6.6%	7.2%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: Stats SA – QLFS, 2026

Employment by industry

Figure 20 depicts employment by industry in Mpumalanga in the fourth quarters of 2020, 2024 and 2025, respectively. Trade (22.3%) and community services (21.4%) employed the largest share of individuals in the province in Q4 2025. The share of community services declined over the last 12 months and the share of trade increased. Over the 5-year period, the contribution of both large contributors increased.

Figure 20: Employment by industry in Mpumalanga, 2020-2025



Source: Stats SA – QLFS, 2026

Utilities was the smallest industry throughout while transport was the second smallest employing industry in Q4 2025. Over the course of the last year, trade recorded the largest percentage point increase and the largest percentage point decline was recorded by manufacturing. Over the course of the 5-year period, construction recorded the largest percentage point increase and manufacturing also the largest percentage point decrease.

Over the last year since Q4 2024, five employment industries recorded job gains, whilst the other five registered lower employment numbers (Figure 21). The five industries with job gains, combined to record 113 194 new jobs over the 1-year period, whereas the five with job losses registered 84 477 destroyed jobs. Trade and finance made the largest contributions to job gains, whilst manufacturing and agriculture made the largest contribution to job losses.

Figure 21 also shows that over the last twelve months, the highest employment increase in percentage terms was in utilities (36.1%) and finance (24.4%). The largest declines in percentage terms were registered in

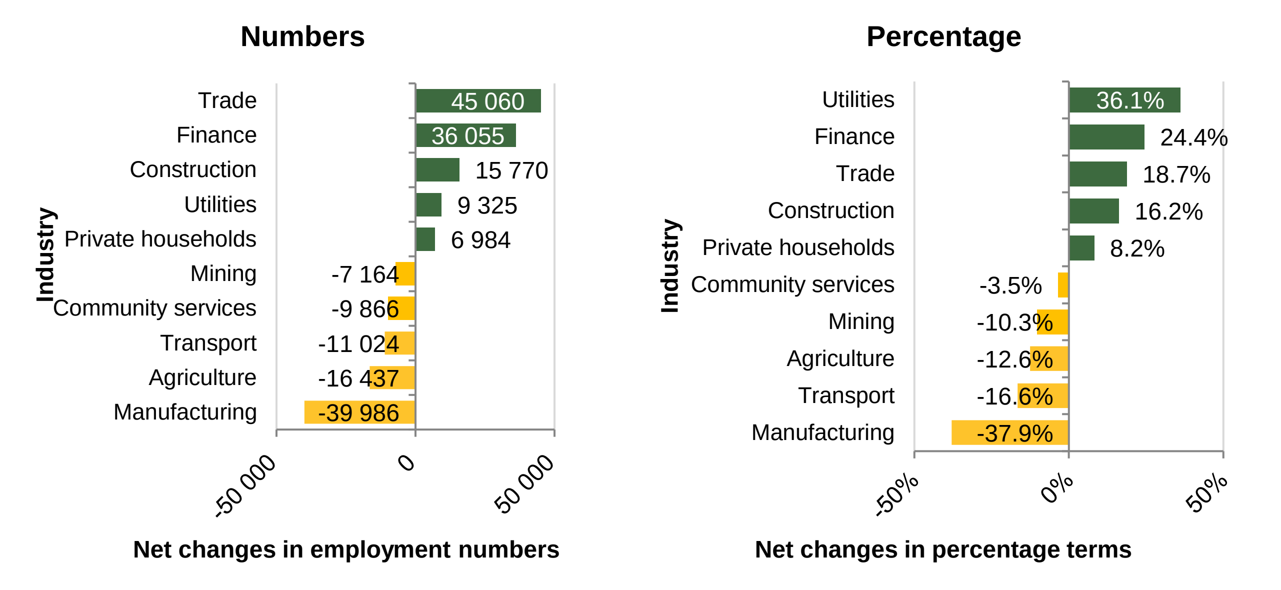
[16] The informal sector comprises i) Employees working in establishments that employ less than 5 employees, who do not deduct income tax from their salaries & ii) Employers, own-account workers and persons helping unpaid in their household business who are not registered for either income tax or value-added tax.

manufacturing (-37.9%) and transport (-16.6%).

Changes in employment by industry since COVID-19

Table 18 presents the combined quarterly employment changes since the start of the COVID-19 lockdown up to Q4 2025. The employment numbers of agriculture, utilities, construction, trade, finance and community services were higher in Q4 2025 than in Q1 2020. Manufacturing (-39 238) recorded the highest net job losses, which was the result of combined quarterly job gains over the period under review of 116 918 and combined quarterly job losses of 156 156.

Figure 21: Changes in employment by industry in Mpumalanga, 2024–2025



Source: Stats SA – QLFS, 2026

Table 18: Quarterly job gains/losses in Mpumalanga's industries, Q1 2020-Q4 2025

Industry	Employment numbers		Combined quarterly		Net job gains/(losses)
	Q1 2020	Q4 2025	Job gains	Job losses	
Agriculture	86 188	114 458	159 578	131 308	28 270
Mining	68 781	62 543	74 448	80 686	(6 238)
Manufacturing	104 829	65 591	116 918	156 156	(39 238)
Utilities	26 370	35 164	49 452	40 658	8 794
Construction	100 598	113 245	107 11	95 064	12 647
Trade	264 859	285 939	215 836	194 756	21 080
Transport	64 836	55 487	79 499	88 848	(9 349)
Finance	149 934	183 794	159 658	125 798	33 860
Community services	273 876	275 092	160 451	159 235	1 216
Private households	105 439	91 933	69 012	82 518	(13 506)
Total	**1 245 715**	**1 283 251**	**1 192 563**	**1 155 027**	**37 536**

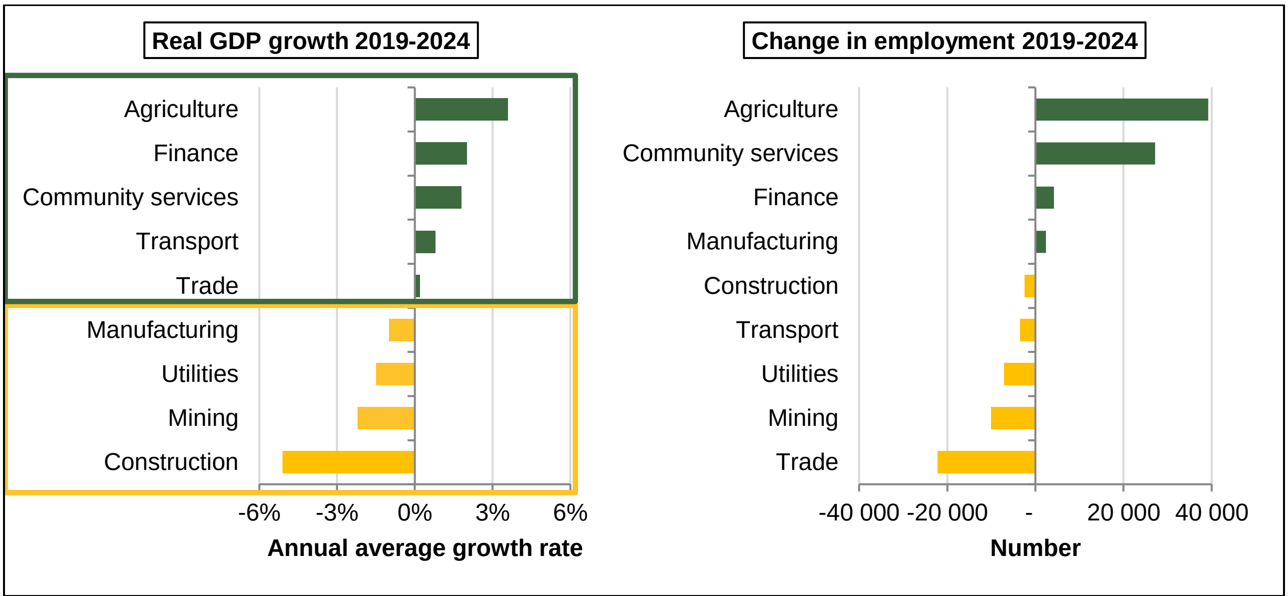
Source: Stats SA – QLFS, 2026

Performance and employment in the provincial economy

Figure 22 depicts the real growth per industry over the period 2019 to 2024 in the left-hand diagram and the contribution to changes in employment numbers over the same period in the right-hand diagram. Over the 5-year period, agriculture registered the highest average annual growth rates, whereas construction recorded the lowest.

In 2024, some 27 809 more people were employed by the nine industries in Mpumalanga than in 2019. In the right-hand diagram, it is observable that only four of the industries, namely agriculture, community services, finance and manufacturing gained jobs over the 5-year period. Trade and transport lost jobs despite expanding in GDP terms.

Figure 22: Real GDP growth at constant prices and contribution to employment changes by industry, 2019-2024

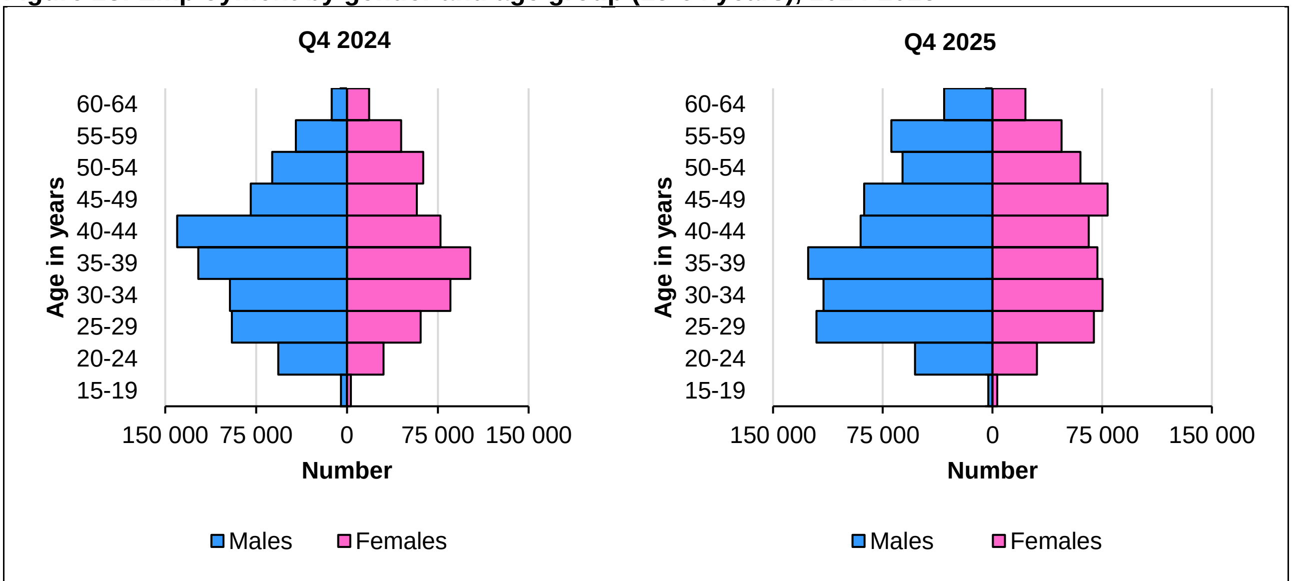


Sources: Stats SA – Provincial Gross Domestic Product, 2024
Stats SA – QLFS, 2026

Employment by gender and age

Figure 23 displays the employment by gender and age for Q4 2024 and Q4 2025, respectively. There were more males (59.2%) employed in Mpumalanga in Q4 2025 than females. Over the past year, the male employment number increased by 47 227 to 759 221. Female employment numbers declined by 18 508 to 524 032, and therefore recorded a smaller share in Q4 2025 (40.8%) than a year earlier (43.2%).

Figure 23: Employment by gender and age group (15-64 years), 2024-2025



Source: Stats SA – QLFS, 2026

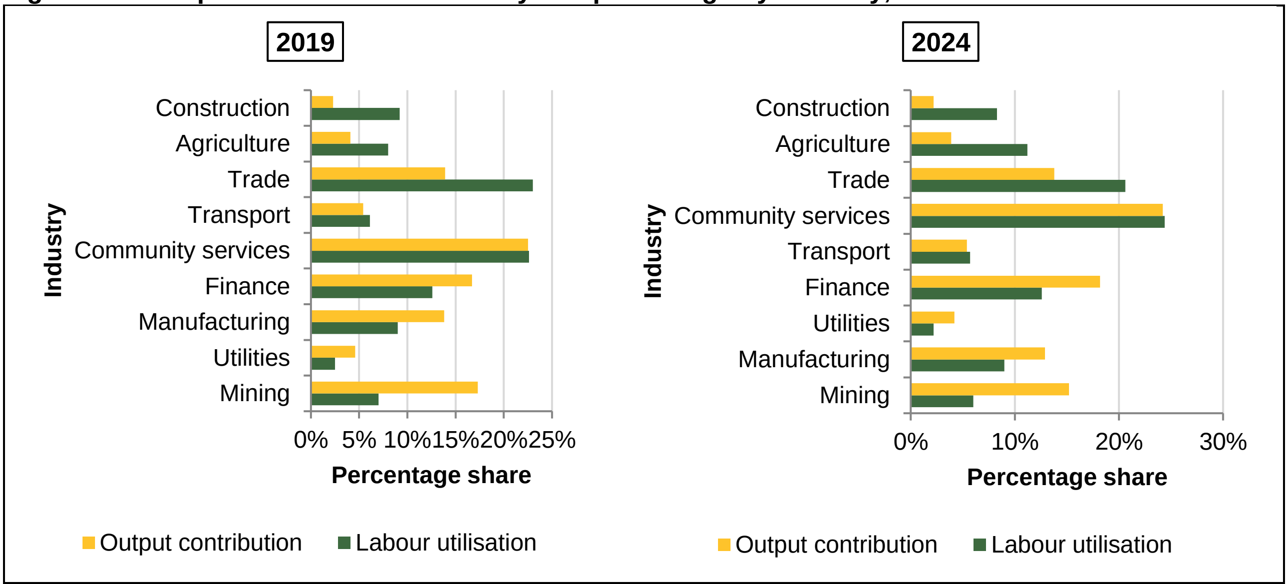
In Q4 2025, adults (35-64 years) held the majority of jobs in Mpumalanga with a share of 63.4%. The adult employment numbers decreased by 8 113 from a year earlier and the share decreased from 65.5% in Q4 2025 to the current 63.4%. The youth (15-34 years) employment numbers increased by 36 831 and therefore the youth share increased from 34.5% in Q4 2024 to 36.6% in Q4 2025.

3.2.2.1 Labour intensity

Labour intensive industries are identified by comparing the output generation capacity with the utilisation of labour by each of the industries. When an industry utilises a larger share of the provincial employed than what its share towards the provincial output is, that industry is regarded as a labour intensive industry.

Figure 24 provides a comparison of the utilisation of labour with output at industry level for 2019 and 2024. In 2024, the following three industries in Mpumalanga exhibited higher employment shares relative to their output shares, thereby indicating a high level of labour intensity: construction, agriculture and trade. In 2019, construction, agriculture, trade and transport registered larger labour utilisation shares than output contribution. The labour intensity in mining, utilities and finance improved by varying degrees between 2019 and 2024.

Figure 24: Comparison of labour intensity in Mpumalanga by industry, 2019-2024



Sources: Stats SA – Provincial Gross Domestic Product, 2024
Stats SA – QLFS, 2026

3.2.2.2 Employment elasticity

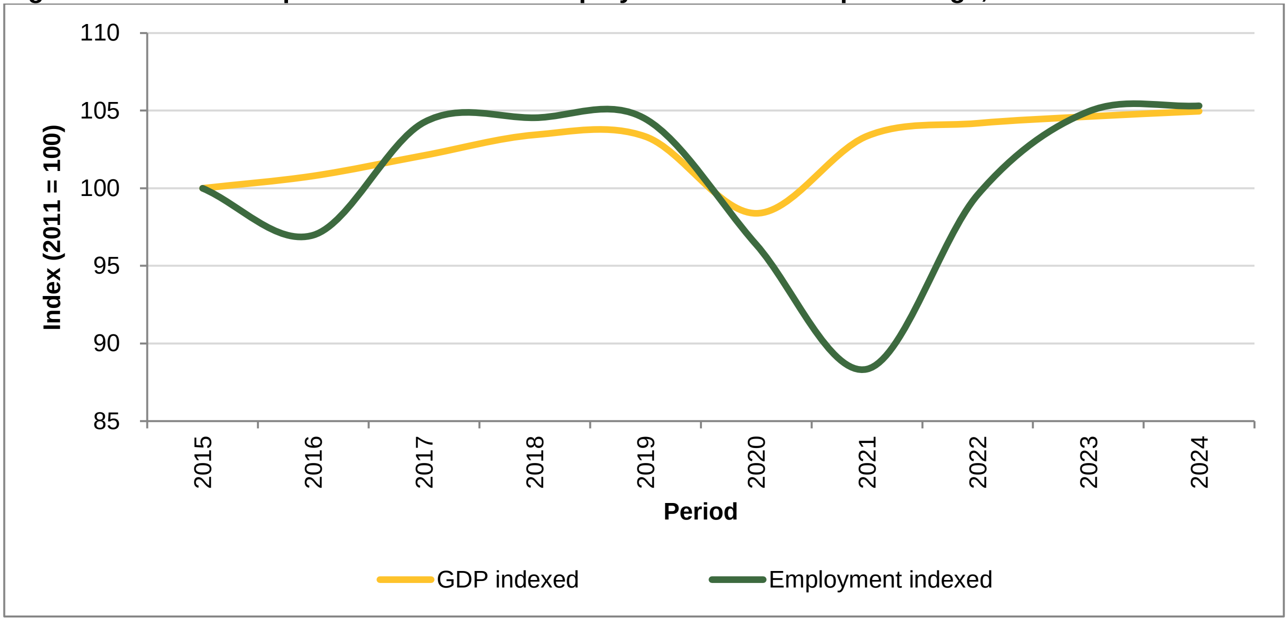
The rate of employment growth in an economy, or in any industry of it, is determined by many factors operating simultaneously, one of which is how fast the economy grows. An employment elasticity provides an indication of the historic rate of employment growth as determined by the historic economic growth. Such an employment elasticity of an industry can be calculated by dividing the observed growth rate of employment during any past period by the observed growth rate of GDP during the same past period.

Between 2015 and 2024, economic output and employment fluctuated strongly (Figure 25). Mpumalanga's employment elasticity over the period 2015 to 2024 was 1.07. In other words, on average over the 9-year period, every 1% of real economic growth in the province's economy translated into a 1.07% increase in employment in the economy.

The employment elasticity of the various industries in Mpumalanga's over the period 2015 to 2024 is displayed in Table 19. Finance recorded the highest employment elasticity of 1.66 over the period 2015 to 2024.

Therefore, on average over the 9-year period, every 1% of real economic growth in finance translated into a 1.66% increase in employment in the industry.

Figure 25: Relationship between GDP and employment levels in Mpumalanga, 2015-2024



Sources: ***Stats SA – QLFS, 2026***
Stats SA - Provincial Gross Domestic Product 2024

Table 19: Comparative employment elasticity per industry in Mpumalanga, 2015-2024

Industry	Employment elasticity 2015-2024
Agriculture	0.45
Mining	-3.05
Manufacturing	-1.03
Utilities	-0.61
Construction	0.42
Trade	1.09
Transport	-6.68
Finance	1.66
Community services	0.07
Total	**1.07**

Sources: ***Stats SA – QLFS, 2025***
Stats SA - Provincial Gross Domestic Product 2024

3.2.2.3 Labour productivity

Productivity can be measured by relating changes in output to changes in one or more input to production. Should an industry achieve a score of more than unity (1) then that industry is regarded as experiencing higher labour productivity than all industries combined. When comparing Mpumalanga's industry specific labour productivity with that of the province's total industries, it is evident that four industries achieved higher labour productivity than the total industries combined in 2024 (Table 20).

The mining industry (2.55) recorded the highest labour productivity index score in 2024, followed by utilities (1.91) and finance (1.44). The mining industry also registered the highest labour productivity index score in 2015 of 2.99, followed by utilities. Trade, finance, and community services experienced increased labour productivity between 2015 and 2024.

Table 20: Comparison of Mpumalanga's labour productivity per industry, 2015-2024

Industry	Labour productivity index	
	2015	2024
Agriculture	0.36	0.34
Mining	2.99	2.55
Manufacturing	1.59	1.43
Utilities	2.06	1.91
Construction	0.29	0.27
Trade	0.63	0.67
Transport	0.97	0.95
Finance	1.35	1.44
Community services	0.71	0.77
Total industries	**1.00**	**1.00**

Sources: Stats SA – QLFS, 2026
Stats SA - Provincial Gross Domestic Product 2024

3.2.2.4 Regional competitiveness

Shift share is a standard regional analysis method that attempts to determine how much of regional job growth can be attributed to national trends and how much is due to unique regional factors. In using a shift share analysis a regional economy (Mpumalanga) is indexed against a base economy (South Africa). The technique distributes job change into three component parts. The three component parts are the national growth effect, the industrial mix effect and the regional competitiveness effect.

The regional competitiveness effect is the most important of the three indicators, as it explains how much of the labour change in a given industry is due to some unique competitive advantage that the province possesses. This effect is calculated by taking the total provincial employment growth and subtracting the national growth and industrial mix effects. This effect can be higher than actual job growth if national and/or industry mix effects are negative while provincial growth is positive. This is because the regional competitiveness effect accounts for jobs "saved" from declining national trends as well as new jobs created.

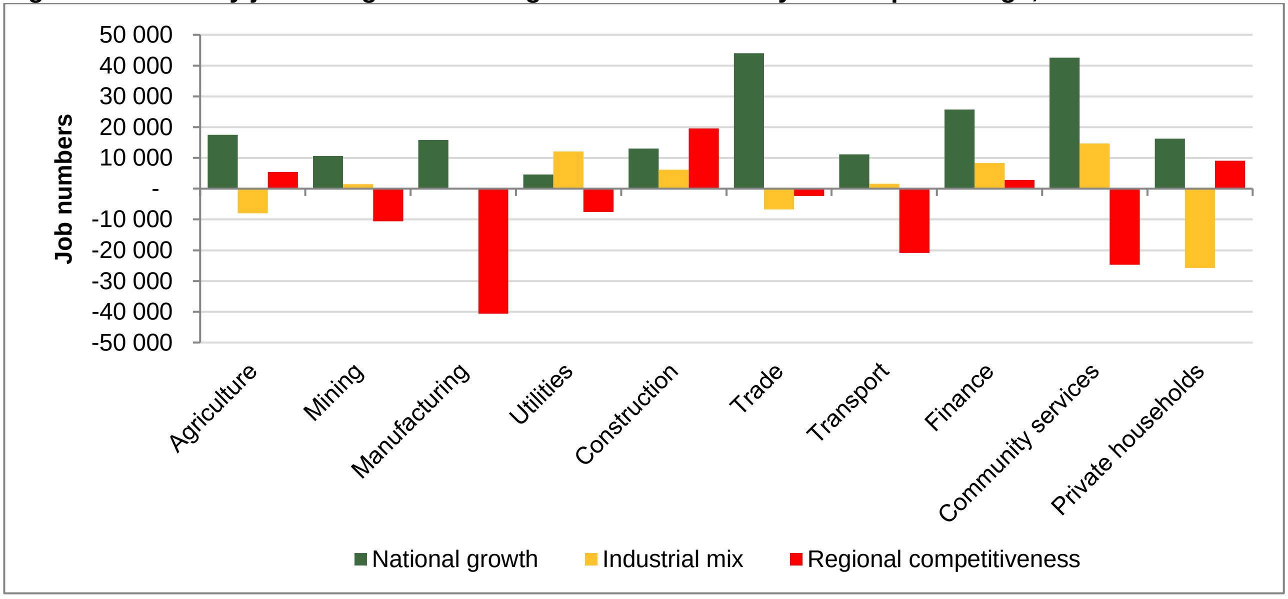
Industries with high regional competitiveness effects highlight the region's competitive advantages or disadvantages. Shift share analysis does not indicate why these industries are competitive but it merely shows the sectors in which the province is out-competing or under-competing the nation. Shift share is thus useful in identifying investment targets so that local stakeholders can assist provincial industries to either continue to outperform national trends or else "catch up" with national trends so that the provincial economy is not left behind.

Figure 26 displays what job change took place per industry in Mpumalanga between 2020 and 2025 and whether expected change (national and industrial) or regional competiveness was the dominant factor in the change. Employment in the agriculture industry in Mpumalanga increased by 14 866 between 2020 and 2025. Using shift share, job gains of 17 467 were due to the national trend in the economy as a whole, while 7 985 jobs were lost due to national trends in the agriculture industry specifically. Therefore, a total of 9 482 job gains in the Mpumalanga agriculture industry were due to national trends.

The regional competitiveness effect was 5 384 job gains, indicating that some specific condition in the provincial agriculture industry resulted in job gains. Therefore, agriculture's employment increased mainly as a result of positive national factors supported by regional factors.

Job numbers in Mpumalanga's mining industry increased by 1 612 over the 5-year period. Shift share analysis reveals that national trends pulled employment higher together with positive factors in the national mining industry, despite regional factors dragging it lower. Utilities and community services also recorded higher employment numbers as a result of both positive national trends and national industry factors, despite negative regional factors.

Figure 26: Industry job changes according to shift share analysis in Mpumalanga, 2020-2025



Source: DEDT – Comparative Advantage & Regional Competitiveness Model, 2026

Job numbers in Mpumalanga's manufacturing industry declined by 24 747 between 2020 and 2025. The losses stemmed from regional competitiveness factors, despite positive national trends and national industry factors. Transport also recorded lower employment numbers as a result of regional competitiveness factors.

Job numbers in Mpumalanga's construction industry increased by 38 734 between 2020 and 2025. The gains stemmed from national factors, national industry as well as regional factors. Finance also gained as a result of all three factors.

Mpumalanga's trade industry gained 34 892 jobs between 2020 and 2025. However, only national factors contributed to the increase in job numbers with both national industry factors and regional factors detracting from job numbers.

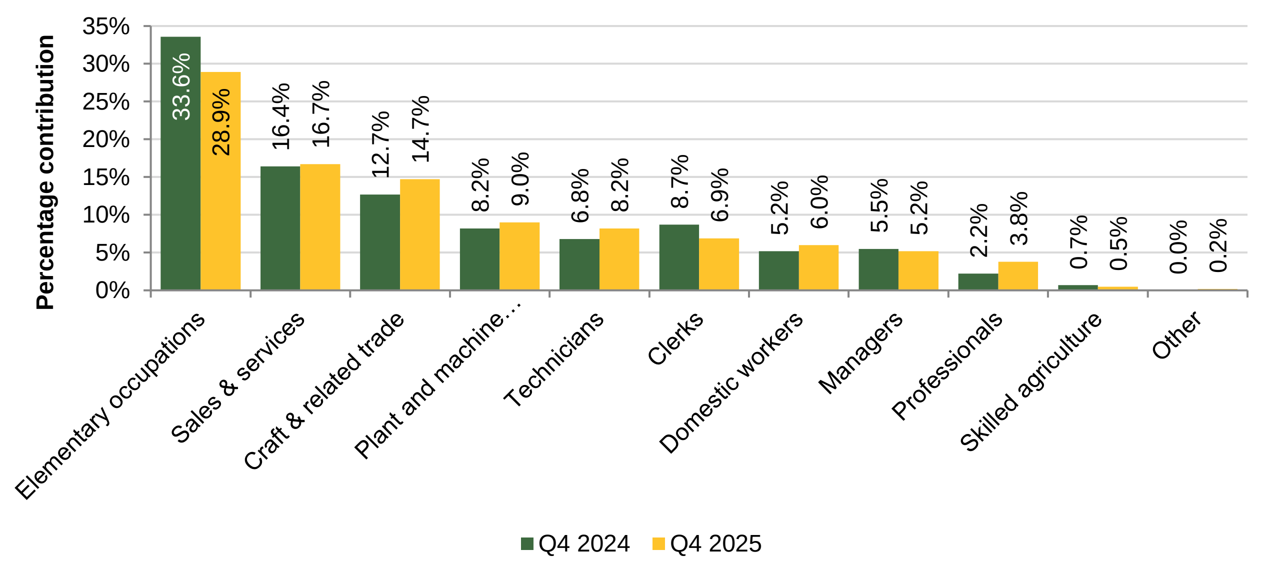
3.2.2.5 Occupational profile

Figure 27 illustrates the occupational profile of Mpumalanga in the fourth quarters of 2024 and 2025, respectively. The occupational profile is an indicator of the quality of the labour force. It provides information on the proficiency levels and assists in identifying the shortage of skills in the economy, by matching the demand for labour with its relative supply.

The occupational profile was skewed towards semi-skilled and unskilled occupations in both years. The share of skilled occupations (managers, professionals and technicians) increased from 14.5% in Q4 2024 to 17.2% in Q4 2025.

The share of semi-skilled occupations increased from 46.7% to 47.8% over the period under review. The combined share of elementary occupations and domestic workers (unskilled occupations) was 34.9% in Q4 2025, down from the 38.8% share of one year earlier.

Figure 27: Mpumalanga's occupational profile, 2024-2025



Source: Stats SA – QLFS, 2025

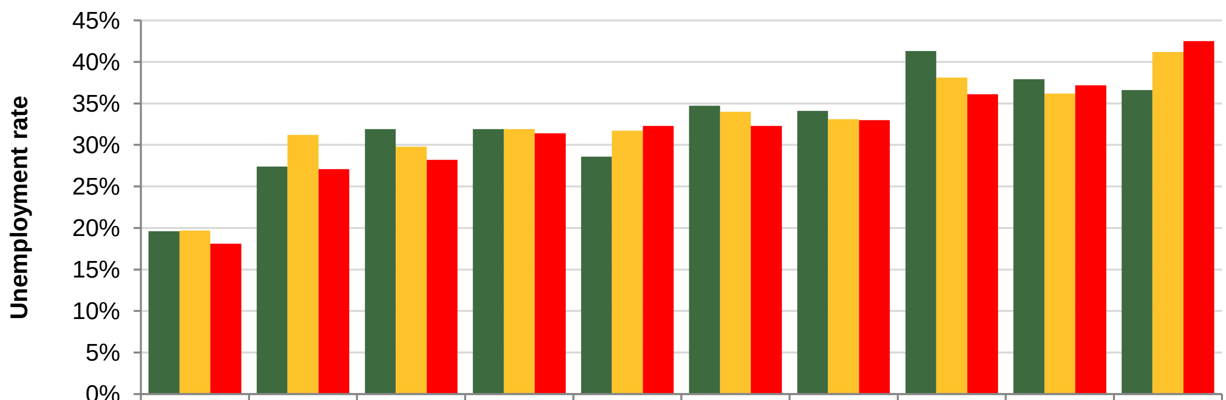
3.2.3 Unemployment

The MTDP targets a reduction in the Mpumalanga unemployment rate to 25% by 2029/2030.

Official definition of unemployment

According to Statistics South Africa's *QLFS*, the unemployment rate in Mpumalanga was 32.3% in Q4 2025, which was lower than the 34.0% recorded in Q3 2025 and lower than the 34.7% in Q4 2024 (Figure 28). Seven of the provinces (including Mpumalanga) registered a lower unemployment rate over the last year. Mpumalanga's unemployment rate declined/improved by 2.4 percentage points over the 1-year period and it declined/improved by 1.7 percentage points over the last quarter. Mpumalanga's improvement over the 1-year period was the third highest/best among the provinces that recorded improvements. Mpumalanga was one of six provinces with a lower unemployment rate than the previous quarter.

Figure 28: Strict unemployment rate for South Africa by province, 2024-2025



	WC	NC	LP	RSA	KZN	MP	GP	NW	FS	EC
Q4 2024	19.6%	27.4%	31.9%	31.9%	28.6%	34.7%	34.1%	41.3%	37.9%	36.6%
Q3 2025	19.7%	31.2%	29.8%	31.9%	31.7%	34.0%	33.1%	38.1%	36.2%	41.2%
Q4 2025	18.1%	27.1%	28.2%	31.4%	32.3%	32.3%	33.0%	36.1%	37.2%	42.5%

Region

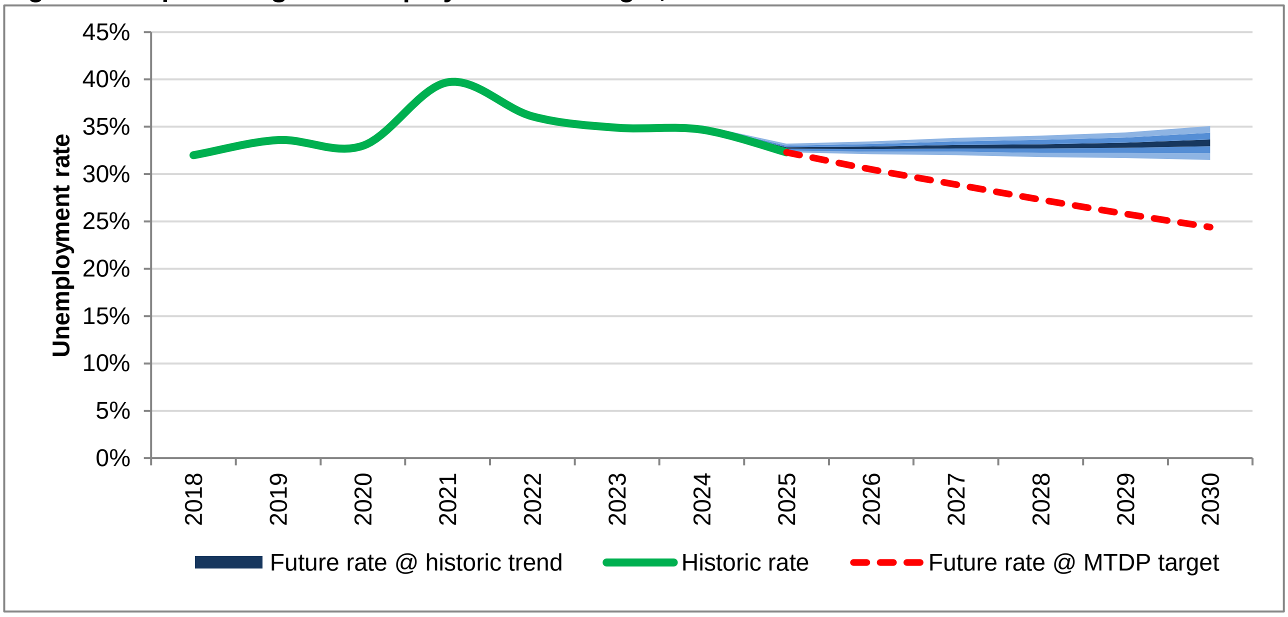
Source: Stats SA – QLFS, 2026

In Q4 2025, Mpumalanga's unemployment rate was higher than the national average of 31.4%. Mpumalanga, recorded the joint fourth lowest unemployment rate among the nine provinces, with Eastern Cape (42.5%) registering the highest unemployment rate in Q4 2025.

Target unemployment rate

Should the MTDP target of 60 000 jobs per year up to 2029/2030 be reached, the unemployment rate should, in all probability, drop lower than the targeted 25%, to 24.4% as is displayed in Figure 29. If jobs, however, are to be created in a similar fashion than between 2020 and 2025, the unemployment rate should in all probability be around the current rate by 2030.

Figure 29: Mpumalanga's unemployment rate target, 2018-2030



Source: Stats SA – QLFS, 2026 & calculations based thereon

Official unemployment by gender and age

Figure 30 displays the breakdown of unemployment by gender and age for the fourth quarters of 2024 and 2025, respectively. In Q4 2025, females accounted for 51.8% of the total number of unemployed individuals, while males constituted 48.2%. This female share was sharply higher compared to twelve months earlier when females made up 47.8% of the unemployed population. Among the unemployed, the youth cohort represented 62.1% of the total in the province, which was equal to the share recorded in Q4 2024.

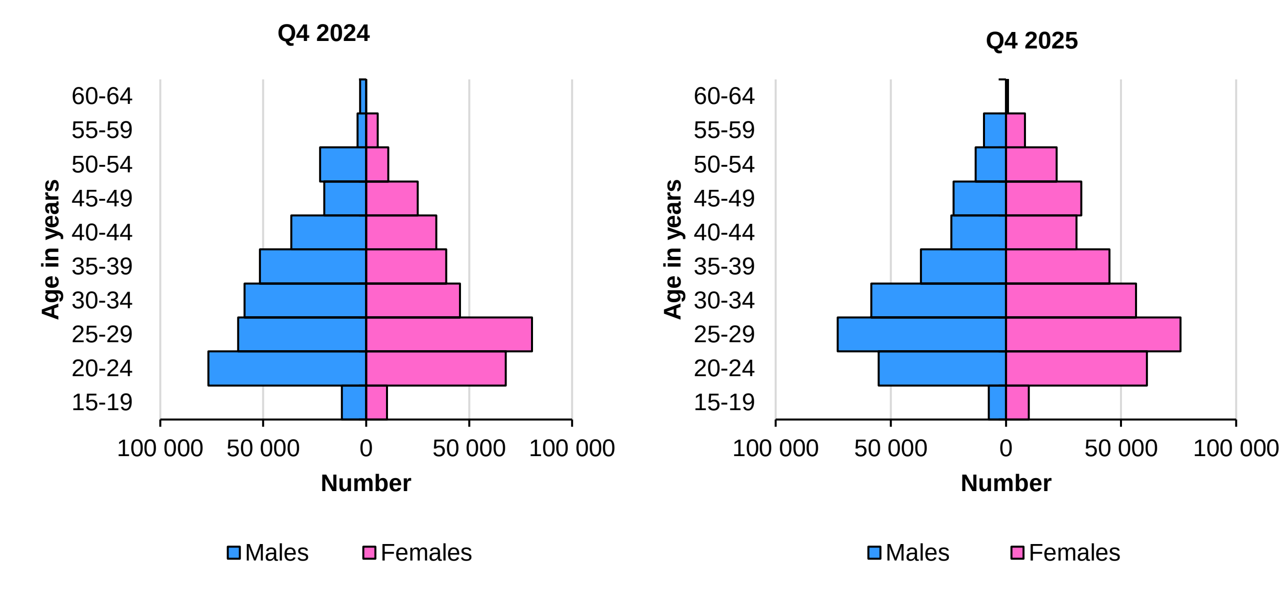
In Q4 2025, the unemployment rate of males stood at 28.0%, which was lower than the female unemployment rate of 37.7%. The unemployment rate for youth of working age (15-34 years[17]) was 44.7%, whereas the unemployment rate of adults (35-64 years) was 22.2%. The female youth unemployment rate of 51.9% was significantly higher than the male youth unemployment rate of 39.1%. Additionally, the unemployment rate of the 18-24 year age cohort was 57.0% in Q4 2025, with the female unemployment rate in that age group reaching 62.6%.

In Q4 2025, the graduate unemployment rate of all ages was 14.4%. Unemployment among female graduates was significantly higher at 19.7%, compared with 5.7% among male graduates. Graduate unemployment was

[17] The International Labour Organization defines youth as individuals between the ages of 15 to 24 years, with 15 being the minimum school-leaving age and legal employment age. It is important to note, however, that Statistics South Africa utilizes a broader definition, covering individuals between the ages of 15 and 34 years, which is also therefore used in this report.

particularly pronounced among youth aged 21-34 years, with a rate of 26.5%.

Figure 30: Mpumalanga's unemployed by gender and age group (15-64 years), 2024-2025



Source: Stats SA – QLFS, 2026

Duration of unemployment

The incidence of long-term unemployment (1 year and longer) in Mpumalanga declined slightly between Q4 2024 and Q4 2025. The share of the unemployed in Mpumalanga that indicated they were unemployed in excess of 12 months, declined from 74.1% to 73.3% (Table 21).

Table 21: Duration of unemployment in Mpumalanga, 2024-2025

Duration	Q4 2024			Q4 2025		
	Males	Females	Share of unemployed	Males	Females	Share of unemployed
1 year and longer	228 410	265 112	74.1%	205 336	242 707	73.3%
Less than 1 year	119 083	53 089	25.9%	89 527	73 902	26.7%
Total	**347 493**	**318 201**	**100.0%**	**294 863**	**316 610**	**100.0%**

Source: Stats SA – QLFS, 2025

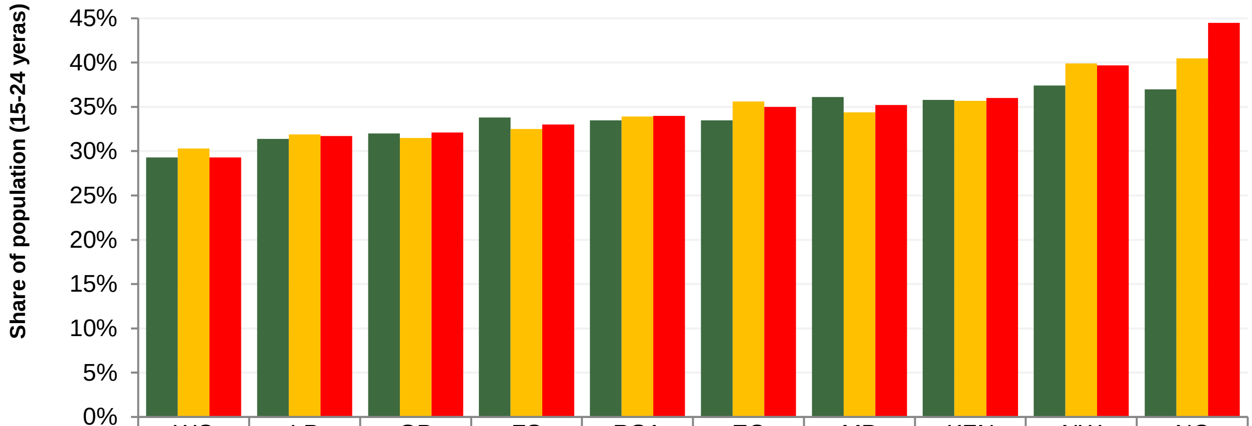
The incidence of long-term unemployment was the highest among females in Q4 2025. The youth cohort contributed 62.1% to the number of unemployed that has been struggling to secure employment for more than 12 months.

Those not in employment, education or training (NEET)

Some young people have been disengaged from the labour market, and they are also not building on their skills base through education and training – they are not in employment, education or training (NEET). The NEET rate serves as an important additional labour market indicator for young people aged between 15 and 24 years.

In Q4 2025, some 3.5 million or 34.0% of the total South African population aged 15-24 years were classified as NEET (Figure 31). This share was slightly higher/worse than the share recorded in Q4 2024 of 33.5%. Among the provinces, Northern Cape had the highest NEET ratio of 44.5%, while Western Cape had the lowest/best ratio at 29.3%. Mpumalanga's NEET ratio was the sixth lowest/fourth highest among the nine provinces at 35.2% and declined/improved from 36.1% recorded in Q4 2024.

Figure 31: Those not in employment, education & training (15-24 years), South Africa & provinces, Q4 2024 –Q4 2025



	WC	LP	GP	FS	RSA	EC	MP	KZN	NW	NC
Q4 2024	29.3%	31.4%	32.0%	33.8%	33.5%	33.5%	36.1%	35.8%	37.4%	37.0%
Q3 2025	30.3%	31.9%	31.5%	32.5%	33.9%	35.6%	34.4%	35.7%	39.9%	40.5%
Q4 2025	29.3%	31.7%	32.1%	33.0%	34.0%	35.0%	35.2%	36.0%	39.7%	44.5%

Source: Stats SA – QLFS, 2026

Combined rate of unemployment and potential labour force

In the Q3 2025 Quarterly Labour Force Survey (QLFS) release, the previously used expanded unemployment rate was replaced by the combined rate of unemployment and potential labour force. This revised measure provides a broader view of labour market slack by including not only those who are officially unemployed, but also individuals who form part of the potential labour force.

The potential labour force consists of discouraged work-seekers, as well as persons who are available for work but not actively seeking employment, as well as those who are actively seeking work but not immediately available to start. By incorporating these groups, the combined rate offers a more comprehensive indication of unmet labour market demand than the narrow unemployment rate alone.

According to Figure 32, South Africa’s combined unemployment rate increased/deteriorated marginally from 41.9% in Q4 2024 to 42.1% in Q4 2025. Over the same period, the expanded unemployment rate in Mpumalanga declined/improved from 47.2% to 46.3%. On a quarterly basis there was also a decline/improvement, as the rate in Mpumalanga declined by 1.2 percentage points from 47.5% in Q3 2025.

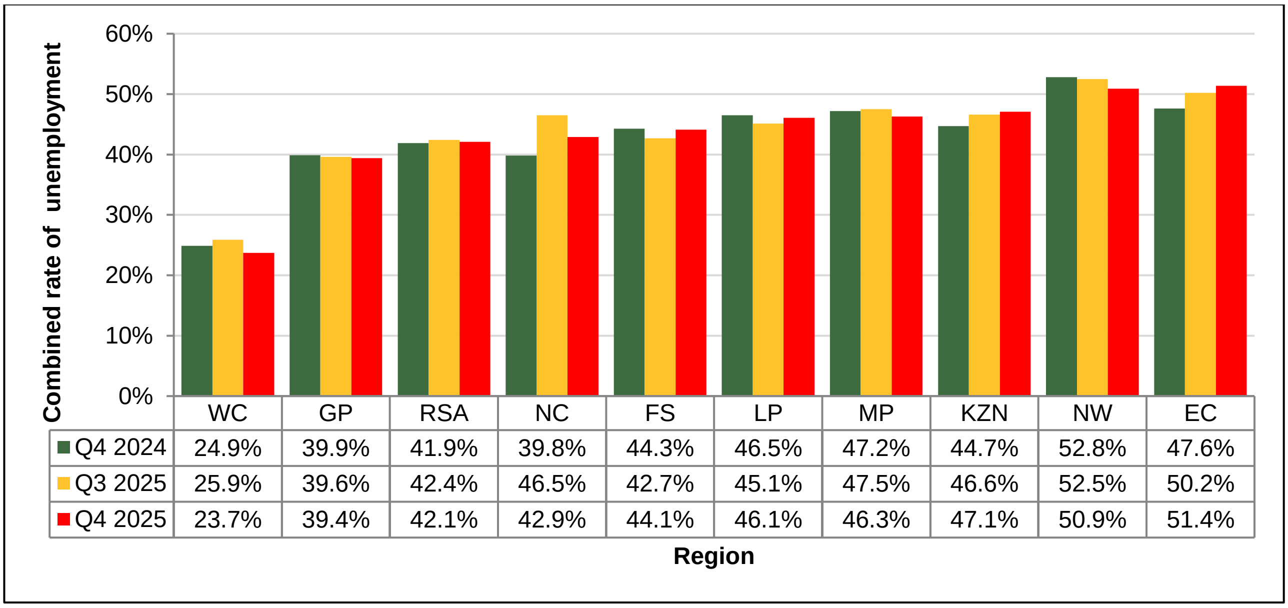
Mpumalanga ranked fourth highest/worst in terms of the combined unemployment rate in Q4 2025. Eastern Cape recorded the highest rate at 51.4%, while Western Cape had the lowest rate of 23.7%. When analysing the annual changes, it is worth noting that Western Cape, Gauteng, Free State, Limpopo, Mpumalanga and North West improved, whereas the other three provinces deteriorated.

Combined rate of unemployment and potential labour force by gender and age

Figure 33 displays the combined unemployed and potential labour force by gender and age for the fourth quarter of 2025. In Q4 2025, females accounted for 54.4% of the total number of combined unemployed and potential labour force and males for 45.6%. The youth segment contributed 58.6% to the overall number in the province.

In Q4 2025, the combined rate of unemployment and potential labour force of males stood at 39.9%, which was much lower than the rate among females of 53.4%. The combined rate of unemployment and potential labour force of working age youth (15 34 years) was 57.9%, while for adults it was 36.1%. The unemployment rate among female youth in Q4 2025 was significantly higher at 65.0% compared to the male youth unemployment rate of 51.9%. The unemployment rate of the 18-24 year age cohort was 70.9% in Q4 2025 and the 18-24 year-old female unemployment rate was 76.2%.

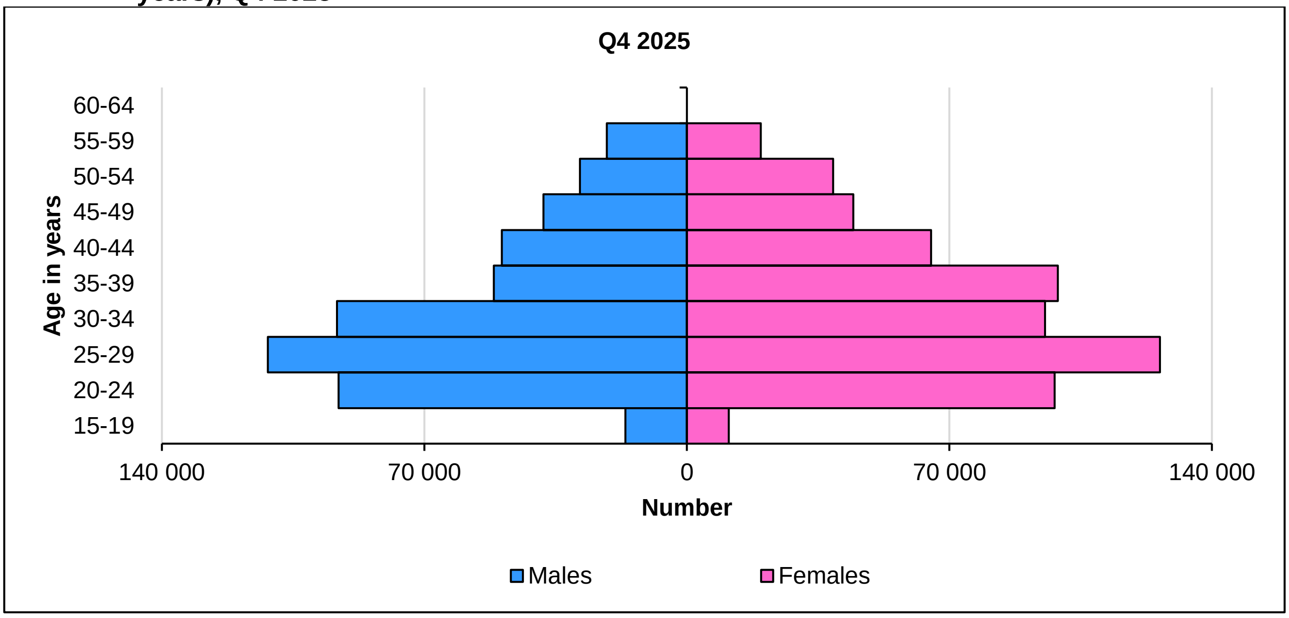
Figure 32: Combined rate of unemployment and potential labour force in South Africa and provinces, 2024-2025



	WC	GP	RSA	NC	FS	LP	MP	KZN	NW	EC
Q4 2024	24.9%	39.9%	41.9%	39.8%	44.3%	46.5%	47.2%	44.7%	52.8%	47.6%
Q3 2025	25.9%	39.6%	42.4%	46.5%	42.7%	45.1%	47.5%	46.6%	52.5%	50.2%
Q4 2025	23.7%	39.4%	42.1%	42.9%	44.1%	46.1%	46.3%	47.1%	50.9%	51.4%

Source: Stats SA – QLFS, 2026

Figure 33: Mpumalanga's combined unemployed and potential labour force by gender and age (15-64 years), Q4 2025



Source: Stats SA – QLFS, 2025

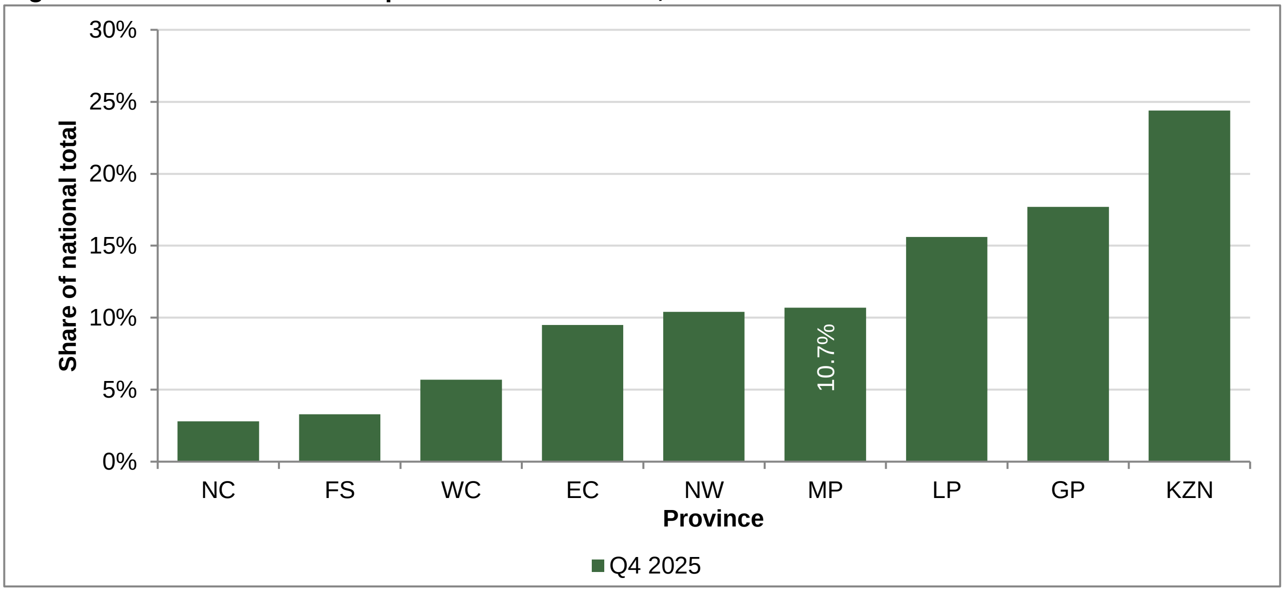
Potential labour force

After adopting the ICLS resolutions, Stats SA now report on a greater variety of labour indicators. Those outside the labour force (previously the non-economically active population) are divided between the potential labour force and others outside the labour force. Others outside the labour force includes those that want employment, but which are neither seeking nor available, and those that do not want employment. The potential labour force includes those that are available but not seeking, which includes the discouraged job-seekers, and those not available but seeking.

According to Figure 34, Mpumalanga accounted for 10.7% of South Africa's potential labour force in Q4 2025. When comparing Mpumalanga to other provinces, it ranked fourth highest/sixth lowest in terms of the share of potential labour force.

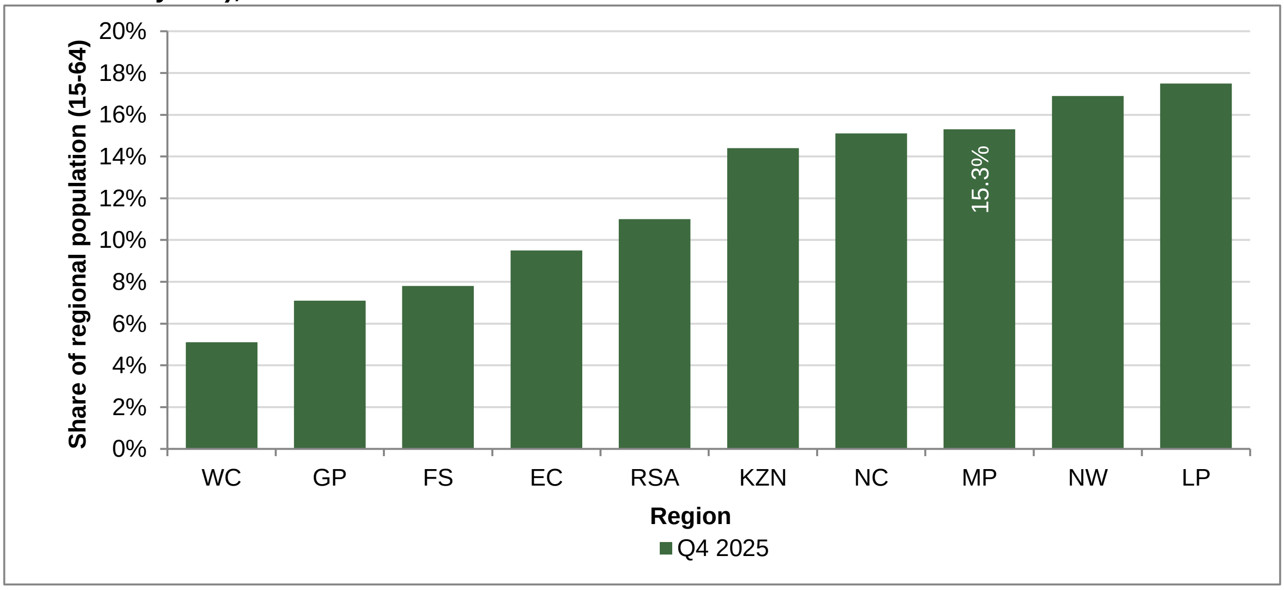
The data presented in Figure 35 shows the proportion of potential labour force relative to the working age population (15-64 years) within the same region in the fourth quarter of 2025. In Q4 2025, the share of potential labour force in relation to the working age population in Mpumalanga was 15.3%, which was higher than the national average of 11.0%. In Q4 2025, Mpumalanga recorded the third highest/seventh lowest share of potential labour force in relation to its working age population.

Figure 34: Provincial share of potential labour force, 2025



Source: Stats SA – QLFS, 2026

Figure 35: Comparison of potential labour force as a ratio of regional working age population (15-64 years), 2025



Source: Stats SA – QLFS, 2026

4. POVERTY AND HIGH COST OF LIVING (MTDP PRIORITY 2)

The MTDP commits to Strategic Priority 2, Reducing Poverty and Tackling the High Cost of Living by implementing targeted interventions to improve household welfare and economic resilience. Government must drive social protection measures, enhance food security and expand access to affordable basic services to alleviate financial pressures on vulnerable communities. This priority ensures a coordinated approach to poverty reduction, promoting inclusive economic participation and improved living standards.

4.1 Poverty aspects

The MTDP targets a reduction in Mpumalanga's poverty rate to below 35% by 2029/2030.

Poverty lines

Stats SA publishes a set of three national poverty lines based on expenditure data collected. The three lines are described as the food poverty line (FPL[18]), lower-bound poverty line (LBPL[19]) and upper-bound poverty line (UBPL[20]).

It is evident from Table 22 that the share of South Africa's population below the LBPL declined from 57.5% in 2006 to 37.9% in 2023. Mpumalanga's population share below the LBPL improved from 67.0% in 2006 to 38.4% in 2023. Both South Africa and Mpumalanga registered an improvement over the 17-year period.

In 2023, Mpumalanga's share below the LBPL was slightly higher than the national figure and the fourth lowest/sixth highest among the nine provinces with KwaZulu-Natal (49.6%) registering the highest share and Western Cape (21.4%) the lowest.

Table 22: Share of population below the LBPL in South Africa & Mpumalanga, 2006-2023

Region	% of population				
	2006	2009	2011	2015	2023
South Africa	57.5%	55.7%	45.8%	46.7%	37.9%
Mpumalanga	67.0%	65.8%	56.3%	51.1%	38.4%

Source: Stats SA – Poverty Trends in South Africa, 2025

It is evident from Table 23 that the share of South Africa's population below the FPL declined/improved from 27.1% in 2006 to 17.6% in 2023. Mpumalanga's population share below the FPL improved from 34.3% in 2006 to 14.3% in 2023.

In 2023, Mpumalanga's FPL share was lower/better than the national figure and the fourth lowest/sixth highest among the nine provinces. KwaZulu-Natal and North West, jointly on 27.3% registered the highest/worst share and Western Cape (7.8%) the lowest.

Table 23: Share of population below the FPL in South Africa & Mpumalanga, 2006-2023

Region	% of population				
	2006	2009	2011	2015	2023
South Africa	27.4%	31.7%	20.8%	22.4%	17.6%
Mpumalanga	34.3%	39.0%	24.0%	23.9%	14.3%

Source: Stats SA – Poverty Trends in South Africa, 2025

The share of South Africa's population below the UBPL declined/improved from 78.7% in 2006 to 66.7% in

[18] The level of consumption below which individuals are unable to purchase sufficient food to provide them with an adequate diet and amounted to R777 per capita per month in 2023.
[19] Includes expenditure on non-food items, but requires that individuals sacrifice food in order to obtain it and amounted to R1 300 per capita per month in 2023.
[20] Includes expenditure on adequate food and non-food items and amounted to R2 635 per capita per month in 2023.

2023 (Table 24). Mpumalanga's population share below the UBPL also improved from 85.9% in 20066 to 71.5% in 2023.

In 2024, Mpumalanga's share was higher than the national figure and the fourth highest/sixth lowest among the nine provinces with Limpopo (79.5%) registering the highest share and Western Cape (50.8%) the lowest.

Table 24: Share of population below the UBPL in South Africa & Mpumalanga, 2006-2023

Region	% of population				
	2006	2009	2011	2015	2023
South Africa	78.7%	76.2%	71.0%	71.1%	66.7%
Mpumalanga	85.9%	83.7%	79.0%	77.3%	71.5%

Source: Stats SA – Poverty Trends in South Africa, 2025

Household poverty

The incidence of poverty for households in both South Africa and Mpumalanga showed a steady decline between 2006 and 2023 (Table 25). Nationally 42.1% of households were regarded as poor in 2006 and this improved to 22.9% in 2023. In Mpumalanga, 54.1% of households were regarded as poor in 2006 and this improved to 25.8% in 2023.

In 2023, Mpumalanga's household poverty measure was higher than the national figure and the fourth lowest/sixth highest with Limpopo (31.2%) suffering the highest share of poor households and Western Cape (13.3%) the lowest.

Table 25: Household poverty in South Africa & Mpumalanga, 2006-2023

Region	% of households				
	2006	2009	2011	2015	2023
South Africa	42.1%	41.0%	31.9%	31.8%	22.9%
Mpumalanga	54.1%	52.1%	37.7%	38.5%	25.8%

Source: Stats SA – Poverty Trends in South Africa, 2025

Subjective poverty

Subjective poverty can be used as an additional measure to objective poverty, which allows for more robust measurements of welfare. Stats SA made use of data from the *Income and Expenditure Survey 2022/23*, and published *Subjective Poverty in South Africa* in February 2026. The three indicators used to measure subjective poverty, are Self –perceived Wealth (SPW), Minimum Income (MI) and Income Evaluation (IE).

Based on the SPW indicator, Limpopo (37.4%) had the highest self-perception of poverty in 2023 and Western Cape (16.0%) the lowest. Mpumalanga recorded the fifth lowest/highest incidence of poverty. According to the SPW indicator between 2015 and 2023, the proportion of households who perceived themselves as poor from Mpumalanga declined/improved from 35.4% to 25.6% (Table 26).

Based on the MI indicator, Northern Cape (56.9%) had the highest incidence of poverty in 2023 and North West (33.9%) the lowest. Mpumalanga recorded the eight lowest/second highest incidence of poverty. According to the MI indicator between 2015 and 2023, the proportion of poor households in Mpumalanga declined/improved from 54.2% to 44.8%.

Based on the IE indicator, Eastern Cape (62.4%) had the highest incidence of poverty and Western Cape (44.7%) the lowest. Mpumalanga recorded the joint fifth lowest/highest incidence of poverty. According to the IE indicator between 2015 and 2023, the proportion of poor households in Mpumalanga declined/improved from 61.5% to 49.9%.

Table 26: Poverty incidence by subjective poverty indicator in South Africa & provinces, 2015 & 2023

Province	Self-perceived Wealth		Minimum Income		Income Evaluation	
	2015	2023	2015	2023	2015	2023
Western Cape	23.0%	16.0%	53.1%	43.0%	45.7%	44.7%
Eastern Cape	50.4%	36.8%	69.0%	43.5%	70.1%	62.4%
Northern Cape	35.9%	23.7%	70.4%	56.9%	66.1%	61.6%
Free State	35.4%	22.8%	67.7%	41.4%	60.7%	57.3%
KwaZulu-Natal	32.9%	28.5%	27.1%	34.1%	33.0%	49.9%
North West	41.0%	27.7%	53.2%	33.9%	56.8%	45.0%
Gauteng	26.0%	19.4%	46.6%	43.5%	39.0%	49.6%
Mpumalanga	**35.4%**	**25.6%**	**54.2%**	**44.8%**	**61.5%**	**49.9%**
Limpopo	45.3%	37.4%	63.1%	43.8%	63.9%	55.0%
South Africa	**34.4%**	**25.7%**	**50.6%**	**41.3%**	**49.7%**	**51.4%**

Source: Stats SA – Subjective Poverty in South Africa, 2026

4.2 Income inequality

The MTDP targets a reduction in income inequality in Mpumalanga by seeking to ensure that the poorest 40% of households earn more than 10% of total income by 2029.

Share of income

In practise, one is able to calculate that the poorest 40% of households in Mpumalanga earned 7.7% of income in 2024 (Table 27). This was higher/better than the national figure of 7.0% for 2024, however, it was lower/worse than the 8.6% share achieved in 1996. Among the provinces, Mpumalanga registered the joint third highest/best share behind Limpopo (9.0%) and Eastern Cape (8.1%). In 2024, Ehlanzeni registered the highest share of income by the poorest 40% in Mpumalanga (8.3%), whereas the poorest 40% in Gert Sibande and Nkangala recorded shares of 7.4% and 7.3%, respectively.

Table 27: Share of income earned by poorest 40% in South Africa, Mpumalanga & districts, 1996-2024

Region	1996	2000	2005	2009	2014	2018	2024
South Africa	7.3%	6.0%	6.3%	6.3%	6.5%	6.5%	7.0%
Mpumalanga	8.6%	7.0%	7.3%	7.4%	7.5%	7.5%	7.7%
Gert Sibande	8.4%	6.7%	6.9%	7.1%	7.2%	7.3%	7.4%
Nkangala	8.1%	6.9%	6.9%	7.1%	7.4%	7.3%	7.3%
Ehlanzeni	9.5%	7.7%	8.0%	8.1%	8.1%	8.0%	8.3%

Source: S&P Global – ReX, December 2025

Palma ratio

The Palma ratio is a recently developed measure of inequality that can also assist in measuring the effectiveness of poverty reduction strategies. The ratio compares the top 10% of population's share of gross income with the poorest 40% of the population's share of income. Internationally, a Palma ratio of more than 3 would place a region in the most unequal quartile and a Palma of less than 1.5 in the least unequal quartile.

Table 28 displays the Palma ratio for South Africa, Mpumalanga and the districts over the period 1996 to 2024. South Africa's high Palma ratio of 6.79 in 2024 is comparable to the 7.05 calculated by Cobham and Sumner (2013) using World Bank indicators of 2010. The interpretation of South Africa's high Palma ratio reveals that for every R1 of total income that the poorest 40% received, the richest 10% received R6.79. The ratio has declined/improved from a high of 8.86 in 2000, however, the 2024 ratio was higher/worse when compared with 1996.

Mpumalanga's Palma ratio of 6.38 in 2024 was lower/better than the national total. It declined/improved from 7.50 in 2000, however, it was still unacceptably high according to international standards. Mpumalanga's ratio was the fourth lowest among the provinces and therefore among the least unequal according to the Palma ratio. Northern Cape (7.34) recorded the highest Palma ration in 2024. In 2024, Ehlanzeni's Palma ratio of 5.95 was the lowest/least unequal among the three districts.

Table 28: Palma ratio in South Africa, Mpumalanga & districts, 1996-2024

Region	1996	2000	2005	2009	2014	2018	2024
South Africa	6.76	8.86	8.04	8.23	7.76	7.84	6.79
Mpumalanga	5.63	7.50	7.09	6.80	6.58	6.38	6.38
Gert Sibande	5.70	7.88	7.45	7.12	6.74	6.54	6.34
Nkangala	5.59	7.18	7.07	6.86	6.35	6.48	6.37
Ehlanzeni	5.26	6.99	6.50	6.51	6.18	6.18	5.95

Source: S&P Global – ReX, December 2025

Gini-coefficient

The Gini-coefficient is one of the most commonly used measures of income inequality. The Gini-coefficient is derived from the Lorenz curve, which is a graphical depiction of income distribution. The Lorenz curve is a graphical presentation of the relationship between the cumulative percentage of income and the cumulative percentage of population. The coefficient varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where one household earns all the income).

South Africa has one of the highest imbalanced income distributions in the world. The national Gini-coefficient was calculated to be 0.635 in 2023 (Table 29). The most recent national level reflects a less unequal income distribution than was the case in 2006. Income inequality has declined/improved steadily between 2006 and 2023.

Table 29: Gini-coefficient for South Africa & Mpumalanga, 2006-2023

Region	2006	2009	2011	2015	2023
South Africa	0.720	0.694	0.678	0.656	0.635
Mpumalanga	0.695	0.657	0.668	0.625	0.541

Source: Stats SA – Poverty Trends in South Africa, 2025

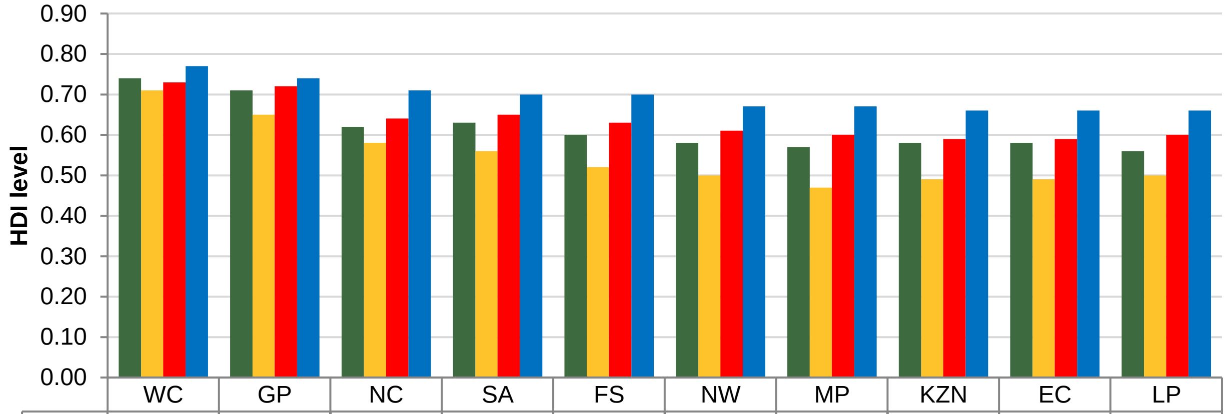
The provincial income distribution was less unequal in 2023 (0.541) than what it was in 2006 (0.695). Similar to the national situation, the provincial income inequality also declined/improved steadily between 2006 and 2023. Among the provinces, Mpumalanga (0.541) registered the lowest level of income inequality in 2023, followed by Free State (0.570) and Limpopo (0.573), whereas Western Cape (0.634) recorded the highest income inequality.

4.3 Human development index

The Human development index (HDI) is a composite, relative index that attempts to quantify the extent of human development of a community. It is based on measures of life expectancy, literacy and income. According to the United Nations, the HDI is considered high when it is 0.8 and higher, medium when it ranges between 0.5 to 0.8 and an index value of 0.5 and lower, will be considered as a low rating.

It is clear from the depiction in Figure 36 that Western Cape registered the highest HDI in 2024. Mpumalanga's HDI level improved over the 28-year period from 0.57 in 1996 to 0.67 in 2024. Despite improving between 1996 and 2024, it was still lower than the national level of 0.70 in 2024. Mpumalanga recorded the fourth lowest/sixth highest HDI level among the nine provinces. Between the three districts in Mpumalanga, Nkangala recorded the highest HDI level of 0.68 in 2024 and Ehlanzeni the lowest at 0.66 (Table 30).

Figure 36: HDI levels for South Africa & provinces, 1996-2024



	WC	GP	NC	SA	FS	NW	MP	KZN	EC	LP
1996	0.74	0.71	0.62	0.63	0.60	0.58	0.57	0.58	0.58	0.56
2004	0.71	0.65	0.58	0.56	0.52	0.50	0.47	0.49	0.49	0.50
2014	0.73	0.72	0.64	0.65	0.63	0.61	0.60	0.59	0.59	0.60
2024	0.77	0.74	0.71	0.70	0.70	0.67	0.67	0.66	0.66	0.66

Source: S&P Global – ReX, December 2025

Table 30: HDI levels for South Africa, Mpumalanga & districts, 1996-2024

Region	1996	1999	2004	2009	2014	2019	2024
South Africa	0.63	0.59	0.56	0.59	0.65	0.66	0.70
Mpumalanga	0.57	0.52	0.47	0.52	0.60	0.62	0.67
Gert Sibande	0.57	0.52	0.48	0.52	0.60	0.63	0.67
Nkangala	0.59	0.54	0.50	0.54	0.62	0.64	0.68
Ehlanzeni	0.54	0.49	0.44	0.50	0.58	0.61	0.66

Source: S&P Global – ReX, December 2025

When the HDI levels of the various population groups in Mpumalanga are analysed, it is evident that the White population recorded the highest HDI level of 0.92 in 2024. Coloureds and Asians followed with HDI levels of 0.75 and 0.71, respectively. The Black African population registered the lowest HDI level of 0.64 (Table 31), however, the joint largest HDI improvement over the 28-year period was registered in this population group. Whilst the HDI level of Black Africans, Coloureds and Whites improved between 2019 and 2024, the HDI level of Asians declined.

Table 31: HDI level by population group in Mpumalanga, 1996-2023

Population group	1996	1999	2004	2009	2014	2019	2024
Black African	0.52	0.47	0.41	0.47	0.56	0.59	0.64
White	0.83	0.83	0.90	0.87	0.90	0.89	0.92
Coloured	0.70	0.71	0.68	0.69	0.68	0.71	0.75
Asian	0.72	0.75	0.80	0.79	0.70	0.68	0.71
Total	**0.57**	**0.52**	**0.47**	**0.52**	**0.60**	**0.62**	**0.67**

Source: S&P Global – ReX, December 2025

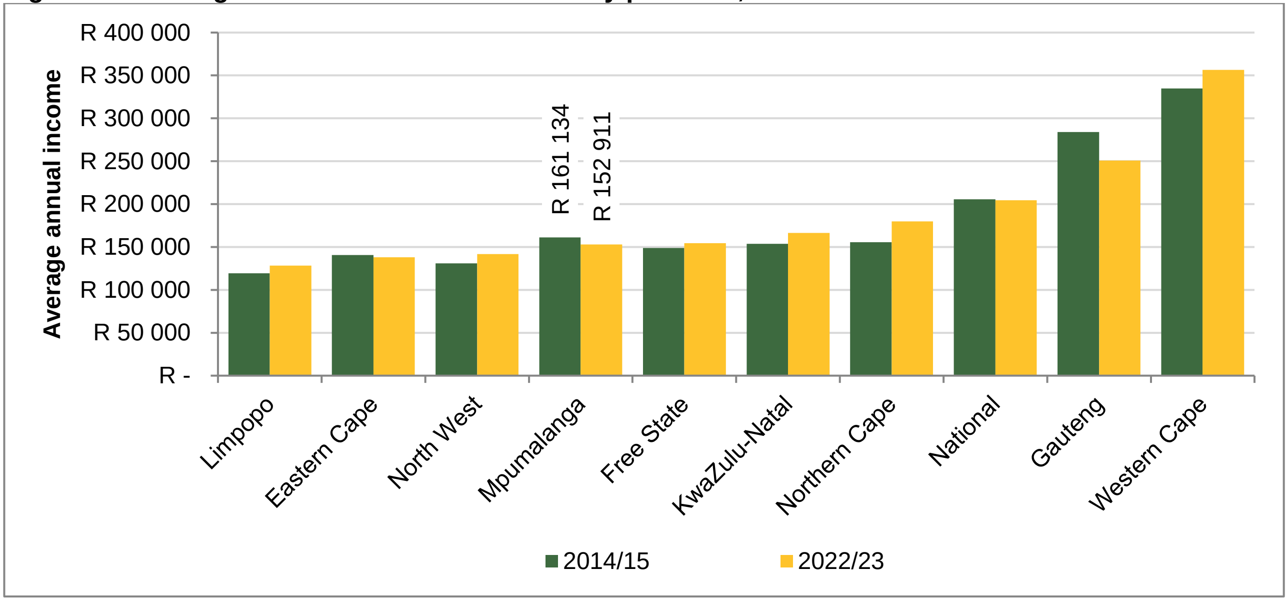
4.4 Income and expenditure aspects

Household consumption income

According to the *Income and Expenditure Survey 2022/23*, the average annual household income for all households in South Africa declined from R205 794 per annum in 2015 to R204 359 per annum (R17 030 per month) in 2022/23. Average household expenditure in Mpumalanga declined from R161 134 per annum in 2014/15 to R152 911 per annum (R12 743 per month) in 2022/23 (Figure 37).

Mpumalanga's average household income was the third highest in 2014/15 and the sixth highest in 2022/23. In 2022/23, the average household income of Western Cape households (R356 651 per annum) was the highest and that of Limpopo households (R128 309 per annum) the lowest.

Figure 37: Average annual household income by province, 2014/15 to 2022/23



Source: Stats SA – Income and Expenditure Survey of Households 2022/23

Personal taxable income

The distribution of taxpayers, taxable income, and tax assessed by province and municipality, is determined using the residential address declared by taxpayers on their returns. Table 32 show that, for the 2024 tax year, most assessed personal income taxpayers were based in Gauteng and Gauteng had the highest average taxable income at R413 712. Northern Cape had the lowest number of assessed taxpayers (167 920) and Eastern Cape the lowest average taxable income (R292 061). In 2024, Mpumalanga with 479 384 assessed taxpayers had 6.2% of the total number. This was the fifth highest/lowest number. Mpumalanga also recorded the fifth highest/lowest average taxable income at R314 644.

Table 32: Number of personal income taxpayers and average taxable income per province, 2024

Province	Number of assessed taxpayers	Average taxable income
Western Cape	1 409 626	347 669
Eastern Cape	610 627	292 061
Northern Cape	167 920	307 687
Free State	349 857	296 560
KwaZulu-Natal	1 215 726	302 840
North West	367 729	322 045
Gauteng	2 695 777	413 712
Mpumalanga	**479 384**	**314 644**
Limpopo	415 571	316 250
Total	**7 712 217**	**351 128**

Source: South African Revenue Service – Tax Statistics 2025

Expenditure categories

In the GHS 2024, respondents indicated what expenditure category best describes the monthly household expenditure in 2024. The results of this question for South Africa and Mpumalanga is summarised in Table 33. It is evident that a major share of households in Mpumalanga (70.0%) indicated expenditure of less than R5 000 per month. A smaller share of households in South Africa (58.7%) indicated expenditure of less than R5 000 per month.

Household income sources

Figures on comparative of sources of income of households are presented in Figure 38. The average household in South Africa is dependent on incomes from salaries with 68.8% of income derived from salaries in 2022. In Mpumalanga, the average household received 70.7% of income from salaries. Income from imputed rent (from both owned and residing rent free) as well as pensions and grants, also contributed substantially to the average household income in South Africa and Mpumalanga.

Table 33: Household expenditure in South Africa & Mpumalanga, 2024

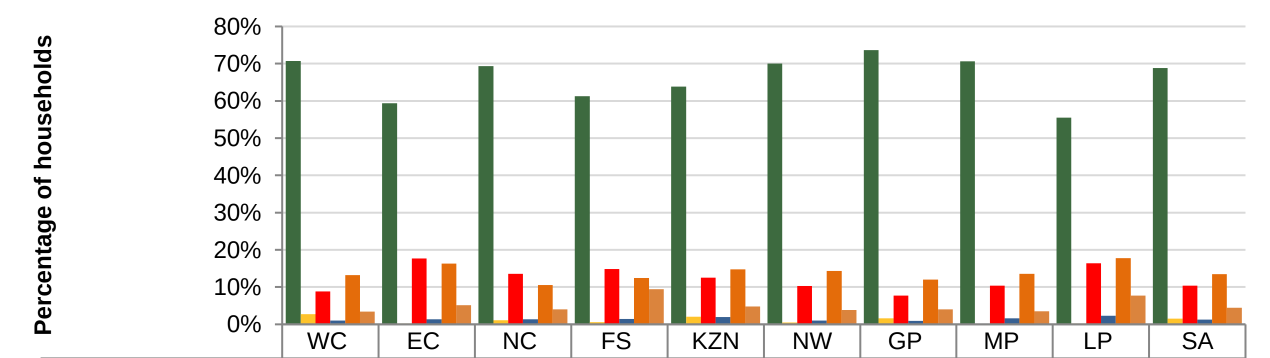
Expenditure category	Mpumalanga		South Africa	
	% of total	Cumulative %	% of total	Cumulative %
R0	0.0%	0.0%	0.1%	0.1%
R1-R199	0.1%	0.1%	0.1%	0.3%
R200-R399	1.4%	1.6%	1.7%	1.9%
R400-R799	4.3%	5.9%	3.1%	5.1%
R800-R1 199	6.2%	12.1%	5.3%	10.4%
R1 200-R1 799	9.7%	21.8%	7.9%	18.3%
R1 800-R2 499	15.7%	37.5%	14.1%	32.4%
R2 500-R4 999	32.5%	70.0%	26.3%	58.7%
R5 000-R9 999	17.4%	87.5%	18.5%	77.2%
R10 000-R19 999	8.1%	95.6%	11.3%	88.5%
R20 000-R39 999	2.9%	98.5%	6.2%	94.6%
R40 000 or more	1.2%	99.7%	3.0%	97.6%
Do not know	0.2%	99.9%	1.8%	99.4%
Refused	0.1%	100.0%	0.6%	100.0%
Total	**100.0%**	**-**	**100.0%**	**-**

Source: Stats SA – GHS 2024

Social assistance grants

Together with providing income security to certain income insecure groups, the payments of grants made a positive impact on poverty and income inequality in Mpumalanga. Grants assisted to reduce poverty and redistribute income in Mpumalanga and its sub regions through the provision of income security. According to the South African Social Security Agency (SASSA), the number of South Africans that received social assistance grants increased from 15.9 million in 2014 to 19.1 million by December 2025.

Figure 38: Comparative sources of income in South Africa and provinces, 2023



	WC	EC	NC	FS	KZN	NW	GP	MP	LP	SA
Salaries	70.7%	59.4%	69.4%	61.3%	63.8%	70.1%	73.7%	70.7%	55.5%	68.8%
Income from capital	2.8%	0.3%	1.1%	0.6%	2.1%	0.5%	1.6%	0.2%	0.3%	1.5%
Pensions & grants	8.8%	17.7%	13.5%	14.8%	12.5%	10.3%	7.7%	10.4%	16.4%	10.4%
Remittances	1.0%	1.3%	1.4%	1.5%	1.9%	1.0%	1.0%	1.6%	2.3%	1.3%
Imputed rent	13.3%	16.3%	10.6%	12.4%	14.8%	14.3%	12.0%	13.6%	17.8%	13.5%
Other income	3.4%	5.1%	4.0%	9.4%	4.8%	3.8%	4.1%	3.5%	7.7%	4.5%

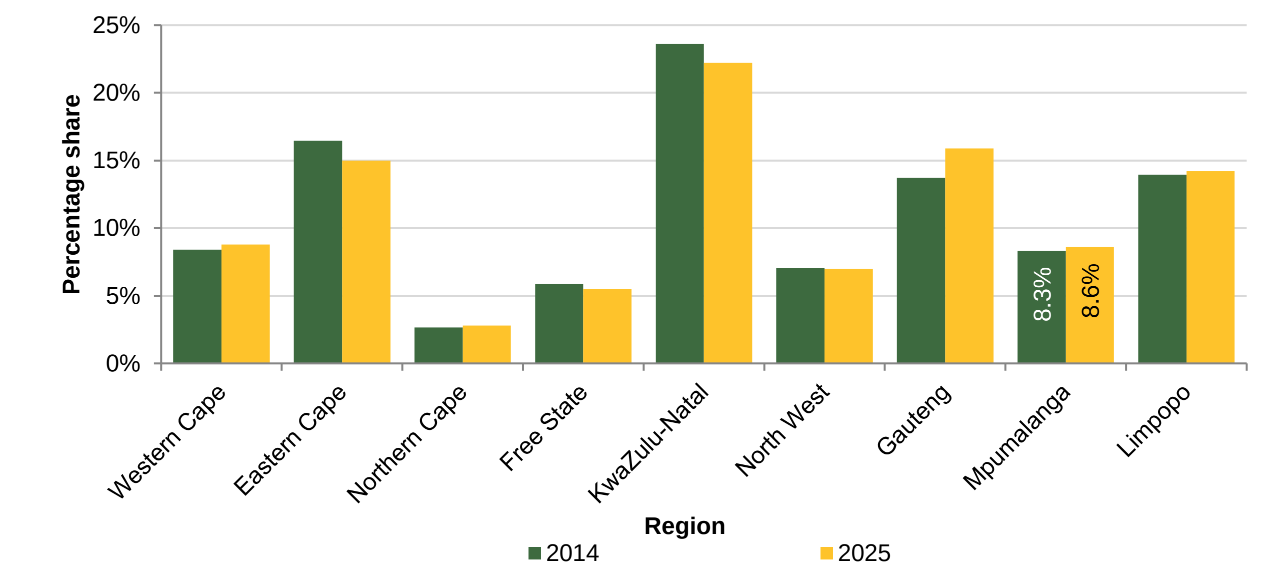
Source: Stats SA – Income and Expenditure Survey of Households 2022/23

In 2014, 1.32 million social assistance grants were paid to citizens of Mpumalanga. This was equal to an 8.3% share of the total national grant paid in 2014. By December 2025, the number of grants paid to citizens in Mpumalanga increased to 1.64 million or 8.6% of the total number of national grants. Mpumalanga registered the sixth highest/fourth lowest number of social assistance grants among the nine provinces (Figure 39). KwaZulu-Natal (4.25 million) registered the highest number of grants paid by 2025 and Northern Cape

(550 920) the lowest.

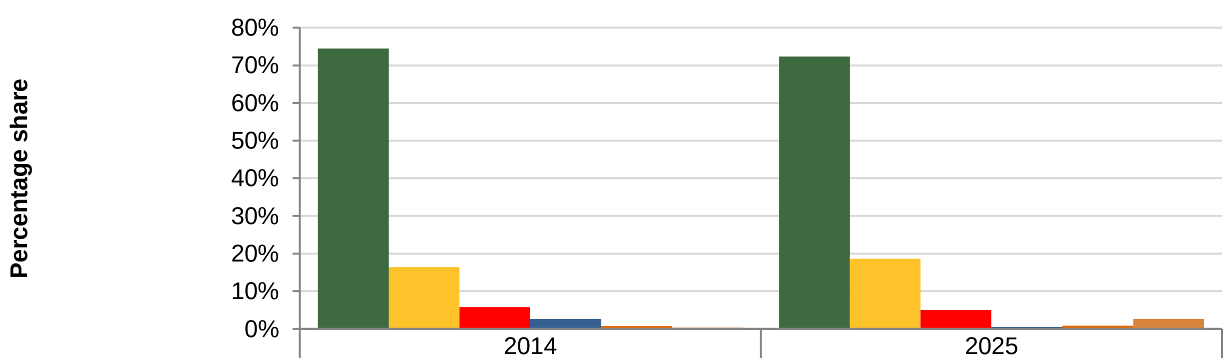
Despite the positive impact of social assistance grants on income distribution and poverty, skills development and employment creation remain the most important factors to improve the livelihoods of people. Skills constraints push up the premium for skilled labour, inducing large differences between salaries of skilled and unskilled people and thus raising levels of inequality. Therefore, income inequality can most effectively be reduced by improving the labour force's skill levels and thus removing the premium for skilled labour. Poverty can also be reduced by building and developing capabilities of the workforce on a broad scale in order to increase employment creation through increased labour productivity and economic growth.

Figure 39: Provincial shares of national social assistance grant number, 2014-2025



Source: SASSA, 2025

Figure 40: Distribution of various types of social assistance grants in Mpumalanga, 2014-2025



	2014	2025
Child support grant	74.5%	72.4%
Old age grant	16.4%	18.6%
Disability grant	5.8%	5.0%
Foster child grant	2.6%	0.5%
Care dependancy grant	0.8%	0.8%
Grant in aid	0.3%	2.6%

Source: SASSA - 2025

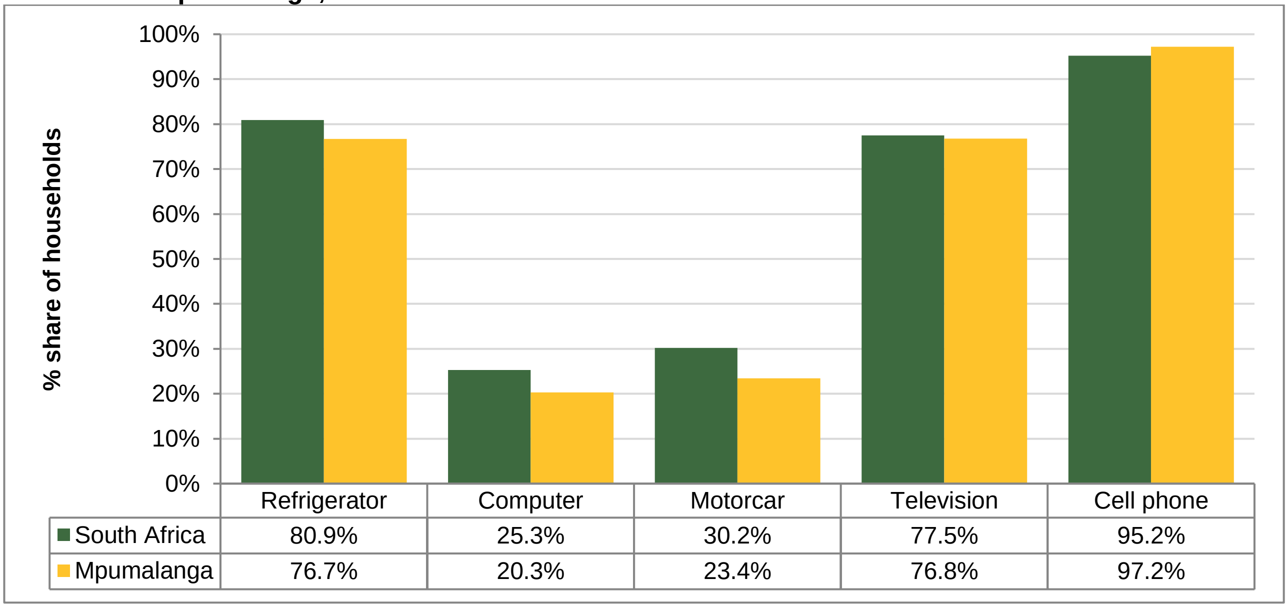
It is evident from Figure 40, that 72.4% of Mpumalanga's total social assistance grants by December 2025 were child support grants, which was lower than the 74.5% share in 2014. In actual numbers, child support grants increased from 984 641 in 2014 to 1 187 779 in 2025. The number of old age grants increased from

217 045 in 2014 to 305 441 in 2025 and their share of the total number of grants increased to 18.6% in 2025. Disability grant recipients increased in number from 79 244 in 2014 to 82 228 in 2025, however, it recorded a smaller share in 2025 (5.0%) of the total number of assistance grants than in 2014 (5.8%). In 2025, the total number of grants in Mpumalanga numbered 1.65 million, whereas the number of employed was lower at 1.24 million.

4.5 Ownership of household goods

Figure 41 compares the ownership levels of certain household goods in Mpumalanga compared with the national average in 2024. It is evident that Mpumalanga households exceeded the national average only in mobile phone ownership, with 97.2% owning at least one compared to 95.2% nationally.

Figure 41: Percentage distribution of households owning various household goods in South Africa & Mpumalanga, 2024



	Refrigerator	Computer	Motorcar	Television	Cell phone
South Africa	80.9%	25.3%	30.2%	77.5%	95.2%
Mpumalanga	76.7%	20.3%	23.4%	76.8%	97.2%

Sources: Stats SA – GHS 2024

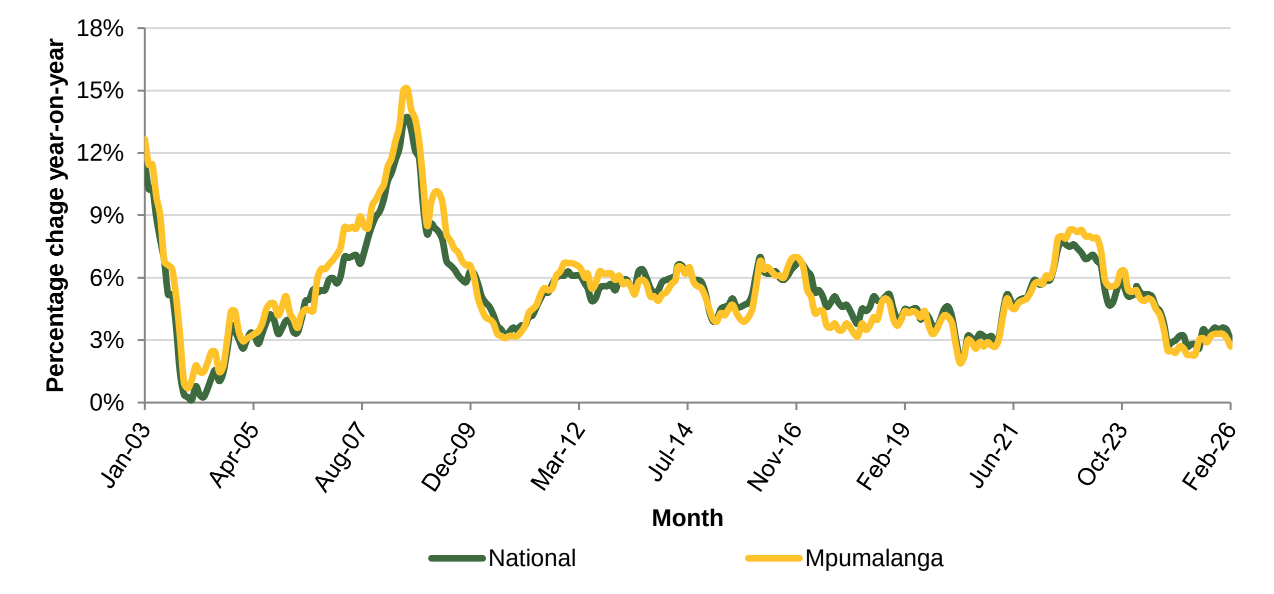
4.6 Inflation

The most common way to measure inflation is by reference to a CPI, which measures the changes in prices of a basket of goods and services purchased by a representative set of households. Mpumalanga's average annual inflation rate for 2025 was 2.8%, which was the lowest among the provinces and lower than the average for South Africa (3.2%). Mpumalanga's average annual inflation rate for 2025 was lower than the 4.1% average for 2024.

The comparative percentage change in the CPI for South Africa and Mpumalanga from January 2003 to February 2026 is displayed in Figure 42. In February 2026, Mpumalanga recorded an inflation rate of 2.7%, which was lower than the 3.1% inflation rate recorded in January 2026. The provincial inflation rate was lower than the national inflation rate for the twenty-fifth consecutive month. Mpumalanga (2.7%) recorded the third lowest inflation rate in February 2026 and Eastern Cape (2.4%) recorded the lowest. In February 2026, Mpumalanga's inflation rate was within the revised target for the eighteenth consecutive month.

The main determinants of inflation in Mpumalanga based on their respective weightings, as provided in Table 34, are price changes in housing and utilities, food and non-alcoholic beverages (FNAB), transport as well as insurance and financial services. These four indices, in terms of the weighting, contribute 68.7% to the level of inflation and inflation movements in Mpumalanga.

Figure 42: CPI in South Africa and Mpumalanga, 2003–2026



Source: Stats SA – CPI, 2026

It appears from Table 34 that the housing and utilities index accounted for 43.7% and the FNAB index for 27.4% of the average price increase in Mpumalanga during February 2026. The insurance and financial index accounted for 10.7%. The transport index, however, declined and put the brakes on the overall increase in the inflation rate (-7.4%). Together, the three positive main determinants contributed 81.7% of the average price increase in Mpumalanga during February 2026.

Within the housing and utilities index, the price increases of electricity as well as owners' equivalent rent provided the bulk of the upward swell. The price increase of meat products provided most of the upward push in the FNAB index. Within the insurance and financial index, the price increase of insurance provided the largest push in the increase.

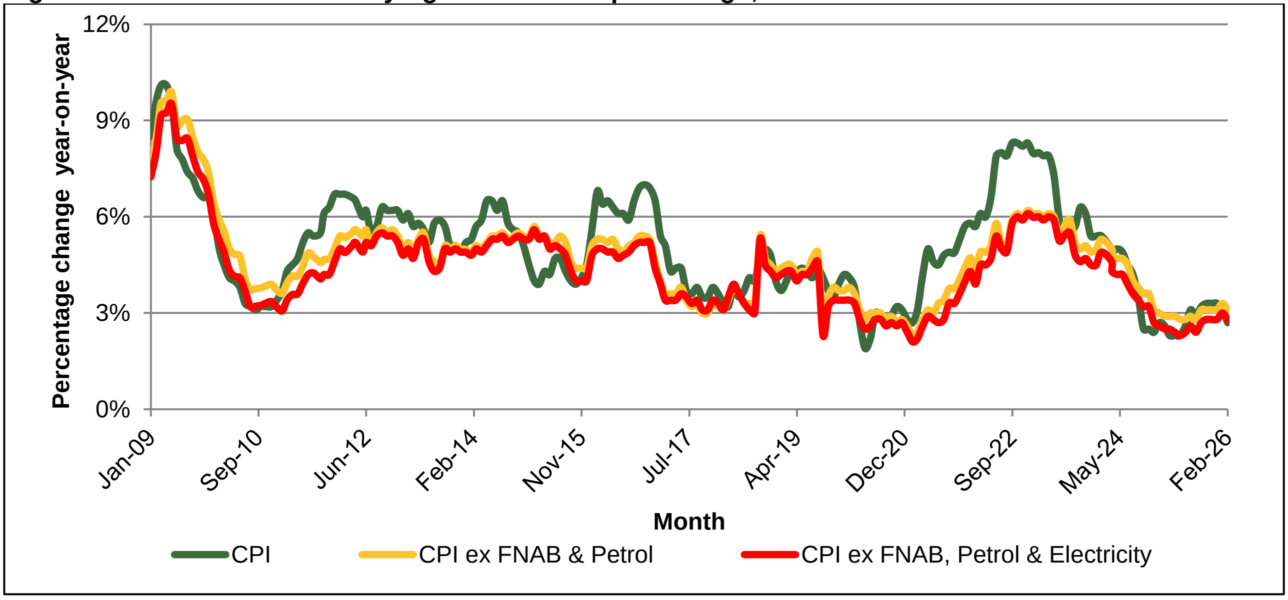
Table 34: Mpumalanga's CPI group indices, weights, percentage change & contribution to inflation, February 2026

Index description	Weight	Percentage change		Estimated inflation contribution
		Month-on-month	Year-on-year	
Food & non-alcoholic beverages	21.67%	-0.2%	+3.4%	27.4%
Alcoholic beverages and tobacco	4.03%	+0.3%	+4.7%	7.0%
Clothing and footwear	5.24%	+0.1%	+1.4%	2.7%
Housing and utilities	22.15%	+0.1%	+5.3%	43.7%
Furnishings, equipment & maintenance	3.21%	-0.1%	-0.4%	-0.5%
Health	1.79%	+2.0%	+5.3%	3.5%
Transport	18.02%	-0.6%	-1.1%	-7.4%
Information & communication	5.88%	+0.1%	-1.0%	-2.2%
Recreation, sport & culture	2.44%	+3.0%	+3.0%	2.7%
Education services	1.49%	+0.0%	+6.7%	3.7%
Restaurants & accommodation services	3.77%	+1.4%	+4.1%	5.7%
Insurance & financial services	6.82%	+3.0%	+4.2%	10.7%
Personal care & miscellaneous services	3.49%	+0.0%	+2.2%	2.9%
All items	**100.0%**	**+0.2%**	**+2.7%**	**100.0%**

Source: Stats SA – CPI Additional Tables, 2026

When the impact of the more volatile FNAB and fuel prices are excluded from the consumer price index as in Figure 43, the underlying annual inflation would have been 3.1% in February 2026. If the electricity price was also excluded from the calculation of headline CPI inflation, Mpumalanga's resultant core inflation would have been 2.8% in February 2026. Mpumalanga's headline inflation rate as well as the underlying inflation and core inflation rates declined in February 2026.

Figure 43: Measures of underlying inflation in Mpumalanga, 2009–2026



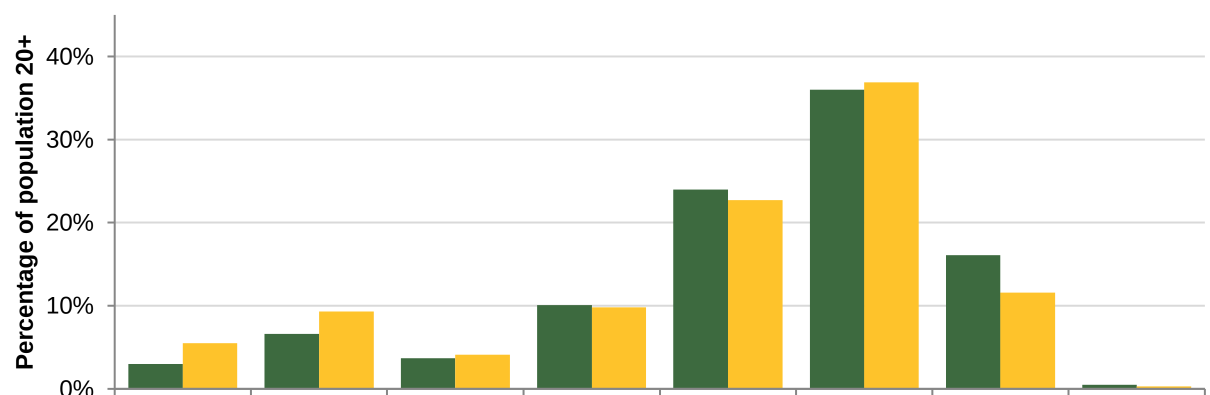
Source: Stats SA – CPI Additional Tables, 2026

4.7 Education profile

Level of education

When Mpumalanga's highest level of schooling in 2024 (Figure 44) is compared with the national figures, it is evident that there is less of Mpumalanga's population, over the age of 20 years, at the higher levels of education than what is the situation nationally. For example, 16.1% of the people 20 years and older in South Africa have completed a post school qualification compared to 11.6% in Mpumalanga. On the other end of the spectrum, there is a slightly larger concentration of Mpumalanga's population, over the age of 20 years, at the lower levels of education than nationally.

Figure 44: Highest level of education (age 20+) in South Africa & Mpumalanga, 2024



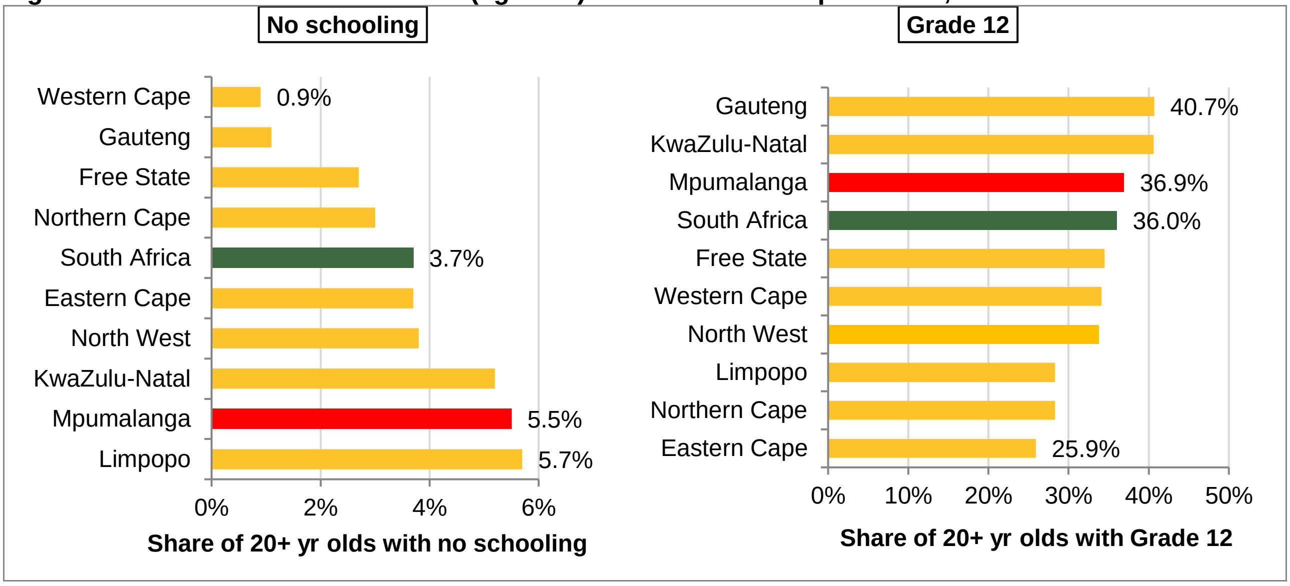
	No schooling	Some primary	Completed primary	Lower secondary	Upper secondary	Grade 12	Post-school	Other
SA	3.0%	6.6%	3.7%	10.1%	24.0%	36.0%	16.1%	0.5%
MP	5.5%	9.3%	4.1%	9.8%	22.7%	36.9%	11.6%	0.3%

Level of schooling

Sources: Stats SA – GHS 2024

It is further evident when comparing provinces (Figure 45), that Mpumalanga (5.5%) registered the second highest (worst) share of people 20 years and older with no schooling. Mpumalanga (36.9%) recorded the third highest/seventh lowest share of people 20 years and older with Grade 12 among the nine provinces, higher than the national share of 36.0%.

Figure 45: Selected education levels (age 20+) in South Africa & provinces, 2024



Source: Stats SA – GHS 2024

School attendance

Access to educational institutions is an important step to universal education, but the ultimate goal would be to keep children at school until completion of their education. Considering the relatively high children and youth population due to the demographic dividends of the country, concerted efforts have been made to expand the education system through establishing more institutions.

The regional picture, presented in Figure 46, reflects the attendance rates in South Africa and the provinces. In 2024, the early childhood development (ECD) attendance rate in Mpumalanga was 33.9%. Mpumalanga's ECD attendance rate was lower than the national rate of 40.9% in 2024 and the sixth highest/fourth lowest among the provinces. In 2024, the attendance rate for people 7 years to 24 years was 75.8% in 2024 in Mpumalanga. This rate for Mpumalanga was higher than that of South Africa and was the fourth highest/sixth lowest among the provinces.

Grade 12 NSC results

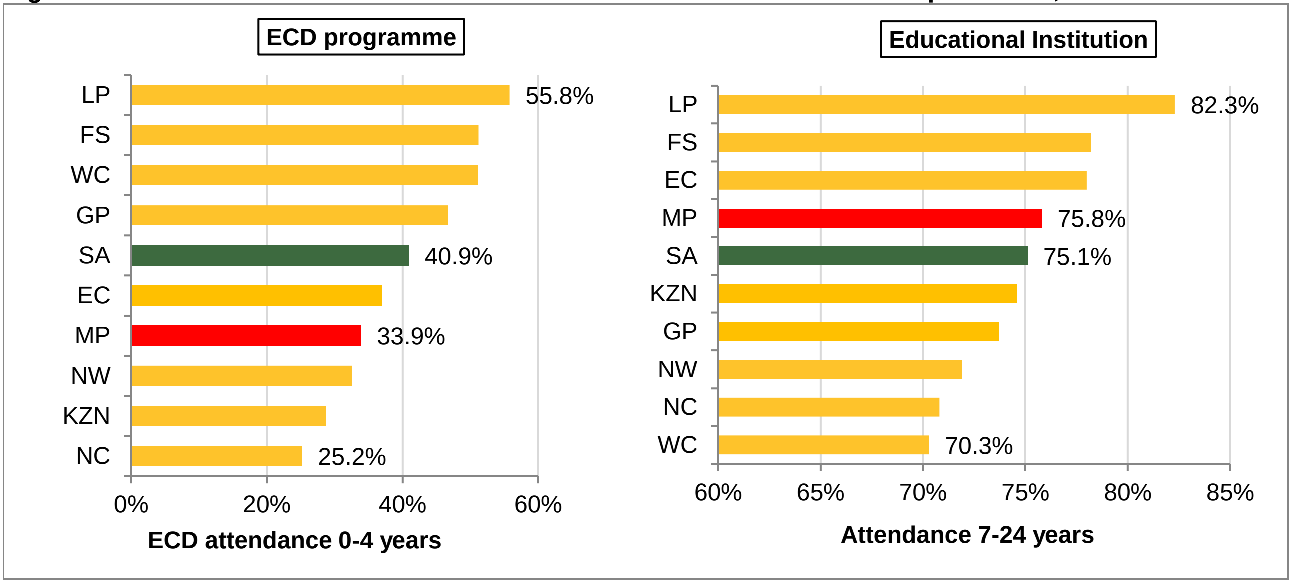
In 2025, Mpumalanga's national senior certificate (NSC) pass rate was 86.6%, which was lower than the national NSC pass rate of 88.0%. When Mpumalanga's throughput[21] rate for 2025 is calculated, it is evident that 65.4% of the number of grade ones in 2014 wrote the national senior certificate examinations in 2025, compared with the national throughput rate of only 60.4%. Mpumalanga's throughput rate was the second highest/best among the nine provinces.

Table 35 compares the grade 12 pass rates among the various provinces from 2017 to 2025. The national pass rate of grade 12's increased from 75.1% in 2017 to 88.0% in 2024. Mpumalanga's Grade 12 pass rate increased from 74.8% in 2017 to 86.6% in 2025. Between 2024 and 2025, Mpumalanga's pass rate improved

[21] Learners writing Grade 12 examinations within 12 years of starting school in Grade 1.

from 85.0% to 86.6%. Seven provinces experienced an increase between 2024 and 2025, and Mpumalanga's increase of 1.6 percentage points was the joint second highest increase.

Figure 46: Attendance rate at an educational institution in South Africa's provinces, 2024



Source: Stats SA – GHS 2024

Table 35: Comparative grade 12 pass rate for South Africa and provinces, 2017-2025

Province	2017	2018	2019	2020	2021	2022	2023	2024	2025
EC[22]	65.0%	70.6%	76.5%	68.1%	73.0%	77.3%	81.4%	85.0%	84.2%
FS[23]	86.1%	87.5%	88.4%	85.1%	85.7%	88.5%	89.0%	91.0%	89.3%
GP[24]	85.1%	87.9%	87.2%	83.8%	82.8%	84.4%	85.4%	88.4%	89.1%
KZN[25]	72.9%	76.2%	81.3%	77.6%	76.8%	83.0%	86.4%	89.5%	90.6%
LP[26]	65.6%	69.4%	73.2%	68.2%	66.7%	72.1%	79.5%	85.0%	86.2%
MP[27]	**74.8%**	**79.0%**	**80.3%**	**73.7%**	**73.6%**	**76.8%**	**77.0%**	**85.0%**	**86.6%**
NW[28]	79.4%	81.1%	86.8%	76.2%	78.2%	79.8%	81.6%	87.5%	88.5%
NC[29]	75.6%	73.3%	76.5%	66.0%	71.4%	74.2%	75.8%	84.2%	87.8%
WC[30]	82.8%	81.5%	82.3%	79.9%	81.2%	81.4%	81.5%	86.6%	88.2%
National	**75.1%**	**78.2%**	**81.3%**	**76.2%**	**76.4%**	**80.1%**	**82.9%**	**87.3%**	**88.0%**

Source: Department of Basic Education - National Senior Certificate Examinations Report 2026

Mpumalanga's pass rate was lower than the national grade 12 pass rate for the seventh consecutive year. Mpumalanga was the province with the seventh highest/third lowest pass rate in 2025, slightly lower than the sixth place recorded in 2017. KwaZulu-Natal (90.6%) recorded the highest Grade 12 pass rate in 2025 and Eastern Cape (84.2%) the lowest.

A comparison of Grade 12 pass rates among the four education districts from 2017 to 2025 is presented in Table 36. All four education districts recorded an improvement between 2017 and 2025. Ehlanzeni registered the highest Grade 12 pass rate in 2025 at 88.0%, whereas Bohlabela's pass rate was the lowest at 83.5%.

Education ratios

According to the Department of Basic Education's School Realities report of 2025, there were 1 174 006

[22] Eastern Cape
[23] Free State
[24] Gauteng
[25] KwaZulu-Natal
[26] Limpopo
[27] Mpumalanga
[28] North West
[29] Northern Cape
[30] Western Cape

learners (Grade 0 to 12) in 1 616 ordinary public and 137 independent schools in Mpumalanga, who were served by 37 563 educators. The learner-educator ratio (LER) in public schools of Mpumalanga declined marginally between 2017 and 2025 from 32.4 to 32.2 learners per educator (Table 37). This was higher than the national level of 30.6 learners per educator. The learner-school ratio (LSR) in public schools of Mpumalanga was higher than the national figure of 577 in 2025 and increased from 624 learners per school in 2017 to 702 in 2025. According to the educator-school ratio (ESR), the number of educators per public school increased between 2017 and 2025 from 19 to 22 and was higher than the national level of 19.

Table 36: Comparative grade 12 pass rate for education districts in Mpumalanga, 2017-2025

Education district	% Pass rate								
	2017	2018	2019	2020	2021	2022	2023	2024	2025
Bohlabela[31]	72.4%	76.9%	76.7%	74.6%	74.2%	79.3%	69.1%	78.6%	83.5%
Ehlanzeni[32]	76.8%	82.3%	84.6%	74.5%	75.6%	76.2%	81.8%	88.4%	88.0%
Gert Sibande	76.5%	77.5%	79.3%	70.9%	72.2%	77.7%	79.8%	87.7%	87.1%
Nkangala	73.5%	78.7%	80.6%	74.6%	72.2%	74.5%	76.4%	85.2%	87.4%

Source: Mpumalanga Department of Education, 2026

Table 37: Comparison of education ratios in ordinary public schools for South Africa and provinces, 2017-2025

Province	LER[33]		LSR		ESR	
	2017	2025	2017	2025	2017	2025
Eastern Cape	28.9	29.9	323	346	11	12
Free State	30.3	29.7	578	772	19	26
Gauteng	31.7	28.5	1 025	1 135	32	37
KwaZulu-Natal	31.1	30.8	479	494	15	16
Limpopo	33.8	34.5	444	491	13	14
Mpumalanga	**32.4**	**32.2**	**624**	**702**	**19**	**22**
Northern Cape	28.8	29.2	528	563	18	19
North West	29.8	30.4	543	606	18	20
Western Cape	32.9	29.9	724	821	22	27
National	**31.3**	**30.6**	**525**	**577**	**17**	**19**

Source: Department of Basic Education – 2017 & 2025 School Realities

School nutrition programme

According to the GHS 2024, 88.4% of children attending public schools in Mpumalanga benefitted from the school nutrition programme in 2024. This was higher than the national average (78.4%) and Mpumalanga ranked third highest among the nine provinces. The share of public school learners benefitting from this programme in Mpumalanga increased from 86.4% in 2014.

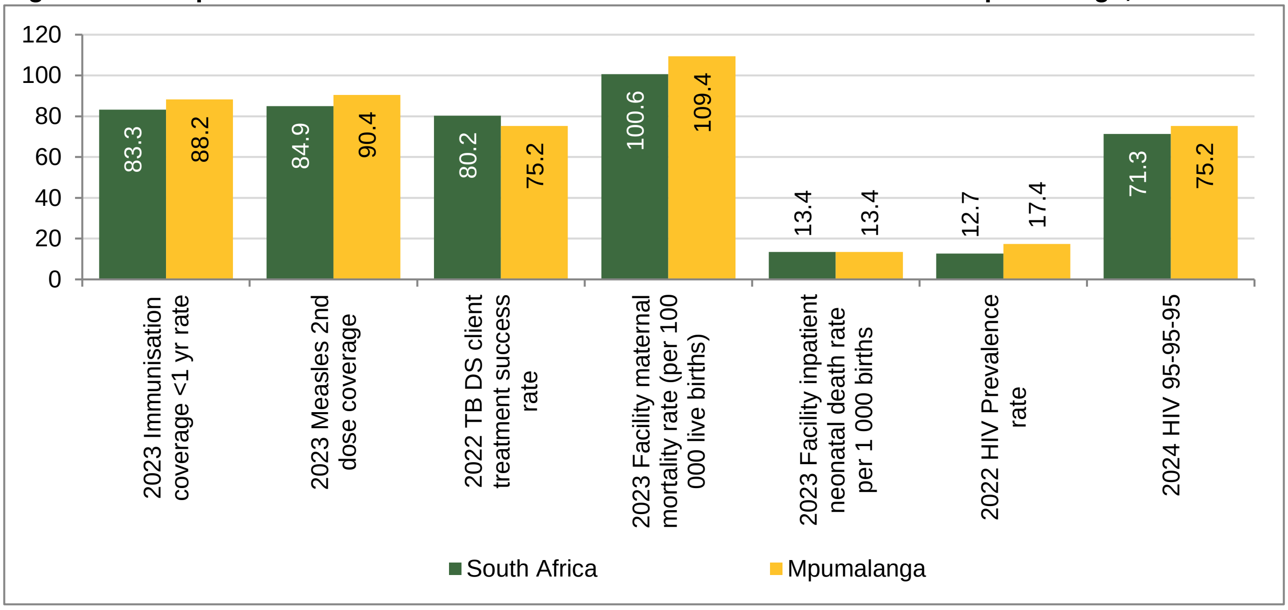
4.8 Health profile

Figure 47 compares some of Mpumalanga's health indicators with the national average level. The immunisation coverage (<1 year) in Mpumalanga of 88.2% was higher than the national level and the second highest/best among the nine provinces in 2023. Mpumalanga's 2023 measles 2nd dose coverage was also the second highest/best in the country at 90.4%. The TB drug-susceptible (DS) client treatment success rate of 75.2% in 2022 was lower than the national average (80.2%) and the fifth highest/lowest in the country. Mpumalanga's maternal mortality rate of 109.4 per 100 000 live births was higher/worse than the national rate of 100.6 and the fourth highest/worst among the provinces. In 2023, the inpatient early neonatal[34] death rate in facility of 13.4 per 1 000 live births was equal to the national rate and the joint fourth highest/worst among

[31] The Bohlabela education district includes schools in Bushbuckridge and Thaba Chweu
[32] The Ehlanzeni education district includes schools in City of Mbombela and Nkomazi
[33] State paid and School Governing Body paid educators
[34] This rate measures the number of deaths of live born babies that occur within 7 completed days after birth per 1 000 live births. It includes only neonatal deaths when the foetus is of 26 or more weeks' gestational age and/or weighs 500g or more.

the provinces.

Figure 47: Comparison of selected health indicators between South Africa & Mpumalanga, 2022 & 2023



Sources: ***Health Systems Trust – District Health Barometer, 2025***
Centre for Integrated Data and Epidemiological Research – Modelling the impact of HIV in South Africa's provinces: 2025 update, 2025

HIV prevalence and targets

According to survey results from the Human Sciences Research Council (HSRC), Mpumalanga recorded the highest HIV prevalence at 17.4% in 2022. This translates to an estimated 890 000 people living with HIV in the province. By locality, HIV prevalence was higher among those residing in rural formal/farms (21.1%) compared to rural informal areas (18.4%) and lower in urban areas (15.5%).

The 95–95–95 targets are a set of global goals established by the United Nations Programme on AIDS and HIV. By 2025, the goal is that 95% of people living with HIV will know their HIV status, 95% of those who know their HIV-positive status will be accessing antiretroviral therapy (ART), and 95% of people on treatment will have suppressed viral loads. Combining all three 95% targets implies a target of 86% of all HIV positive individuals on ART and virally suppressed by 2025.

It is estimated that in 2024, 95% of people living with HIV aged 15 years and older in Mpumalanga were aware of their HIV status, 86% of those diagnosed were on ART and 92% of those on ART were virally suppressed. The combined result for Mpumalanga was 75.2% in 2024, which fell short of the combined target of 95% and was the third highest/best among the provinces.

Medical aid coverage

According to the GHS 2024, only 10.4% of individuals in Mpumalanga where members of medical aid schemes in 2024. This was lower than the national average (15.5%) and Mpumalanga ranked sixth highest/fourth lowest among the nine provinces. The share of individuals that were members of medical aid schemes in Mpumalanga decreased from 14.9% in 2014.

5. BUILDING A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE (MTDP PRIORITY 3)

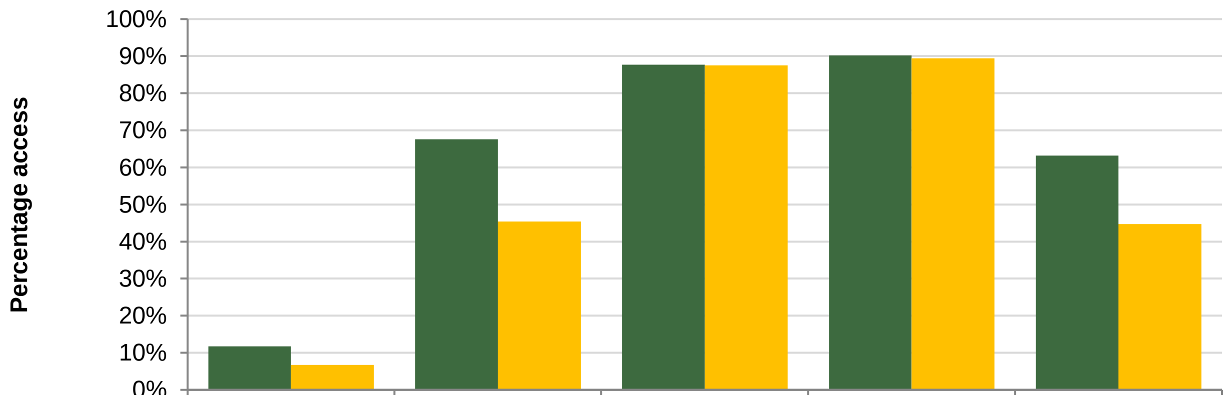
The MTDP commits to Strategic Priority 3, Building a Capable, Ethical, and Developmental State, by strengthening governance, accountability and service delivery. A capable state plays a key role (direct and indirect) within the economy through regulation, managing network industries, creating an enabling environment as well as upholding law and order.

5.1 Household services profile

According to Figure 48, the share of households in Mpumalanga that occupied informal housing (6.7%) was lower than the national average at 11.7% in 2024. Less households in Mpumalanga had access to flush/chemical toilets (45.4%) in 2024 than in South Africa (67.6%). The proportion of Mpumalanga's households with access to piped water (87.5%) was slightly lower than in South Africa (87.7%), and the households connected to electricity was also slightly lower in Mpumalanga (89.4%) than the national average (90.2%). Households with municipal refuse removal (44.7%) was substantially lower than the national average (63.2%).

It is clear from Table 38 that 193 380 households in Mpumalanga still lacked access to piped water in any form and 103 124 households were still living in informal dwellings in 2024. The number of households that were not connected to electricity numbered 164 131, whereas 842 500 households did not have access to a flush/chemical toilet and 846 944 households indicated that it received no municipal refuse removal at least weekly or less often.

Figure 48: Access to household services in Mpumalanga, 2024



	% of households in informal dwellings	% of households with access to flush/chemical toilet	% of households with access to piped water	% of households connected to electricity	% of households with municipal refuse removal (weekly/less often)
South Africa	11.7%	67.6%	87.7%	90.2%	63.2%
Mpumalanga	6.7%	45.4%	87.5%	89.4%	44.7%

Source: Stats SA – GHS 2024

Table 38: Household services backlog number in Mpumalanga, 2024

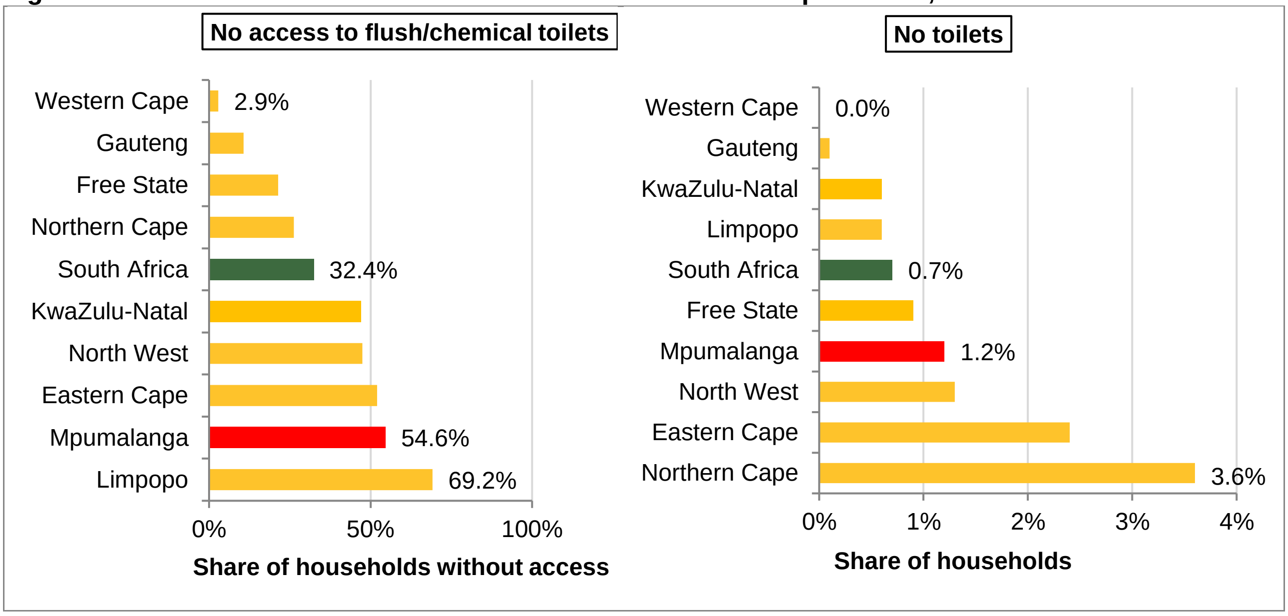
Household service	Backlog number
Without flush/chemical toilets	842 500
Other sources of water for drinking (no piped water)	193 380
No electricity connection	164 131
Informal dwellings	103 124
No municipal refuse removal (weekly/less often)	846 944

Sources: Stats SA – GHS 2024

The percentage of households in Mpumalanga without access to flush/chemical toilets was 54.6% in 2024 and was the second highest among the nine provinces. Figure 49 further reveals that Mpumalanga had the sixth lowest/fourth highest share of households with no toilets and bucket toilets (1.2%).

In 2024, the percentage of households not connected to piped water in Mpumalanga was recorded at 12.5% (Figure 50). This was the fifth highest/lowest backlog among the nine provinces and worse than the national backlog of 12.3%. The percentage of households In Mpumalanga not connected to electricity was recorded at 10.6% in 2024. In 2024, the electricity backlog in Mpumalanga was the second highest/worst and worse than the national backlog of 9.8%.

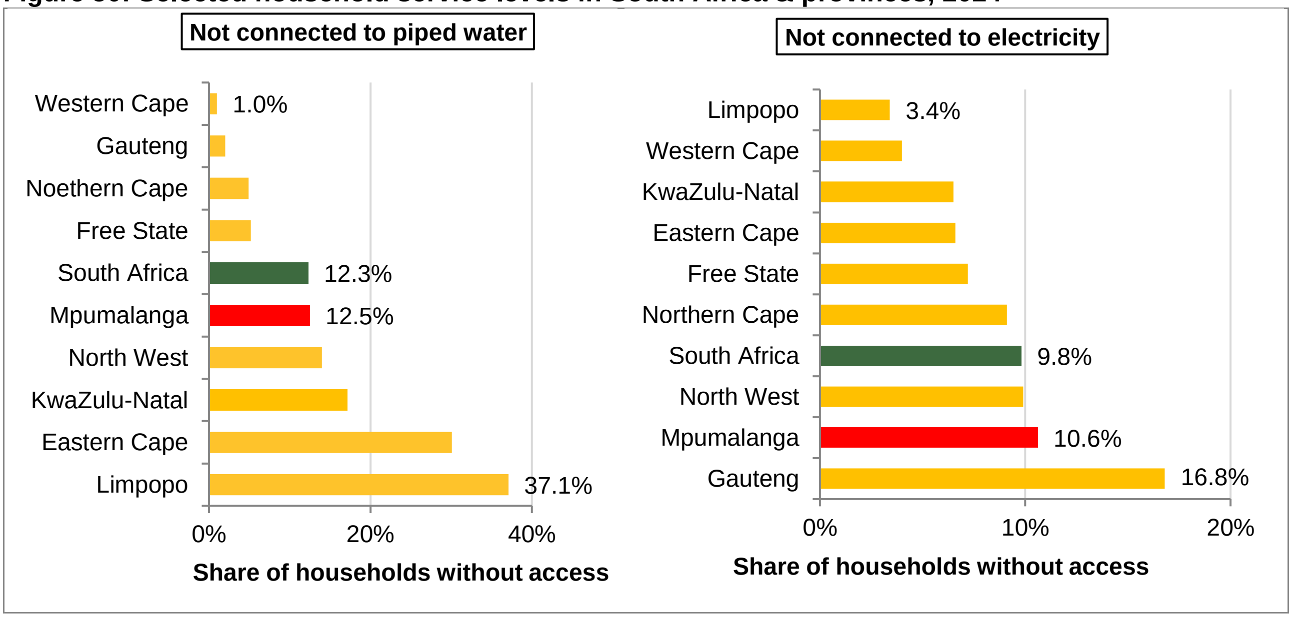
Figure 49: Selected household service levels in South Africa & provinces, 2024



Source: Stats SA – GHS 2024

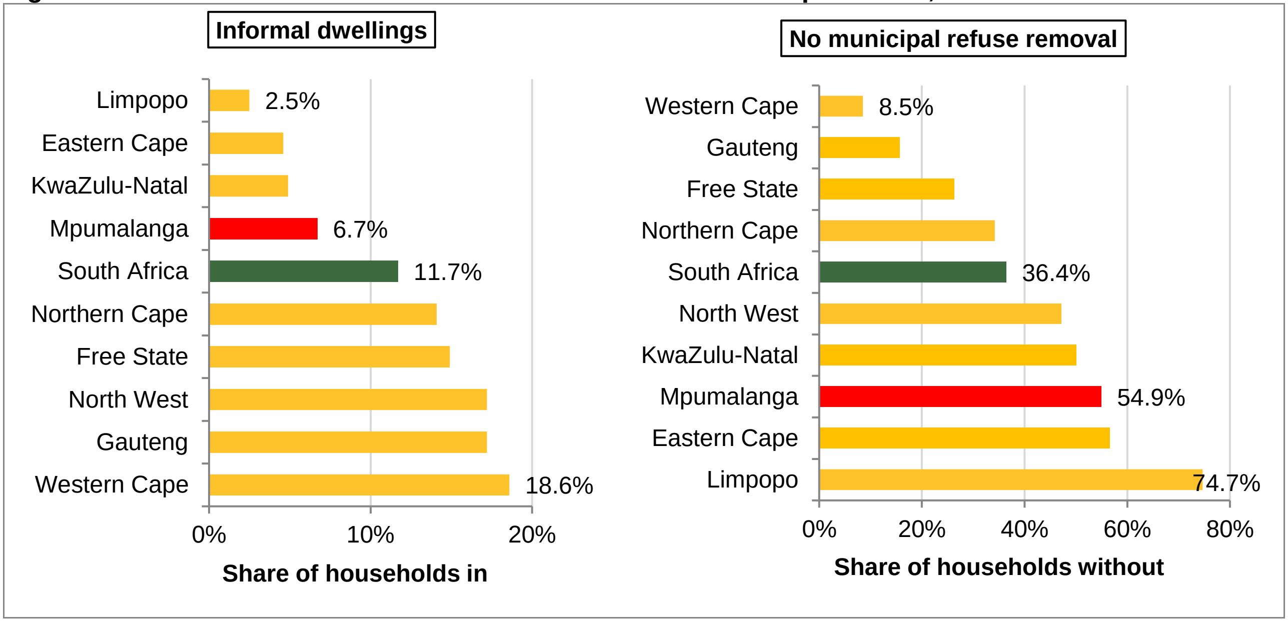
A relatively small percentage of households in Mpumalanga (6.7%) occupied informal dwellings in 2024, compared to the national figure of 11.7% (Figure 51). Mpumalanga ranked fourth lowest (best) among the nine provinces. The percentage of households that did not benefit from regular municipal refuse removal was recorded at 54.9% in 2024. This was the third highest/worst share among the nine provinces.

Figure 50: Selected household service levels in South Africa & provinces, 2024



Source: Stats SA – GHS 2024

Figure 51: Selected household service levels in South Africa & provinces, 2024



Source: Stats SA – GHS 2024

5.2 Crime profile

Among the four categories of serious community reported crimes displayed in Table 39, it is evident that in South Africa crime declined/improved between 2023/24 and 2024/25 in all of the four serious community reported crimes categories. Over the same period, community reported crime in Mpumalanga declined/improved in the same four categories. Mpumalanga's improvement in contact crimes, contact related crimes and property related crimes were better than the national improvement. However, the province's other serious crimes did not improve as fast as the national total.

Table 39: Serious community reported crimes in South Africa and provinces, 2024/2025

Provinces	Contact crimes[35]		Contact related crimes[36]		Property related crimes[37]		Other serious crimes[38]	
	Number	% change	Number	% change	Number	% change	Number	% change
Western Cape	117 492	-0.8%	26 712	-7.1%	55 213	-16.1%	88 314	-7.4%
Eastern Cape	71 000	-1.4%	12 299	-2.2%	37 665	-5.6%	36 570	-6.0%
Northern Cape	20 109	0.5%	3 756	-5.9%	9 751	-13.6%	10 308	-7.7%
Free State	42 405	0.2%	6 792	-0.1%	21 114	-8.5%	22 672	-3.2%
KwaZulu-Natal	117 184	3.1%	15 757	3.5%	54 642	-7.2%	70 615	2.6%
North-West	44 861	-1.3%	7 136	-0.4%	22 852	-6.7%	23 860	-2.1%
Gauteng	173 657	-6.5%	25 869	-6.3%	80 071	-11.0%	128 848	-2.6%
Mpumalanga	**37 437**	**-3.6%**	**5 523**	**-5.2%**	**22 348**	**-8.7%**	**22 596**	**-2.2%**
Limpopo	39 991	-4.7%	7 684	-4.0%	23 568	-2.7%	27 966	-4.1%
Total	**664 136**	**-2.1%**	**111 529**	**-3.8%**	**327 224**	**-9.6%**	**431 749**	**-3.3%**

Source: South African Police Service – Crime Situation in South Africa 2024/25

These crime statistics hold significant economic and socio-economic implications for Mpumalanga and the broader South African context. The persistent high levels of crime, particularly serious and violent offenses, have created an atmosphere of fear and insecurity among the South African population. This climate of fear not only impacts the daily lives of individuals but also hinders the country's overall economic development.

[35] 7 serious community reported contact crimes are murder, sexual offences, attempted murder, assault grievous bodily harm (GBH), common assault, common robbery & aggravated robbery.
[36] 2 serious community reported contact related crimes are arson & malicious damage to property.
[37] 5 serious community reported property related crimes are burglary at residential premises, burglary at non-residential premises, theft of motor vehicle and motorcycle, theft out of or from motor vehicle & stock theft.
[38] 3 serious community reported other serious crimes are other theft, commercial crime, & shoplifting.

Investors are deterred, and businesses face higher security costs, both of which can negatively affect economic growth and job creation.

In this context, addressing crime is not just a matter of law enforcement but a crucial element of ensuring economic stability and improving the quality of life for all South Africans. It is imperative that comprehensive strategies are developed and implemented to tackle crime at its root causes, promote community safety, and foster an environment conducive to economic prosperity and social well-being.

6. SUMMARY AND CONSIDERATIONS

The influence of the national economic slowdown and infrastructure limitations, particularly the fragile electricity supply, is clearly discernible in the performance of the Mpumalanga economy, as illustrated by the presented data. A majority of industries within the province failed to make significant contributions to average annual economic growth.

To address these challenges, a concerted effort is required to expedite the transition towards a knowledge-based and service-oriented economy. This entails implementing targeted industry development strategies and attracting investments to bolster infrastructure and spur growth. Public infrastructure investment is crucial, and the Mpumalanga Infrastructure Masterplan (MIMP) can play a pivotal role in achieving this goal.

Fostering higher economic growth necessitates a comprehensive approach to workforce development. Enhancing educational outcomes is paramount, as it not only creates more investment opportunities but also has the potential to increase employment rates and reduce unemployment. While social grants have positively impacted poverty alleviation in Mpumalanga, the primary driver for poverty reduction remains job creation. Therefore, a well-educated and skilled workforce is pivotal to expeditiously diminish poverty.

Improved educational outcomes also address skills constraints, diminishing the premium for skilled labour and contributing to a more equitable distribution of income. This shift can potentially reduce income inequality by eliminating the dominating factors causing significant salary gaps between skilled and unskilled workers.

Supporting struggling industries aligns with the Provincial Government's mandate, focusing particularly on key sectors such as agriculture, tourism, MSMEs (including the informal sector), and construction. Establishing a clear vision for each industry and directing government infrastructure spending accordingly will provide the necessary impetus to assist these sectors. In essence, a holistic and targeted approach is vital for propelling Mpumalanga towards sustainable economic growth and prosperity.

Table 40 presents a summary of relevant provincial trends and comparisons of certain socio-economic indicators. There are a few improvements in terms of the trends in a provincial context, however, the high unemployment rate, the low income share of the poorest households, the high share of people below the LBPL as well as the low GDP growth are worrying factors. When the provincial figures are compared with the national figures, only two of the provincial indicators (population ages 20+ and completed matric as well as income share of the bottom 40%) recorded a level better than the national figure.

Table 41 presents a comparison between the districts in the province of virtually the same socio-economic indicators used in the first table. Table 42 presents a summary of the relevant provincial targets as expressed Mpumalanga Provincial Government.

Table 40: Comparative socio-economic indicators of Mpumalanga

Socio-economic indicators	Statistics	Trend: improve (+) or deteriorate (-)	Better (+) or worse (-) than South Africa	Provincial ranking: best (1) – worst (9)
Share of population (2022)	8.3%	+	N/A	6
Unemployment rate (Q4 2024)	34.7%	-	-	6
Age 20+ & no schooling (2022)	11.7%	+	-	8
Age 20+ & completed matric (2022)	40.2%	+	+	3
HDI (2024)	0.64	+	-	7
Income share of bottom 40% (2024)	7.7%	+	+	3
Share of population below LBPL (2024)	52.5%	-	-	6
GDP average annual growth 2019-24	0.3%	-	-	8
% contribution to national GDP (2024)	7.7%	+	N/A	5

Table 41: Comparative socio-economic indicators of Gert Sibande, Nkangala & Ehlanzeni

Socio-economic indicators	Gert Sibande	Nkangala	Ehlanzeni
Share of population (2022)	25.0%	30.9%	44.2%
Unemployment rate (2024)	30.7%	41.4%	35.6%
Functional literacy rate (2024)	86.6%	88.7%	86.4%
HDI (2024)	0.64	0.65	0.63
Income share of bottom 40% (2024)	7.4%	7.3%	8.3%
Share of population below LBPL (2024)	45.7%	44.7%	63.4%
% contribution to provincial GDP (2024)	25.8%	37.2%	37.0%

Table 42: Relevant provincial socio-economic targets

Indicator	Provincial Medium Term Development Plan (MTDP) Targets
Annual economic growth rate	GDP growth of 3% and more.
Unemployment rate	Reducing the unemployment rate to 25% and below.
Employment	Creating at least 60 000 and more job opportunities per annum
Investment	Facilitating domestic and foreign investment, targeting at least R50 billion worth of investment.
Poverty rate (LBPL)	Reducing the poverty rate to below 35%.
Income inequality	The proportion of income earned by the bottom 40% of households in Mpumalanga should rise to more than 10%.