WHEN THE SUN RISES
WE WORK HARD TO DELIVER

economic development
& tourism
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

MPUMALANGA
THE PLACE OF THE RISING SUN

SOCIO-ECONOMIC REVIEW & OUTLOOK FOR MPUMALANGA

SERO

SEPTEMBER 2025

COMPILED BY: ECONOMIC ANALYSIS

CONTACT DETAILS: Mbombela Square

                             Mbombela

                             1201

                             Tel: 066 471 9122

                             Email: lcvanvuren@mpg.gov.za

KEY FINDINGS

- In 2022, Mpumalanga's population of 5.14 million was equal to 8.3% of the national population.

- In 2022, Mpumalanga's share of the national household number was 8.0% or 1.42 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 Q2 2025 the Mpumalanga economy was the largest ever on record.

- Current growth estimates for South Africa by the IMF points to subdued growth in 2025 (1.0%) and 2026 (1.3%).

- Mpumalanga's GDP is forecasted to experience the same slow growth in 2025 and 2026 as is forecasted for the national economy.

- Between Q2 2024 and Q2 2025, Mpumalanga recorded 30 508 more jobs and the province registered an increase of 11 147 jobs over the last quarter.

- In Q2 2025, the employed in Mpumalanga was equal to 7.3% of the national number of employed.

- The latest employment level of 1.22 million was 23 022 more than the number employed in Q1 2020 before the lockdown was instituted.

- Community services (22.5%) and trade (18.2%) were the two industries that employed the highest number of individuals, whereas the utilities industry (2.7%) employed the lowest number.

- Mpumalanga (34.0%), recorded the fifth highest/lowest strict unemployment rate among the nine provinces.

- In Q2 2025, the male strict unemployment rate was 30.5%, the female unemployment 38.4% and the youth (15-34 years) unemployment rate was 47.3%.

- In 2024, 52.5% or approximately 2.61 million of Mpumalanga population lived below the lower-bound poverty line of R1 109 per capita per month.

- The poorest 40% of households in Mpumalanga earned 7.7% of income in 2024, which was higher (better) than the national figure of 7.0% for 2024, but lower/worse than the 8.6% share the province achieved in 1996.

- In 2024, Mpumalanga recorded a HDI score of 0.64, an improvement from the relatively low level (0.50) 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 August 2025 inflation measurement in Mpumalanga of 2.9% was lower than the national level for the nineteenth consecutive month. It was also below the upper band of the inflation target zone for the twenty-first consecutive month.

- By 2022, 11.7% of the people 20 years and older in Mpumalanga had not received any schooling.

- In 2024, Mpumalanga's Grade 12 pass rate (85.0%) was the joint sixth highest among the provinces.

TABLE OF CONTENTS

PREFACE

Economic outlook

In 2024, the global economy stabilised at 3.2% growth despite challenges such as high interest rates, inflationary pressures and geopolitical uncertainties. Among advanced economies, the USA remained a key driver of global growth with stable growth of 2.8%, supported by robust consumer spending and a resilient labour market. The euro area experienced a modest acceleration, growing at 0.8%, as easing energy prices and recovering household consumption offset lingering weaknesses in manufacturing and exports. China's economic growth slowed to 4.8%, reflecting ongoing structural adjustments. Meanwhile, India sustained a solid growth rate of 6.5%, underpinned by strong domestic demand and infrastructure investment. Growth in emerging and developing economies collectively moderated to 4.2% in 2024, down from 4.4% in 2023, as tighter global financial conditions and weaker trade volumes weighed on economic activity.

The global economic growth is expected to remain steady at 3.0% in 2025 and 3.1% in 2026, although it is below the historical average of 3.7% recorded between 2000 and 2019. Among advanced economies, growth is expected to edge lower in 2025 before increasing slightly in 2026, with the USA economy growing slightly faster in 2026,while the euro area may experience a modest acceleration. The forecast for growth in emerging market and developing economies is stable, with a slight deceleration in China, steady expansion in India, and stronger growth in sub-Saharan Africa offsetting each other. The main downside risks to global economic growth in 2025 and 2026 are trade policy uncertainty and tariff escalation, rising geopolitical tensions and fiscal vulnerabilities as well as financial market stress.

Figure A: Historic & forecasted real GDP growth for the world and South Africa, 1995-2030
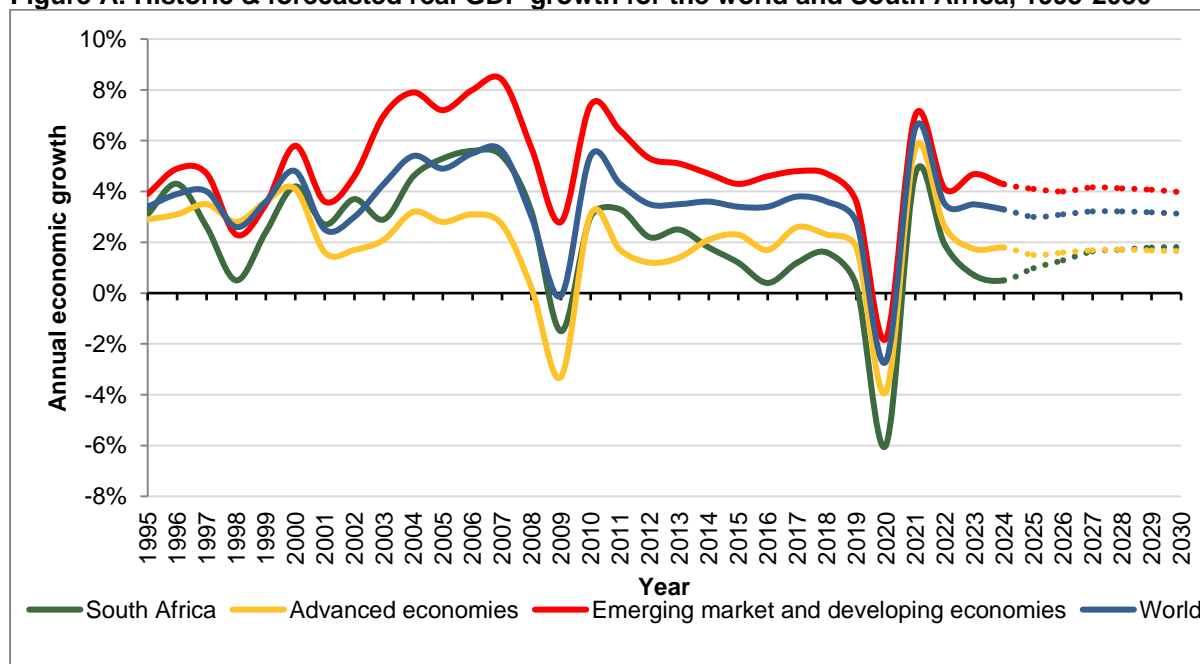
Source: International Monetary Fund (IMF) – World Economic Outlook, April 2025

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 2024, the South African economy expanded by only 0.5%

which was not as fast as the other regions in the depiction. 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 2030.

Over the past two and a half years, the economic growth has varied significantly across different industries (Table A). Finance was the only industry to avoid any quarterly contractions. In contrast, construction experienced seven quarterly contractions out of the last ten, while transport recorded six quarters of contraction out of the last ten. Real GDP grew by 0.5% in 2024, which was even slower than the modest growth of 0.8% in 2023. This growth was primarily driven by recoveries in finance, utilities, personal services and mining. Despite improvements in electricity supply in 2024, industries such as manufacturing, transport and trade failed to show growth. Additionally, agriculture, construction and trade recorded its second consecutive year of contraction.

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

Industry	Year-on-Year		Quarter-on-Quarter – seasonally adjusted	
	2023	**2024**	**Q1 2025**	**Q2 2025**
Agriculture[1]	-4.6%	-8.7%	18.6%	2.5%
Mining[2]	-0.1%	0.4%	-4.1%	3.7%
Manufacturing[3]	0.4%	-0.4%	-2.0%	1.8%
Utilities[4]	-4.2%	3.5%	-2.6%	0.2%
Construction[5]	-0.5%	-5.4%	-3.7%	-0.3%
Trade[6]	-1.6%	-1.2%	0.3%	1.7%
Transport[7]	4.2%	-1.2%	2.4%	-0.8%
Finance[8]	1.4%	3.2%	0.1%	0.3%
Government services[9]	0.7%	0.3%	-0.2%	0.7%
Personal services[10]	2.1%	1.2%	-0.3%	0.5%
Total	**0.8%**	**0.5%**	**0.1%**	**0.8%**

Source: Statistics SA (Stats SA) – GDP, 2025

Table B: Forecasted growth for South Africa, 2025-2026

Organisation	2025	2026
IMF	1.0%	1.3%
OECD	1.3%	1.4%
World Bank	0.7%	1.1%
SARB	1.2%	1.4%
National Treasury	1.4%	1.6%

Sources: IMF – World Economic Outlook, July 2025
OECD – OECD Economic Outlook Interim Report, June 2025
World Bank – Global Economic Prospects, June 2025
SARB – Monetary Policy Committee (MPC) Statement, September 2025
National Treasury – Budget 2025 Budget Review, May 2025

The IMF predicts a moderate increase in South Africa's real GDP, projecting slow growth of 1.0% in 2025, due to uncertainty, intensifying protectionist trends and a deeper slowdown in major economies (Table B). The Organisation for Economic Cooperation and Development (OECD) projects that economic growth will expand by 1.3% in 2025, with an expected rise to 1.4% in 2026. The World Bank

---

[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

anticipates slower expansion for South Africa in 2025 (0.7%) followed by an uptick in 2026 (1.1%). At the Monetary Policy Committee (MPC) meeting in September 2025 the economic growth forecast by the South African Reserve Bank (SARB) was pronounced as 1.2% for 2025 and 1.4% in 2026. The Minister of Finance announced in the May 2025 Budget Speech that the expected economic growth for 2025 is 1.4% and 1.6% for 2026.

Domestic inflation outlook

The national average annual inflation rate as measured by the consumer price index (CPI) for 2024 was 4.4%. This was lower than the corresponding annual average rate of 6.0% in 2023. The year-on-year CPI (for all urban areas) was 3.3% in August 2025, down from 3.5% in July 2025. Inflation was below the upper limit of the SARB's monetary policy target range for the twenty-seventh month in succession. August 2025 marked the thirteenth month in a row with an annual increase below the midpoint (4.5%) of the SARB's monetary policy target range. The MPC announced at the conclusion of its September 2025 meeting that the SARB's national inflation forecast was 3.4% for 2025, 3.6% for 2026 and 3.1% for 2027.

Domestic balance of payments

South Africa's trade surplus shrunk from R214 billion in 2024 to R177 billion in the second quarter of 2025 as the value of goods exports declined more than that of merchandise imports increased. The decline in the value of exports of goods and services in 2024 reflected lower export volumes, 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 R260 billion in the second quarter of 2025. The deficit on the current account of the balance of payments widened noticeably to R83 billion in the second quarter of 2025 from R48 billion in 2024. The current account deficit as a ratio of GDP widened to 1.1% in the second quarter of 2025 from 0.7% in 2024.

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

Components	2024	2025 Q1	2025 Q2
Merchandise exports	1 893	1 912	1 876
Net gold exports	150	163	164
Merchandise imports	-1 828	-1 864	-1 862
Trade balance	214	211	177
Net service, income & current transfer payments	-262	-259	-260
Balance on current account	-48	-48	-83
- As a % of GDP	-0.7%	-0.6%	-1.1%

Source: SARB – Balance of Payments, September 2025
Note: Due to rounding numbers do not necessarily add up to totals or change

Domestic labour market

In Q2 2025, approximately 16.8 million South Africans between the ages of 15 and 64 were employed in the economy. The domestic economy gained 154 169 jobs in the twelve months between Q2 2024 and Q2 2025. To demonstrate the employment change in the 5-year period since 2020, Table D presents changes from the 5-year period from Q2 2020 to Q2 2025, annual changes from Q2 2024 to Q2 2025 as well as quarterly changes between Q1 2025 and Q2 2025.

The latest employment level of 16.8 million was 423 947 jobs more than the 16.38 million persons employed in Q1 2020 before the COVID-19 lockdown. Furthermore, the national economy gained 2.66

million jobs over the 5-year period for an average gain of 531 657 jobs per year. Over the 5-year period from 2020 to 2025, no industry lost jobs and all ten added jobs. The highest number of job gains over the 5-year period were in finance (749 188) followed by community services (628 231).

The data presented in Table D demonstrates that seven industries recorded job gains year-on-year. Employment levels in finance (78 678) and construction (54 966) increased the most between Q2 2024 and Q2 2025. The highest job destruction over the 1-year period is evident in private households (-54 096).

In Q2 2025, the unemployment rate was 33.2%, which was slightly lower than the 33.5% recorded a year ago, but higher than the 32.9% in Q1 2025. The labour absorption rate (employment to population ratio) was 40.2% in Q2 2025, which was slightly lower/worse than the 40.3% registered in both Q2 2024 and Q1 2025. The labour force participation rate in Q2 2025 (60.2%) was lower than a year (60.6%) ago, but higher than in the previous quarter (60.0%).

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

Industry	Employed number 2025 '000	5-year employment change Q2 2020 to Q2 2025 '000	Annual employment change Q2 2024 to Q2 2025 '000	Quarterly employment change Q1 2025 to Q2 2025 '000
Agriculture	905 770	106 736	9 845	-24 422
Mining	433 515	60 312	-23 187	2 918
Manufacturing	1 671 647	215 823	16 844	-5 378
Utilities	139 155	26 228	25 051	-6 283
Construction	1 259 375	193 555	54 966	19 502
Trade	3 315 400	368 937	-44 708	87 873
Transport	1 115 419	230 736	50 967	-15 131
Finance	2 983 469	749 188	78 678	-24 088
Community services	3 872 207	628 231	44 996	-42 041
Private households	1 106 126	100 967	-54 096	28 182
Total	16 806 502	2 658 287	154 169	19 236

Source: Stats SA – Quarterly Labour Force Survey (QLFS), 2025
Note: Due to rounding numbers do not necessarily add up to totals or change

Labour productivity

According to the SARB *Quarterly Bulletin June 2025*, labour productivity in the formal non-agricultural sector slowed from 3.4% in Q3 2024 to 1.3% in Q4 2024 as the year-on-year decline in employment slowed as did the non-agricultural output. Growth in nominal unit labour cost in the formal non-agricultural sector accelerated from 2.1% in Q3 2024 to 3.1% in Q4 2024 as growth in total remuneration increased, while non-agricultural output slowed.

Employment activity

The latest research by Career Junction shows the number of vacancies has decreased by 4.2% year-on-year. Over the past two years (Q2 2023 to Q2 2025), the volume of jobs has dropped by 11.1%.

When comparing hiring activity over the last three months (April, May, June 2025) with the previous three months (January, February, March 2025), hiring activity has increased for medical and health professionals (+27%), marketing professionals (+18%) as well as manufacturing and assembly professionals (+12%). Hiring activity declined for admin, office and support professionals (-8%) over the past three months.

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 September 2025.

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 2024 are available, the official population figures remain those from *Census 2022*, and as such the analysis is not based on the 2024 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 2023 are available, the official household figures remain those from *Census 2022*, and as such the analysis is not based on the 2023 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
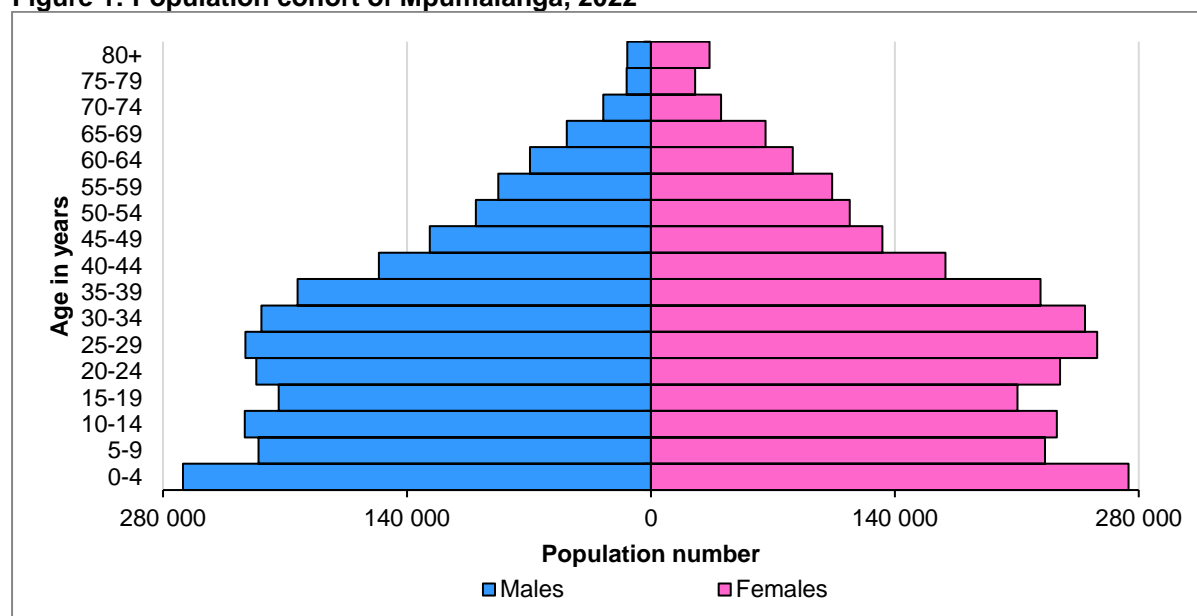
Source: Stats SA – Census 2022

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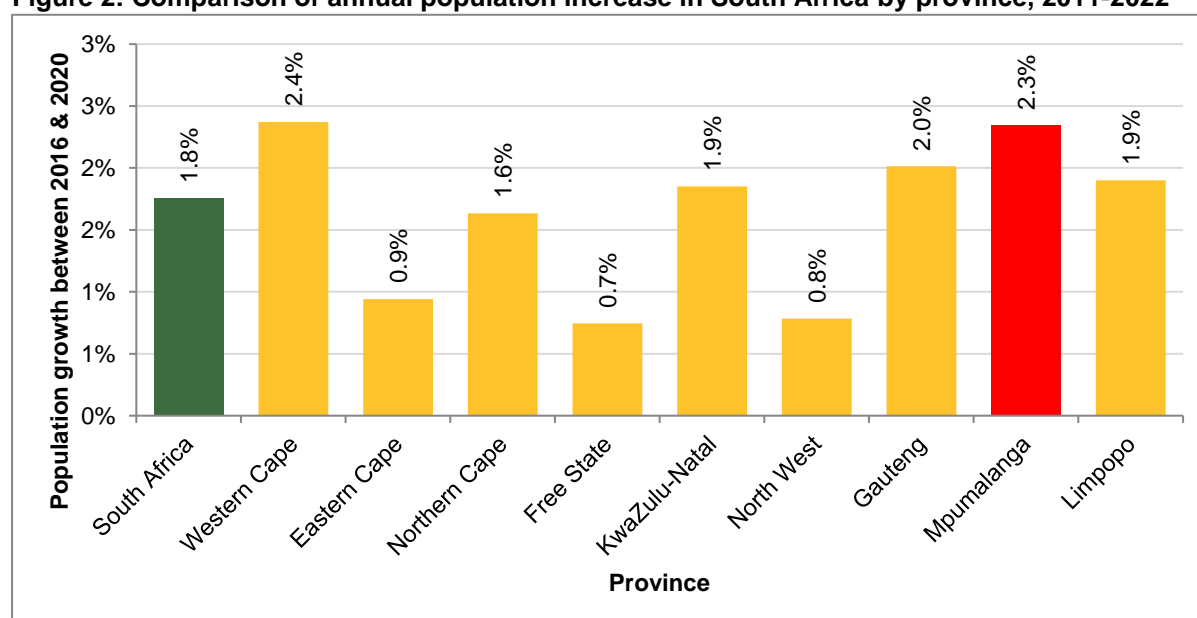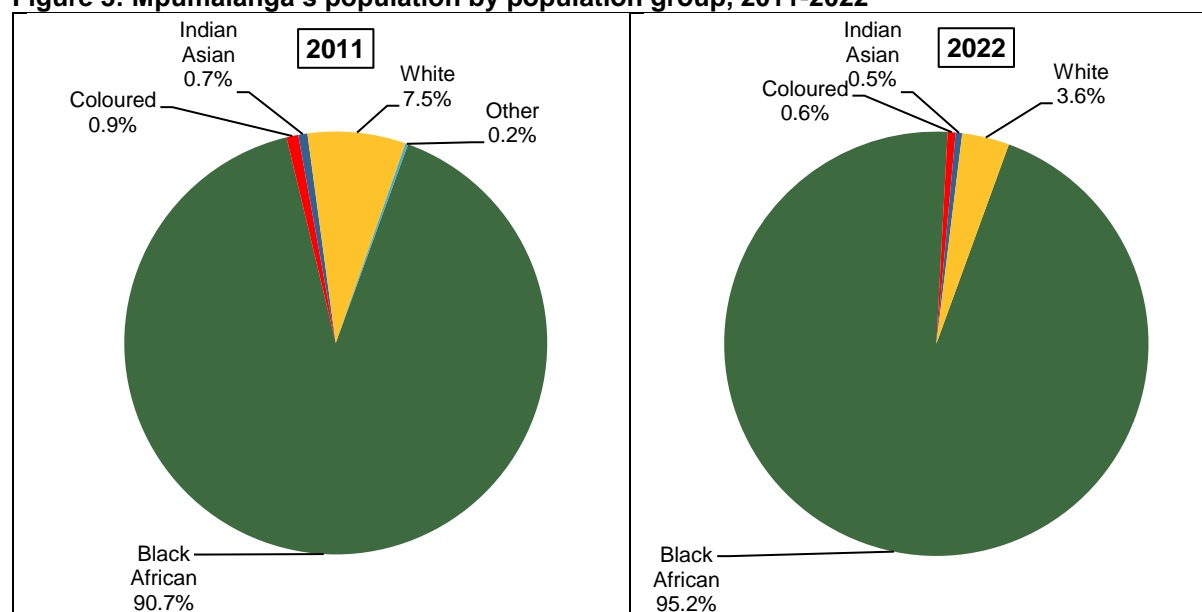

Sources: Stats SA – Census 2011
Stats SA – Census 2022

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

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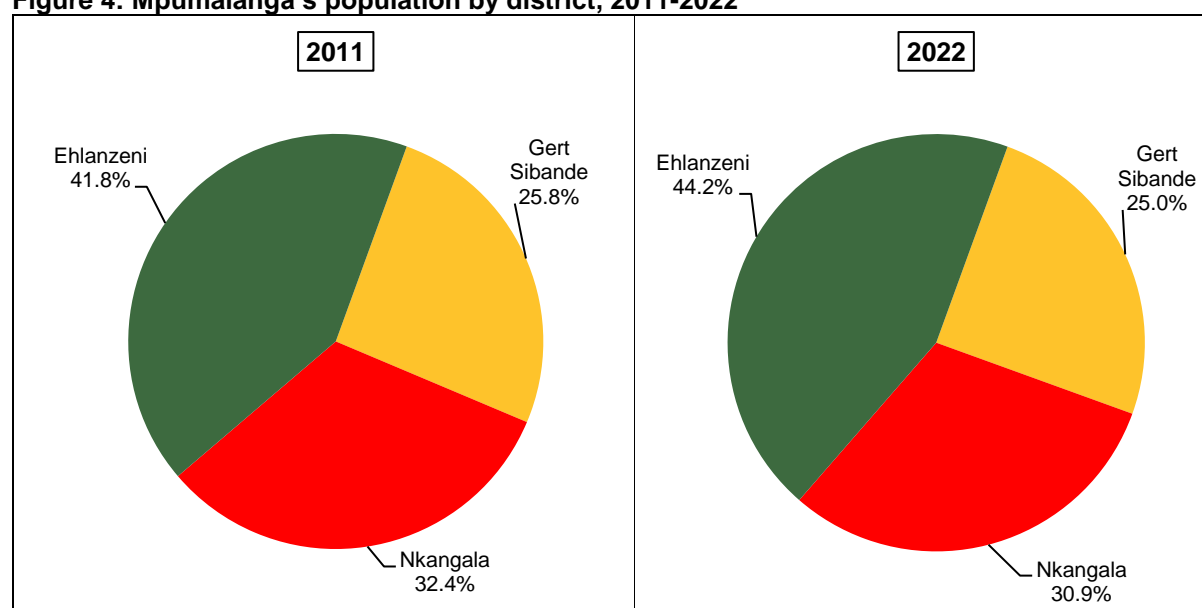
2.2   Fertility

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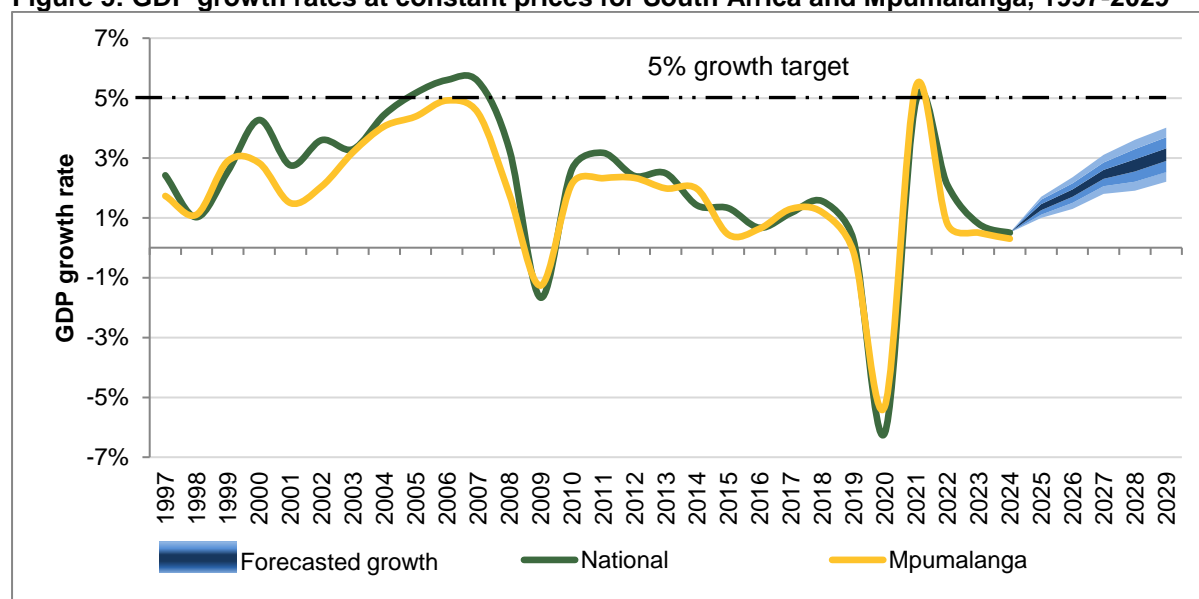
Sources: Stats SA – Provincial Gross Domestic Product 2024
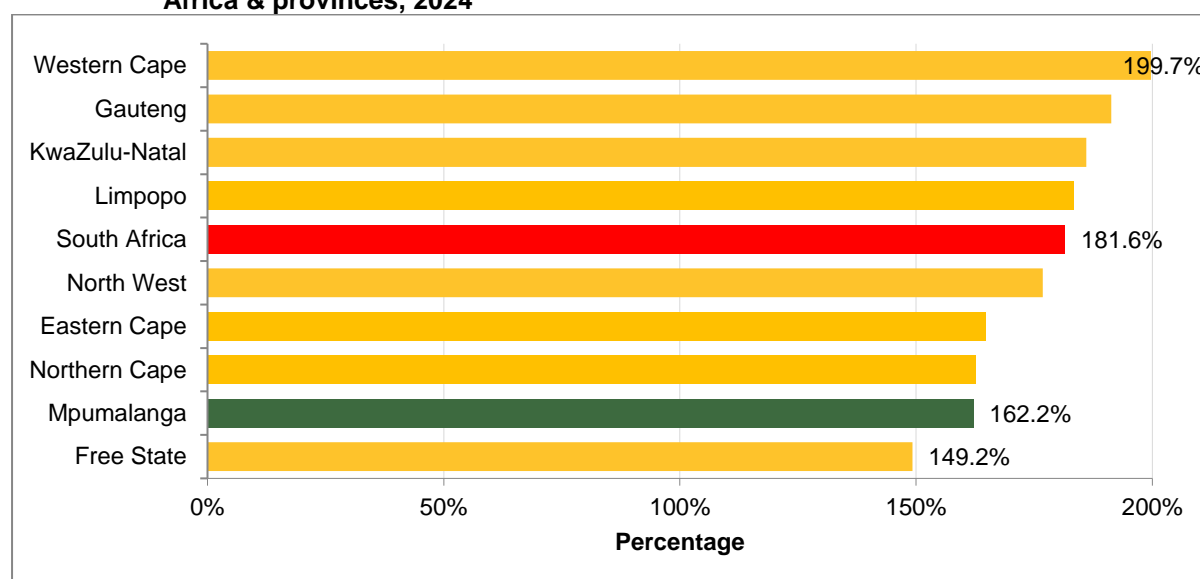*S&P Global – ReX, July 2025*

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%	2.2%
Eastern Cape	1.8%	2.4%	3.6%	1.8%	0.8%	0.4%	1.8%
Northern Cape	1.8%	2.7%	3.4%	1.5%	1.4%	0.4%	2.0%
Free Sate	1.4%	1.1%	3.8%	1.6%	0.8%	0.2%	1.7%
KwaZulu-Natal	2.2%	2.1%	4.2%	2.3%	1.4%	0.4%	1.9%
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%	2.2%
Mpumalanga	**1.7%**	**2.1%**	**3.7%**	**1.5%**	**1.1%**	**0.3%**	**1.6%**
Limpopo	2.2%	3.9%	3.7%	1.4%	1.1%	0.3%	2.2%
South Africa	**2.2%**	**2.6%**	**4.4%**	**1.9%**	**1.2%**	**0.4%**	**2.0%**

Sources: Stats SA – Provincial Gross Domestic Product 2024
S&P Global – ReX, July 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 was in 2024 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.

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

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%. 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 7: Real q-o-q GDP growth (seasonally adjusted) in South Africa & Mpumalanga, Q1 2020-Q2 2025
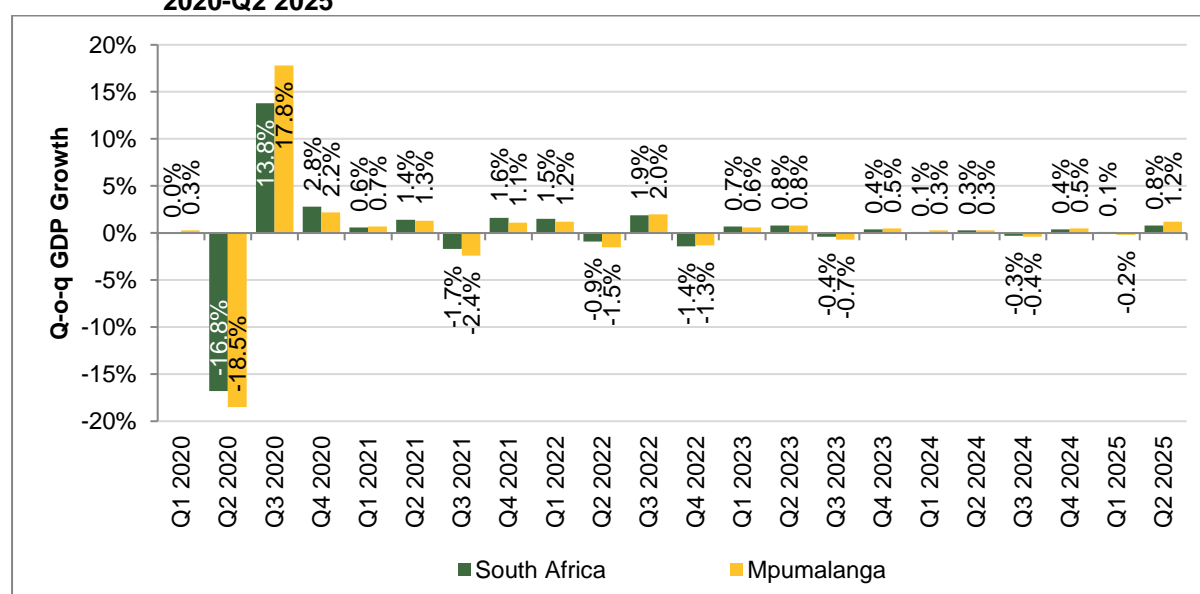
---

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

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 Q2 2025, the South African economy expanded by 0.8%, following a small expansion of 0.1% in the previous quarter. Over the last twenty quarters since the severe slump in Q2 2020, the South African economy has recorded fifteen quarters of expansion and five of decline (Figure 7). Despite the fifteen quarters of expansion, the national economy was only 2.8% larger in Q2 2025 than what it was in Q1 2020, before the COVID-19 pandemic.

The national economy experienced real GDP growth of only 0.5% in 2024. The 2024 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 2024 was primarily led by higher economic activities in finance, personal services and utilities. Agriculture, construction, trade, transport and manufacturing contracted in 2024.

The provincial economy has now registered nineteen quarters of growth and six 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 nineteen quarters of expansion, was only 2.2% larger in Q2 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 Q2 2025 the Mpumalanga economy was the largest ever on record.

**Figure 8: Real GDP (seasonally adjusted) in Mpumalanga, Q1 2019-Q2 2025**
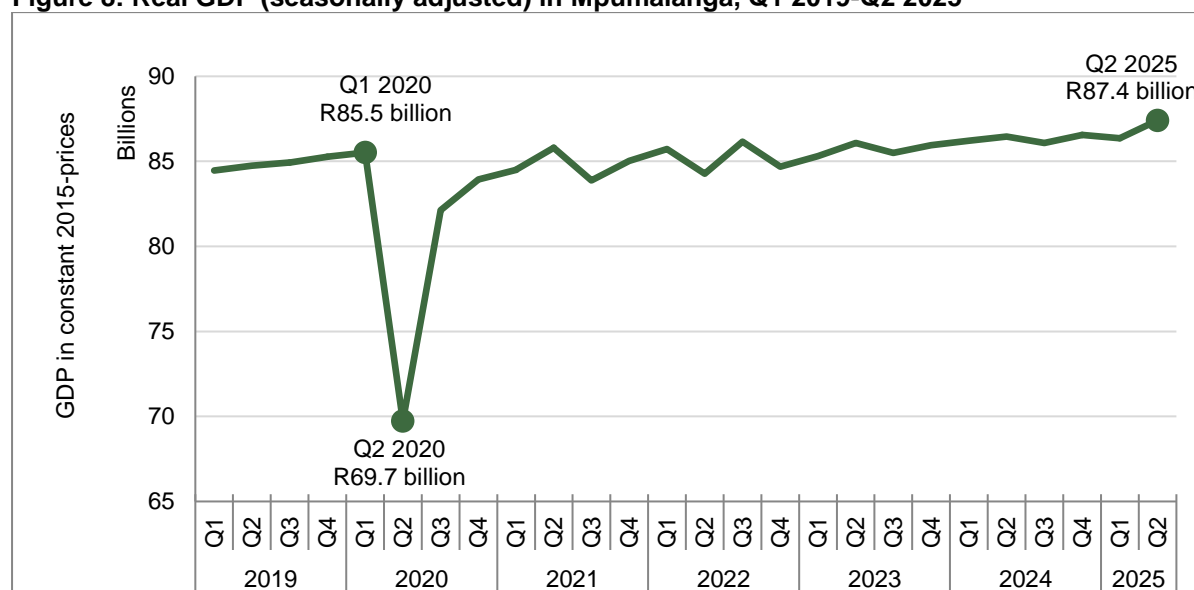
Source: S&P Global – ReX, July 2025 & calculations based thereon

Consumer confidence as well as business confidence in South Africa has been predominantly negative

over the last five years (Figure 9). Consumer confidence slipped from -10 to -13 index points in the third quarter of 2025, moving further below the relatively positive levels observed during the second half of 2024. Business confidence rose from 38 in Q3 2024 to 45 in Q4 2024 and Q1 2025 – its highest level since early 2022 – on the back of political stability and reform momentum. However, it slipped to 39 by Q3 2025, below the long-term average of 42, signalling that underlying economic conditions remain subdued and most firms remain dissatisfied.

Figure 9: Confidence levels in the South African economy, 2019-2025
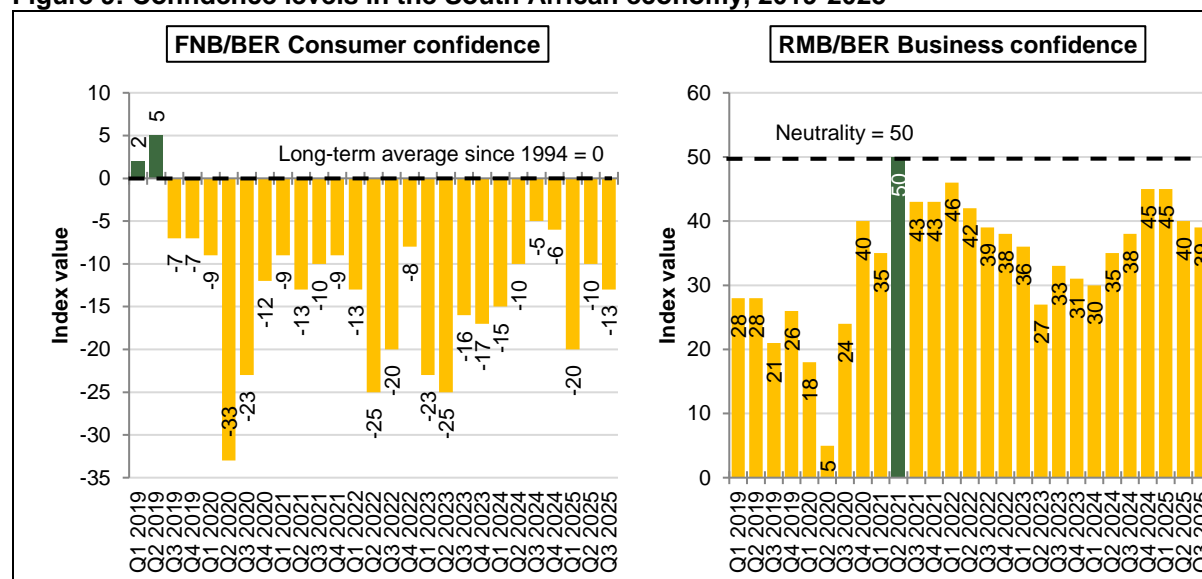
Sources: Bureau for Economic Research (BER) – FNB/BER Consumer Confidence Index, 2025
BER – RMB/BER Business Confidence Index, 2025

Forecasted growth

Current 2025 growth estimates for South Africa by the IMF (1.0%) and World Bank (0.7%) points to below average economic growth in 2025. The Organisation for Economic Cooperation and Development (OECD) also projects slow economic growth of 1.3% in 2025. The latest South African Reserve Bank (SARB) forecast in July 2025 estimated the national economy to expand by 0.9% in 2025.

The annual average growth rates for South Africa and Mpumalanga, from 2024 to 2029, are forecasted at 2.0% and 1.6%, respectively (Table 5). Mpumalanga's economy is forecasted to achieve the slowest annual average growth among the nine provinces over the period 2024 to 2029. It is expected that the Mpumalanga economy will expand in 2025 by only 1.0%.

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 R67 800 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
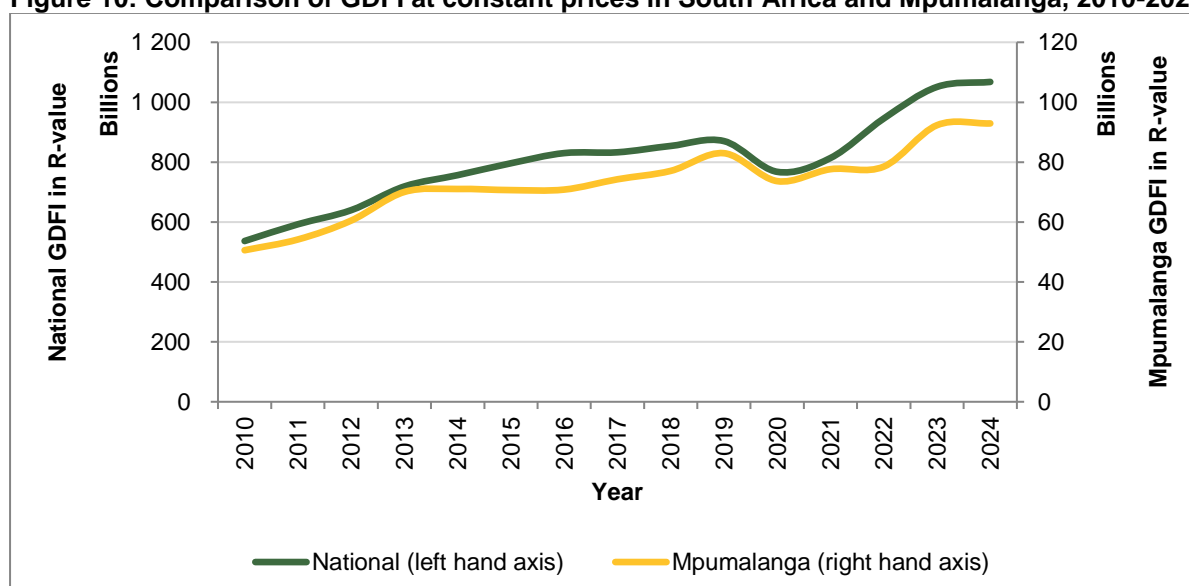
Source: Quantec, 2025

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 2023, Western Cape and Gauteng recorded the highest overall IGI scores of 11.17 and 9.22, respectively. Eastern Cape (2.04) and North West (2.14), registered the lowest overall scores among the nine provinces. Mpumalanga's overall IGI score of 3.40 was the sixth highest/fourth lowest among

---

[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 of two, therefore each theme can have a minimum score of zero and maximum of six.

the nine provinces (Figure 11). Mpumalanga's score was considerably lower than Western Cape and Gauteng in the first two positions and lower than the mean (4.69) for the nine provinces. The economic inclusion theme made the largest contribution in eight provinces (including Mpumalanga) and the prosperity theme made the largest contribution in Gauteng only.

Figure 11: Inclusive growth scores by province, 2023

	EC	NW	LP	MP	FS	KZN	NC	Mean	GP	WC
Inclusion	1.29	1.18	1.21	2.08	2.33	2.24	2.96	2.59	4.06	6.00
Prosperity	0.76	0.96	1.13	1.32	1.23	1.80	1.34	2.10	5.16	5.17
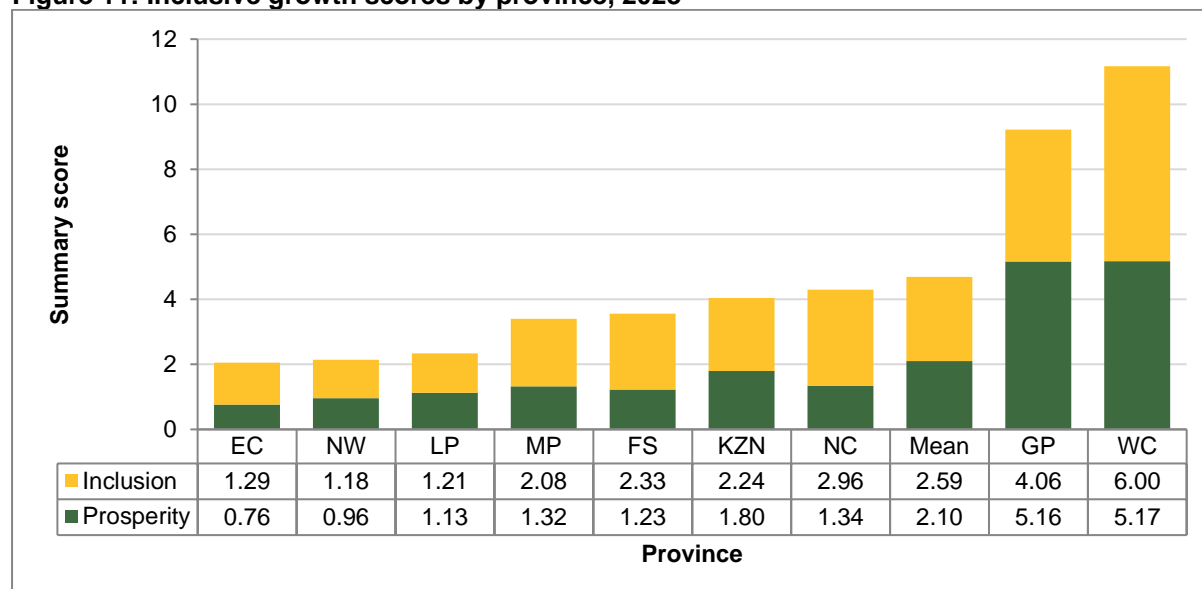
Source: DEDT - Economic Analysis Inclusive Growth Model, 2024

If the individual prosperity and economic inclusion themes are considered, there were differences in rankings compared with the overall IGI score. For example, KwaZulu-Natal scored third highest/seventh lowest in the prosperity theme and fifth highest/lowest in the economic inclusion theme. Mpumalanga ranked sixth highest/fourth lowest in the economic inclusion theme and sixth highest/fourth lowest in the prosperity theme.

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 2018 and 2023.

When examining change in economic inclusion and prosperity together, the overall IGI change scores show that between 2018 and 2023, Limpopo (8.69), Eastern Cape (7.94), and KwaZulu-Natal (7.10) experienced the biggest improvement in their respective scores (Figure 12). Mpumalanga (5.71) 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 (6.28) between 2018 and 2023.

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. Two provinces recorded higher change scores in the inclusion theme than in the prosperity theme, whereas seven provinces (Mpumalanga included) recorded higher change scores in the prosperity theme.

Between 2018 and 2023, Limpopo (4.69) registered the highest improvement in economic inclusion and

Western Cape (1.80) the lowest. Over the same period, KwaZulu-Natal (4.19) recorded the highest change score in the prosperity theme and Gauteng (1.02) the lowest. Mpumalanga recorded the third highest change score in the economic inclusion theme between 2018 and 2023 and the fourth highest change score in the prosperity theme.

Figure 12: Inclusive growth change scores by province, 2018-2023

Province	GP	WC	MP	NW	NC	Mean	FS	KZN	EC	LP
■ Inclusion	2.79	1.80	2.46	2.84	1.97	2.88	2.69	2.91	3.81	4.69
■ Prosperity	1.02	3.21	3.25	3.01	4.11	3.40	3.65	4.19	4.13	4.00
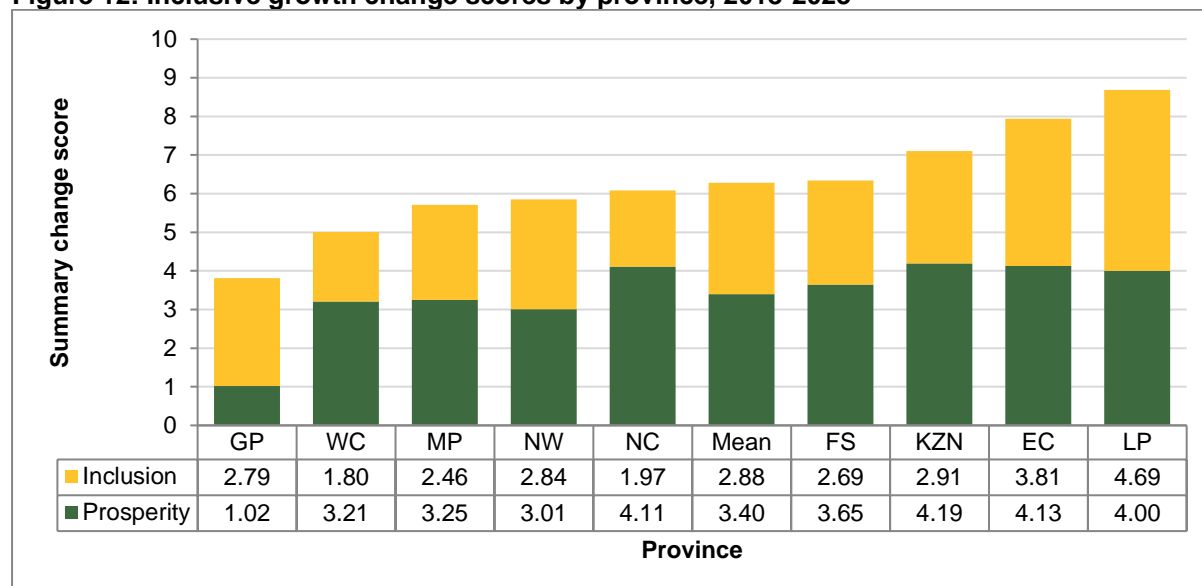
Source: DEDT - Economic Analysis Inclusive Growth Model, 2024

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.

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 37.2% in 2024. In 2024, the contribution by Gert Sibande was 25.8% and that of Ehlanzeni 37.0%. Nkangala made considerable contributions to the province's mining (65.3%), manufacturing (37.9%) and utilities (34.0%) in 2024. Gert Sibande made substantial contributions to agriculture (38.8%) and manufacturing (31.9%), whereas Ehlanzeni played a major role in the province's utilities (37.6%), construction (43.1%), trade (44.4%), finance (45.5%) and community services (47.0%).

Figure 14 depicts the percentage contribution by the seventeen local municipal areas to the provincial GDP in 2024. In 2024, City of Mbombela (24.5%), Emalahleni (16.8%), Steve Tshwete (11.5%) and Govan Mbeki (10.7%) contributed 63.5% to the Mpumalanga economy. Dipaleseng (1.2%) made the

smallest contribution to the provincial economy.

Figure 13: Mpumalanga's contribution to South Africa's industries at constant prices, 1996-2024
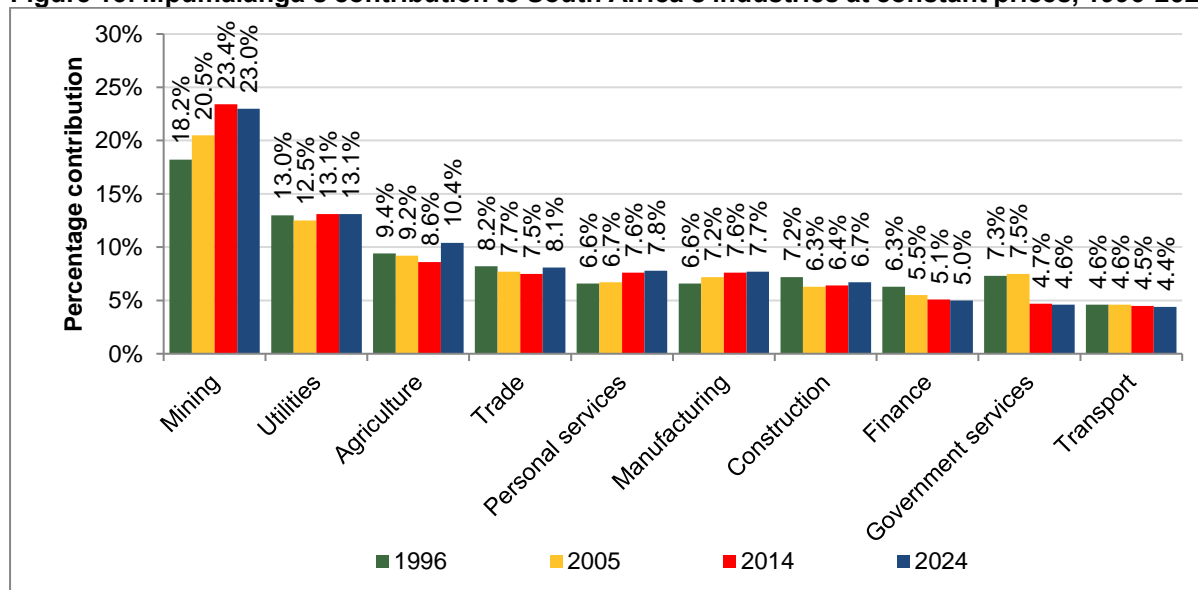
Sources: *Stats SA – Provincial Gross Domestic Product 2024*
S&P Global – ReX, July 2025

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	37.8%	38.8%	27.0%	27.9%	35.2%	33.3%
Mining	27.8%	26.0%	63.8%	65.3%	8.4%	8.8%
Manufacturing	35.3%	31.9%	34.2%	37.9%	30.5%	30.2%
Utilities	28.5%	28.4%	37.1%	34.0%	34.4%	37.6%
Construction	23.7%	24.0%	31.2%	32.9%	45.1%	43.1%
Trade	25.7%	25.6%	28.1%	30.0%	46.2%	44.4%
Transport	28.0%	28.1%	31.4%	33.9%	40.6%	38.0%
Finance	20.3%	21.0%	31.5%	33.4%	48.2%	45.5%
Community services	23.4%	23.3%	28.0%	29.7%	48.6%	47.0%
Total	**26.5%**	**25.8%**	**36.3%**	**37.2%**	**37.1%**	**37.0%**

Source: S&P Global – ReX, July 2025

Figure 14: Contribution to Mpumalanga GDP at constant prices by local municipal area, 2024
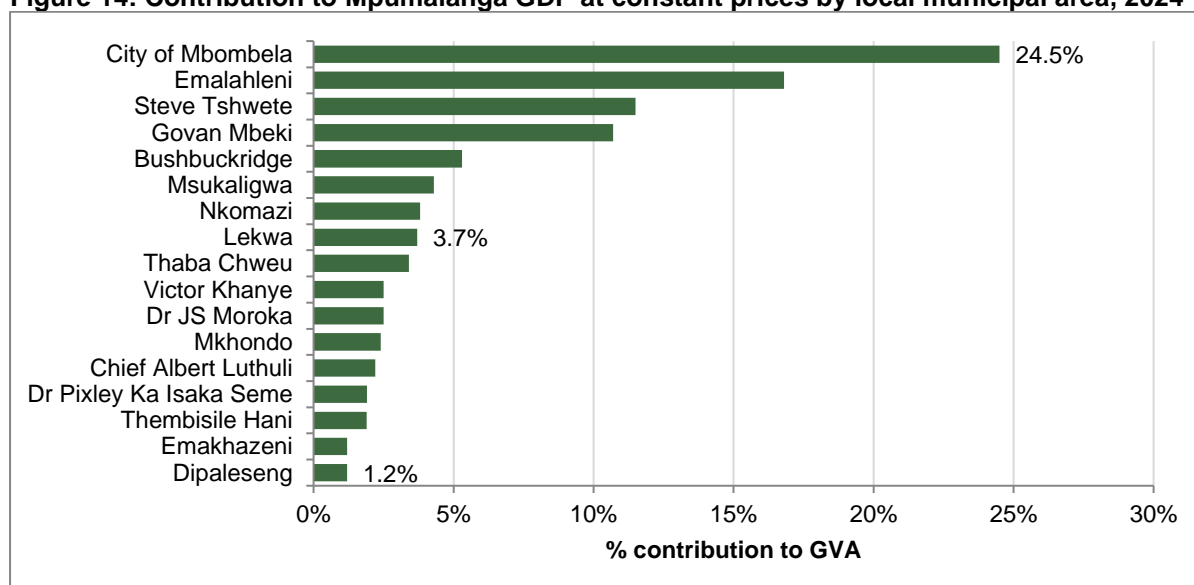
Source: S&P Global – ReX, July 2025

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

Figure 15: Contribution of industries to Mpumalanga's GDP at basic prices, 2024
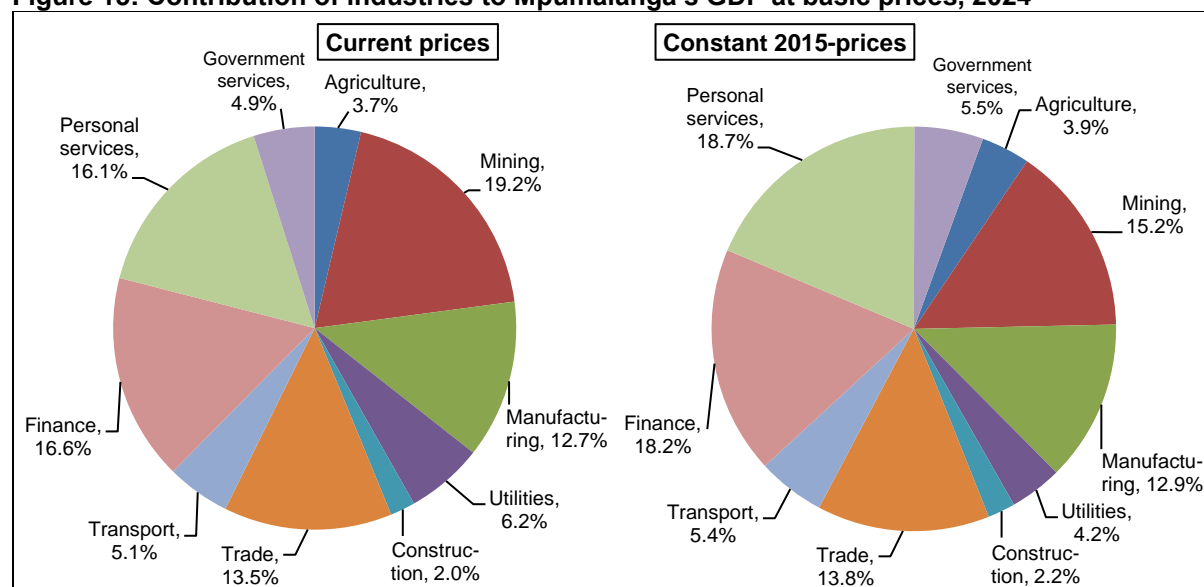
Source: Stats SA – Provincial Gross Domestic Product 2024

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.

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%.

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 finance (3.1%) and transport (3.1%) will record the highest average annual growth per annum. The relatively low growth expectation for mining and manufacturing as well as the contraction in utilities are concerning.

Figure 16: Contribution to Mpumalanga's GDP at basic prices (constant 2015-prices), 1996-2024
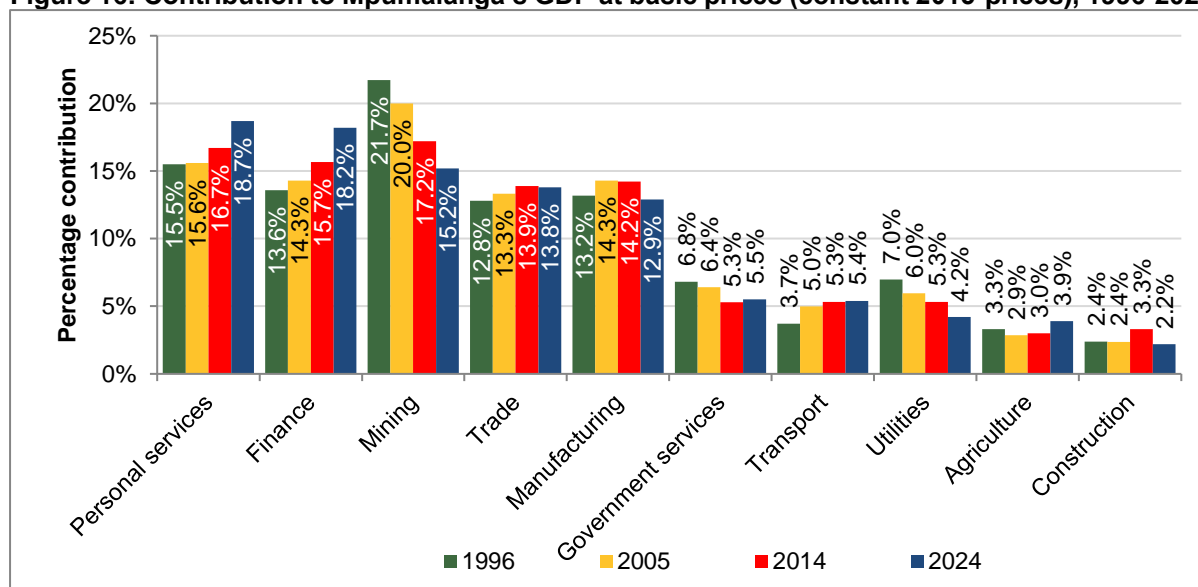
Figure 17 illustrates the change in value by industry from 2019 to 2024. The real value of six industries increased whereas four industries declined. Personal services (R6.4 billion) registered the largest increase over the 5-year period and mining (-R5.6 billion) the largest decline.

Table 8: Historic and forecasted GDP growth rates at constant prices for Mpumalanga's economic industries, 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%	1.5%
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%***	***0.7%***
Manufacturing	1.8%	4.1%	4.4%	1.0%	0.4%	-0.9%	1.2%
Utilities	0.0%	0.1%	4.3%	0.3%	-1.6%	-2.4%	-0.3%
Construction	1.6%	-4.3%	8.4%	4.7%	-0.9%	-5.8%	2.3%
Secondary sector	***1.3%***	***2.1%***	***4.8%***	***1.3%***	***-0.2%***	***-1.9%***	***1.0%***
Trade	2.1%	4.0%	3.5%	2.1%	0.4%	1.0%	1.1%
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%	3.1%
Personal services	2.5%	3.7%	3.2%	1.3%	1.0%	3.4%	1.6%
Government services	1.1%	0.3%	3.7%	2.1%	1.4%	-0.8%	1.7%
Tertiary sector	***2.4%***	***2.9%***	***4.4%***	***1.9%***	***1.3%***	***1.6%***	***2.1%***
Total	1.7%	2.1%	3.7%	1.5%	1.1%	0.3%	1.6%

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

Figure 17: Absolute change in GDP rand value at constant prices, 2019-2024
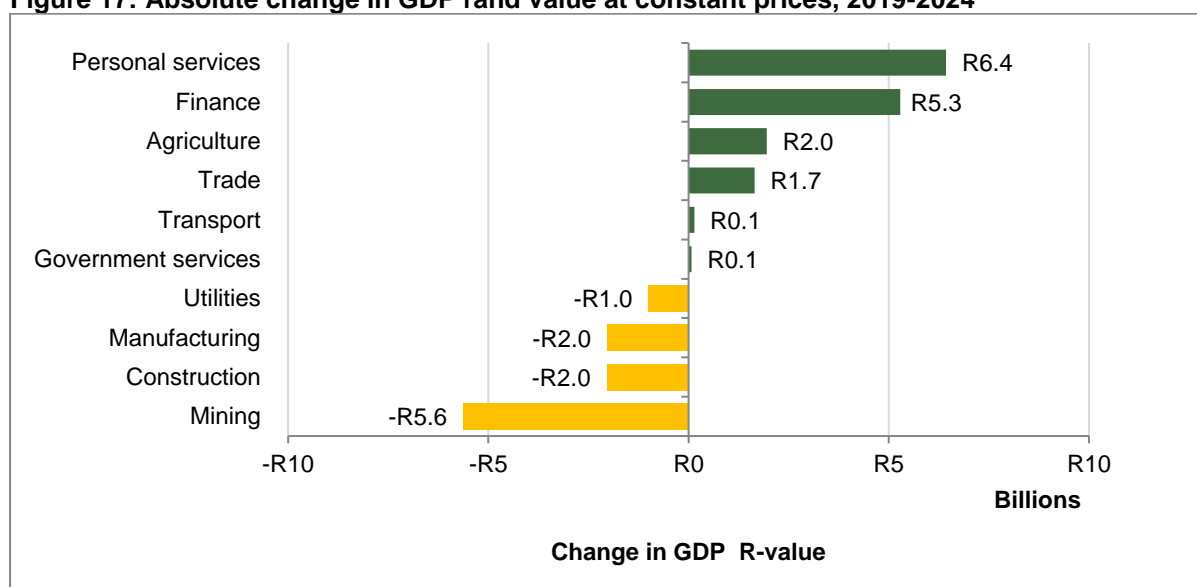
Source: Stats SA – Provincial Gross Domestic Product, 2024

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

Industry	GDP share	Forecasted industry growth	Estimated contribution to provincial economic growth
	2024	**2024-2029**	**2024-2029**
Agriculture	3.9%	1.5%	0.1%
Mining	15.2%	0.5%	0.1%
Manufacturing	12.9%	1.2%	0.2%
Utilities	4.2%	-0.3%	-0.0%
Construction	2.2%	2.3%	0.1%
Trade	13.8%	1.1%	0.2%
Transport	5.4%	3.1%	0.2%
Finance	18.2%	3.1%	0.6%
Personal services	18.7%	1.6%	0.3%
Government services	5.5%	1.7%	0.1%
Total	100.0%	1.6%	-

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

According to Table 9, finance is expected to be the main driver of provincial economic growth between 2024 and 2029. Personal services is expected to make the second largest contribution to provincial

growth in the 5-year period, followed by trade, manufacturing and transport.

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 22.2% share. Mining activities made the largest contribution to the Nkangala economy as it added 26.4% 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%	5.7%	2.4%	2.8%	3.1%	3.4%
Mining	18.1%	15.2%	30.3%	26.4%	3.9%	3.6%
Primary sector	*22.7%*	*20.9%*	*32.8%*	*29.3%*	*7.0%*	*7.0%*
Manufacturing	18.3%	16.0%	13.0%	13.2%	11.3%	10.6%
Utilities	4.9%	4.7%	4.7%	3.9%	4.3%	4.3%
Construction	2.6%	2.0%	2.5%	1.9%	3.6%	2.5%
Secondary sector	*25.9%*	*22.7%*	*20.2%*	*19.0%*	*19.1%*	*17.4%*
Trade	13.1%	13.8%	10.5%	11.2%	16.8%	16.8%
Transport	5.7%	5.7%	4.7%	4.8%	5.9%	5.4%
Finance	12.8%	14.7%	14.5%	16.2%	21.7%	22.2%
Community services	19.8%	22.2%	17.4%	19.6%	29.4%	31.2%
Tertiary sector	*51.4%*	*56.4%*	*47.0%*	*51.7%*	*73.9%*	*75.6%*
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: S&P Global – ReX, July 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 39.1 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 (1.93), mining (2.04) and utilities (3.18) 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, 2024

Industry	Mpumalanga
Agriculture	1.93
Mining	2.04
Manufacturing	0.86
Utilities	3.18
Construction	0.98
Trade	0.96
Transport	0.85
Finance	0.68
Community services	0.98
Total	1.00

Source: DEDT – Comparative Advantage & Regional Competitiveness Model, 2025

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 2019 and 2024). 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, agriculture and mining (ranked according to employment number) can be regarded as "standout" industries (Table 12).

Table 12: Dynamic location quotient classification of industries in Mpumalanga, 2019-2024

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

Source: DEDT – Comparative Advantage & Regional Competitiveness Model, 2025

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, community services, manufacturing 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, utilities recorded a location quotient in excess of 1.2 that also declined over time.

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. Trade, finance 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 6.3% of Mpumalanga's GDP. In 2023, tourism spend in South Africa was equal to 6.8% of GDP, whilst in Mpumalanga it was equal to 5.7% of the provincial GDP. In 2023, Eastern Cape (9.6%) registered the largest tourism spend as share of GDP and Mpumalanga the joint smallest (Table 13).

Table 13: Tourism spend in South Africa and provinces, 2019-2023

Province	2019		2023	
	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	77 049	9.9%	83 651	8.5%
Eastern Cape	35 861	8.2%	51 571	9.6%
Northern Cape	8 276	6.9%	10 750	6.8%
Free State	19 446	7.0%	24 767	7.2%
KwaZulu-Natal	65 882	7.2%	78 129	6.9%
North West	19 936	6.1%	23 641	5.7%
Gauteng	129 405	6.8%	142 069	6.0%
Mpumalanga	**27 191**	**6.3%**	**31 509**	**5.7%**
Limpopo	28 298	6.8%	34 880	6.5%
Total	**411 345**	**7.3%**	**480 968**	**6.8%**

Source: S&P Global – ReX, July 2025

---

[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 2024.

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. This was up from the 16.7% of total foreign arrivals in 2019. In 2024, Mpumalanga captured 18.2% of the total bednights spent by all foreign tourists in South Africa. This was higher than the 15.0% share recorded in 2019.

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.

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

District	Exports			Imports		
	Share of Mpumalanga	Growth per annum		Share of Mpumalanga	Growth per annum	
	2024	1996-2024	2019-24	2024	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, July 2025

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).

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 2030 in Mpumalanga.

3.2.1   Labour force profile

South Africa's employment figure increased from 16.65 million in Q2 2024 to 16.81 million in Q2 2025.

---

[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

The national economy gained 154 169 jobs on an annual basis and 19 236 jobs on a quarterly basis. The national unemployment rate (official definition) improved from 33.5% in Q2 2024 to 33.2% in Q2 2025. The unemployment rate according to the expanded definition, however, increased/deteriorated from 42.6% in Q2 2024 to 42.9% in Q2 2025.

The provincial labour force of 1.85 million individuals in Q2 2025 was 50 420 less than a year earlier (Table 15). Mpumalanga's provincial labour force, also declined by 22 237 on a quarterly basis. In Q2 2025, the province experienced a year-on-year increase in employment, with 30 508 more individuals employed compared to Q2 2024. On a quarterly basis, employment in Mpumalanga increased by 11 147 in Q2 2025.

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

Indicator	Q2 2024 '000	Q1 2025 '000	Q2 2025 '000	Q1 2025-Q2 2025 change '000	Year-on-year change '000
	Number				
- **Working age population (15-64 years)**	3 168	3 199	3 209	10	41
- **Strict definition**					
- **Not economically active**	1 264	1 323	1 356	33	92
- **Labour Force/EAP**	1 904	1 876	1 853	-22	-50
- **Employed**	1 192	1 212	1 223	11	31
- **Unemployed**	712	664	631	-33	-81
- **Discouraged work-seekers**	358	419	433	13	75
- **Expanded definition**					
- **Not economically active**	843	808	839	31	-4
- **Labour Force/EAP**	2 325	2 391	2 370	-21	45
- **Employed**	1 192	1 212	1 223	11	31
- **Unemployed**	1 133	1 180	1 147	-32	14
	Rate				
- **Strict definition**	%	%	%	%	%
- **Unemployment rate**	37.4	35.4	34.0	-1.4	-3.4
- **Absorption rate**	37.6	37.9	38.1	0.2	0.5
- **Labour force participation rate**	60.1	58.6	57.8	-0.8	-2.3
- **Expanded definition**					
- **Unemployment rate**	48.7	49.3	48.4	-0.9	-0.3
- **Absorption rate**	37.6	37.9	38.1	0.2	0.5
- **Labour force participation rate**	73.4	74.8	73.9	-0.9	0.5

Source: Stats SA – QLFS, 2025
Note: Due to rounding numbers do not necessarily add up to totals or change

The number of unemployed people (official definition) in the province declined by 80 929 on an annual basis and by 33 484 on a quarterly basis. The official unemployment rate of the province declined/improved from 37.4% in Q2 2024 to 34.0% in Q2 2025. The provincial unemployment rate according to the expanded definition also declined/improved from 48.7% in Q2 2024 to 48.4% in Q2 2025. Both the official and expanded unemployment rates declined/improved on a quarterly basis.

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 as well as on a quarterly basis to 57.8% in Q2 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 38.1% in Q2 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 20.7 percentage points in Q1 2025 and narrowed to 19.7 percentage points in Q2 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 quarterly change, it usually indicates that more people are looking for work and finding jobs.

3.2.2 Employment

The national labour market gained 2.66 million jobs in the 5-year period from Q2 2020 to Q2 2025 (Table 16). Therefore, the average annual jobs gained on the national level was 531 657 per year. It should, however, be noted that employment in Q2 2020 was abnormally depressed due to the COVID-19 lockdown, meaning that part of the subsequent gains reflects a rebound rather than sustained new job creation.

Gauteng (712 523) recorded the largest increase in job numbers over the five year period and North West (21 030) the smallest increase. Mpumalanga's increase in employment numbers over the 5-year period of 110 816 was the third lowest increase among the provinces. Mpumalanga's average annual employment increase of 1.9% per annum was the second lowest of the provinces.

The national labour market gained 154 169 jobs between Q2 2024 and Q2 2025. Mpumalanga's employment increased by 30 508 over the 1-year period. Eastern Cape (93 267) recorded the highest number of job gains over a 1-year period and the highest annual increase in percentage terms of 6.8%. Mpumalanga recorded the fourth highest number of job gains and the joint third highest average annual employment increase.

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

Region	Q2 2020 '000	Q2 2024 '000	Q1 2025 '000	Q2 2025 '000	5-year change '000	1-year change '000	Q1 to Q2 2025 '000
Western Cape	2 179	2 675	2 861	2 744	565	69	-117
Eastern Cape	1 169	1 369	1 373	1 462	292	93	89
Northern Cape	255	314	343	314	59	0	-28
Free State	638	745	754	766	129	21	12
KwaZulu-Natal	2 297	2 842	2 788	2 702	405	-140	-86
North West	874	887	879	895	21	8	16
Gauteng	4 473	5 103	5 091	5 186	713	83	95
Mpumalanga	1 112	1 192	1 212	1 223	111	31	11
Limpopo	1 151	1 526	1 488	1 515	364	-11	27
South Africa	14 148	16 652	16 787	16 807	2 658	154	19

Source: Stats SA – QLFS, 2025
Note: Due to rounding numbers do not necessarily add up to totals or change

Between Q1 2025 and Q2 2025 Mpumalanga's employment numbers increased by 11 146 or by 0.9%. Gauteng (94 999) recorded the highest number of quarterly job gains and Eastern Cape (6.5%) the highest quarterly increase in percentage terms. In Q2 2025, total employment in Mpumalanga constituted 7.3% of employment in the country, which was higher than the 7.2% share recorded in Q2

2024 and lower than the 7.9% share recorded in Q2 2020.

Employment target

The MTDP targets the creation of 60 000 jobs per annum up to 2030 in Mpumalanga. If it materialise, some 360 000 more people in Mpumalanga should be in employment by the end of 2030 than in 2024. The 360 000 new jobs equates to an annual average employment growth of 4.4%. Figure 18 depicts historical employment numbers and required employment growth in Mpumalanga. It is evident from the illustration that the employment increase of 0.2% per annum – the average annual employment growth between 2019 and 2024 – will result in a much lower employment number than the envisaged target of 1.61 million jobs by 2030.

Figure 18: Mpumalanga employment numbers and employment target, 2018-2030
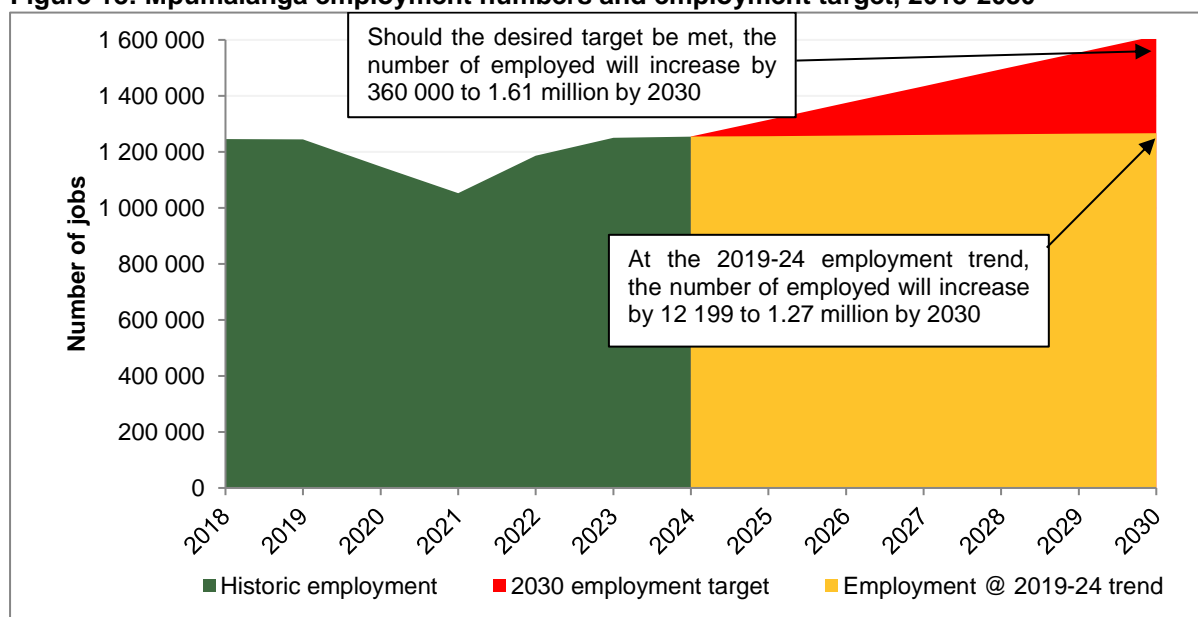
Source: Statistics South Africa – QLFS, 2025 & calculations based thereon

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 Q2 2025. Over the twenty one quarters under consideration, job gains were recorded in eleven quarters and job losses in ten. The latest employment level of 1.22 million in Mpumalanga was 23 022 lower than the number employed in Q1 2020 before the lockdown was instituted. In Q2 2025, Western Cape (243 412), Limpopo (127 986) and Eastern Cape (80 257) exceeded their respective pre-COVID levels by the highest number.

Aggregate employment

Table 17 shows the aggregated employment composition of employment in South Africa and the province between Q2 2024 and Q2 2025. In Mpumalanga, the formal employees' share of total employment declined marginally from 55.4% in Q2 2024 to 55.3% in Q2 2025. The formal sector in Mpumalanga (55.3%) recorded a significantly smaller share of total employment than was the case nationally (68.2%).

In Mpumalanga, the informal sector's share increased from 25.3% to 27.4% on an annual basis. The share of agriculture declined slightly to 10.3% and that of private households declined to 7.0% in Q2

2025. Over and above the 126 125 persons employed in Mpumalanga's agriculture industry in Q2 2025, an additional 120 173 citizens were involved in subsistence farming.

Figure 19: Employment level and job gains/losses in Mpumalanga since COVID-19, 2020-2025
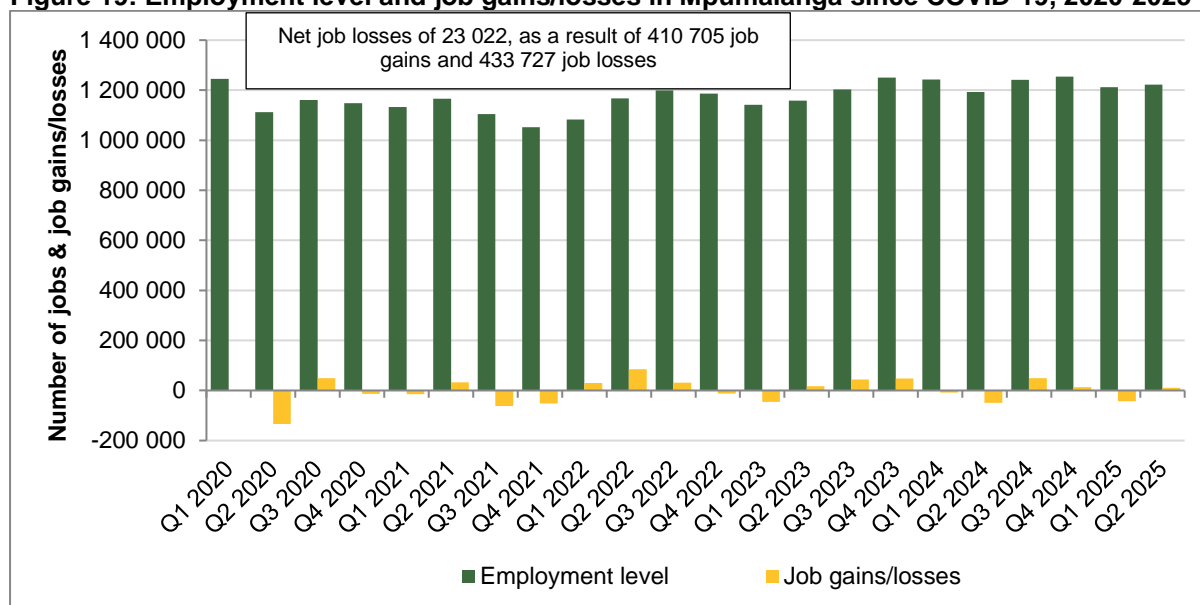
Source: Stats SA – QLFS, 2025

Table 17: Aggregate employment in South Africa & Mpumalanga, 2024-2025

Sector	Q2 2024		Q1 2025		Q2 2025	
	SA	MP	SA	MP	SA	MP
Formal sector	68.9%	55.4%	68.1%	56.0%	68.2%	55.3%
Informal sector[16]	18.8%	25.3%	19.9%	27.6%	19.8%	27.4%
Agriculture	5.4%	10.6%	5.5%	9.6%	5.4%	10.3%
Private households	7.0%	8.7%	6.4%	6.8%	6.6%	7.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Stats SA – QLFS, 2025

The informal and formal sector posted combined job gains of 49 293, whilst the agricultural sector and private households recorded combined losses of 18 785 over the 1-year period. On a quarterly basis, Mpumalanga recorded a net increase of 11 147 jobs. This was due to combined job gains of 14 156 in the informal sector, agriculture and private households, offsetting the 3 010 quarterly job losses in the formal sector.

Changes in formal and informal employment since COVID-19

Figure 20[17] presents the quarterly aggregate employment changes up to Q2 2024. Over the period under consideration, the informal sector recorded combined job losses of 205 438 in ten quarters and combined job gains of 222 899 in eleven quarters. Consequently, there was a net gain of 17 451 jobs in the informal sector. On the other hand, the formal sector encountered combined job losses of 309 351 in eleven quarters and combined job gains of 249 341 in ten quarters. As a result, there was a net loss of 60 010 jobs in the formal sector during the specified timeframe.

---

[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.

[17] Excludes agriculture and private households, the other two components of aggregate employment that are addressed in Table 18.

Figure 20: Quarterly job gains/losses in Mpumalanga's formal and informal sectors, 2020-2025
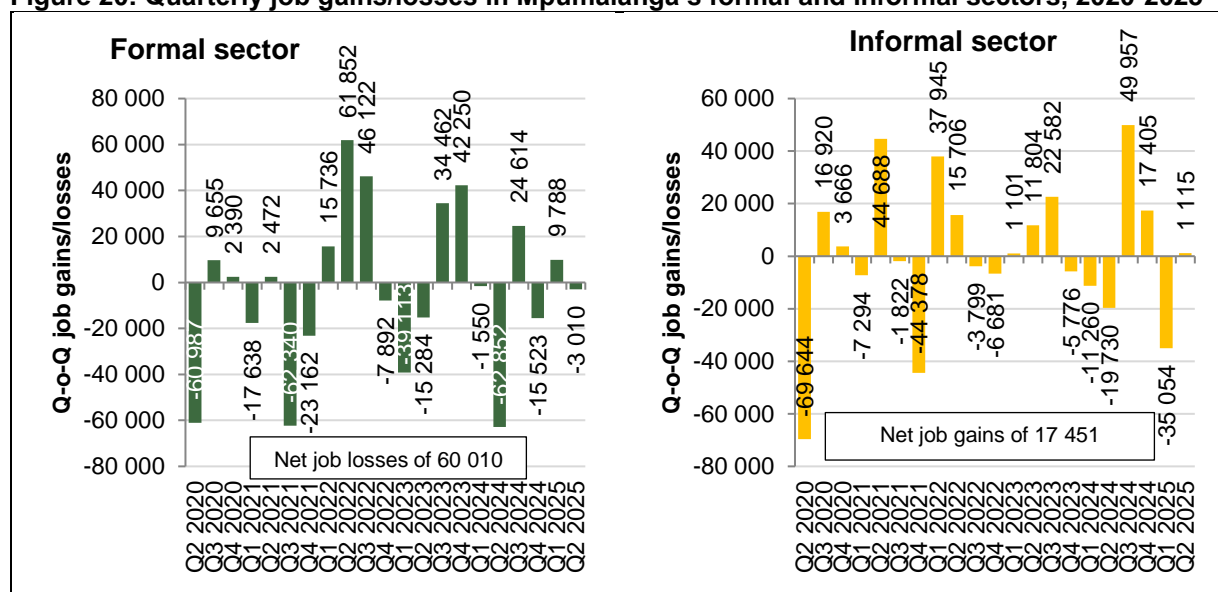
Source: Stats SA – QLFS, 2025

Employment by industry

Figure 21 depicts employment by industry in Mpumalanga in the second quarters of 2020, 2024 and 2025, respectively. Community services (22.5%) and trade (18.2%) employed the largest share of individuals in the province in Q2 2025. The share of community services increased over the last 12 months and the share of trade declined. Over the 5-year period, the contribution of community services also increased, whilst the contribution of trade declined.

Figure 21: Employment by industry in Mpumalanga, 2020-2025
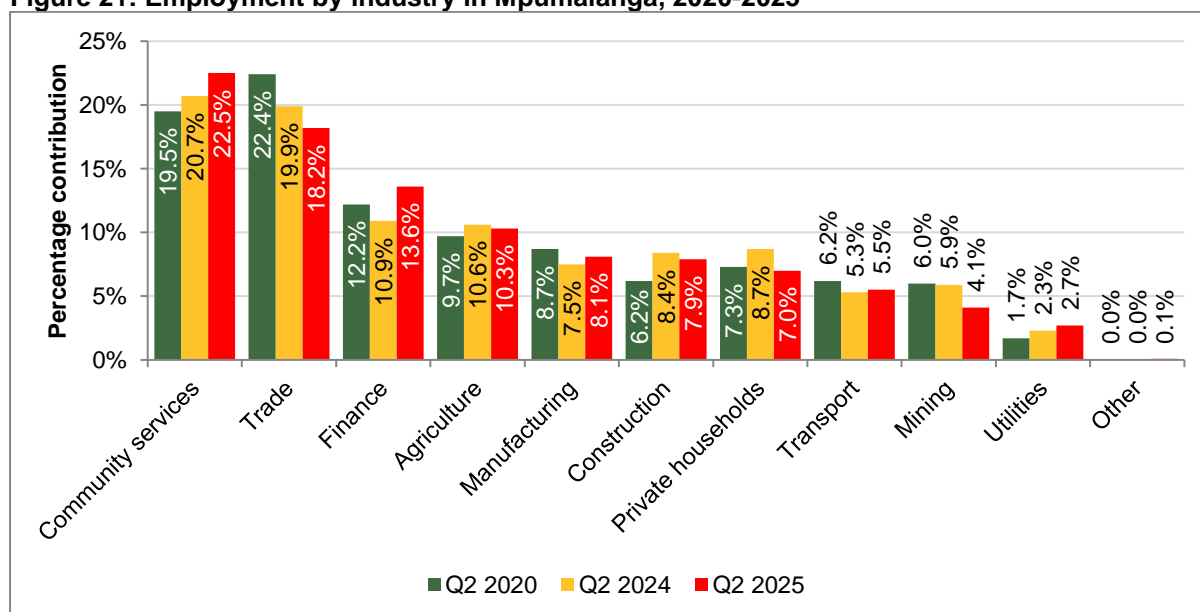
Source: Stats SA – QLFS, 2025

Utilities was the smallest industry throughout while mining was the second smallest employing industry in Q2 2025. Over the course of the last year, finance recorded the largest percentage point increase and the largest percentage point decline was recorded by mining. Over the course of the 5-year period, community services recorded the largest percentage point increase and trade the largest percentage point decrease.

Over the last year since Q2 2024, five employment industries recorded job gains, whilst the other five registered lower employment numbers (Figure 22). The five industries with job gains, combined to record 85 296 new jobs over the 1-year period, whereas the five with job losses registered 55 629 destroyed jobs. Finance (43.0%) and community services (33.8%) made the largest contributions to job gains, whilst mining (35.6%) and private households (33.6%) made the largest contribution to job losses.

Figure 22 also shows that over the last twelve months, the highest employment increase in percentage terms was in finance (28.3%) and utilities (23.6%). The largest declines in percentage terms were registered in private households (-18.0%) and mining (-28.2%).

Figure 22: Changes in employment by industry in Mpumalanga, 2024–2025
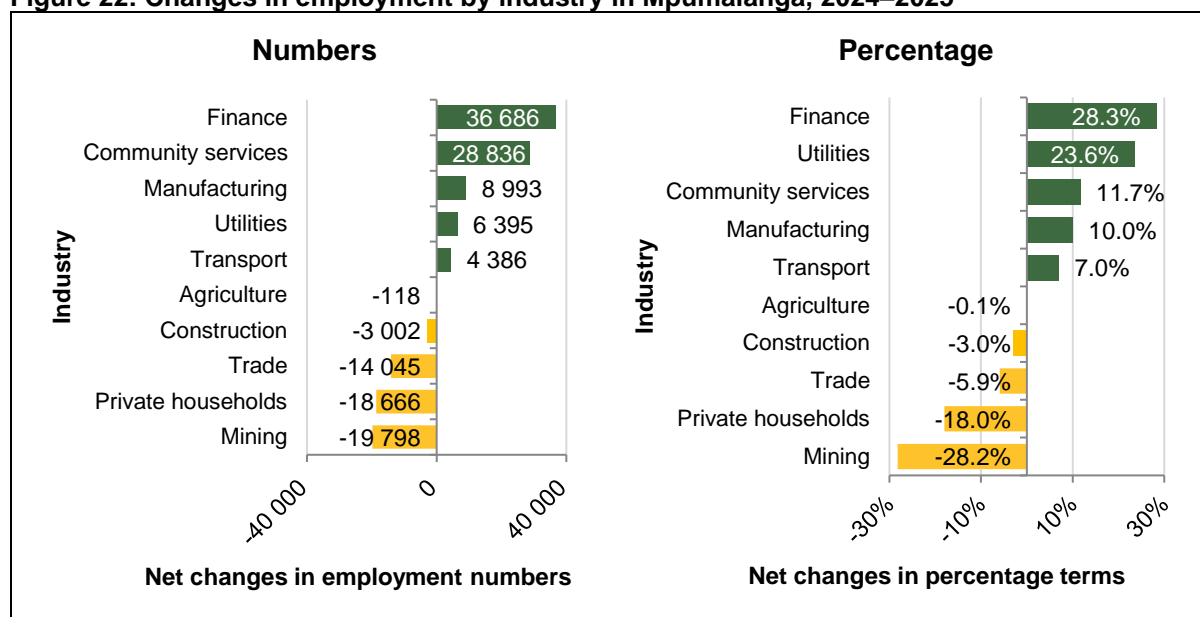
Source: Stats SA – QLFS, 2025

Impact of COVID-19 on employment by industry

Table 18 presents the combined quarterly employment changes since the start of the COVID 19 lockdown up to Q2 2025. The employment numbers of agriculture, utilities, transport, finance and community services were higher in Q2 2025 than in Q1 2020. Agriculture (39 937) recorded the highest net job gains, which was the result of combined quarterly job gains over the period under review of 157 915 and combined quarterly job losses of 117 979. Trade recorded combined quarterly job losses of 194 755 and combined quarterly job gains of 152 923 to record the highest net job losses (-41 832) over the period under review. Private households (-20 401) also recorded considerable net job losses.

Performance and employment in the provincial economy

Figure 23 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.

Table 18: Quarterly job gains/losses in Mpumalanga's industries, Q1 2020-Q2 2025

Industry	Employment numbers		Combined quarterly		Net job gains/(losses)
	Q1 2020	Q2 2025	Job gains	Job losses	
Agriculture	86 188	126 125	157 915	-117 979	39 937
Mining	68 782	50 340	62 245	-80 686	(18 442)
Manufacturing	104 829	98 895	116 918	-122 852	(5 934)
Utilities	26 371	33 443	45 220	-38 148	7 072
Construction	100 598	96 740	91 206	-94 790	(3 858)
Trade	264 859	223 027	152 923	-194 755	(41 832)
Transport	64 837	66 999	79 498	-77 336	2 162
Finance	149 934	166 161	142 024	-125 797	16 227
Community services	273 877	275 082	156 457	-155 251	1 205
Private households	105 439	85 038	59 589	-79 990	(20 401)
Other	-	842	842	-	842
Total	**1 245 715**	**1 222 693**	**1 905 152**	**1 087 585**	**(23 022)**

Source: Stats SA – QLFS, 2025

Figure 23:   Real GDP growth at constant prices and contribution to employment changes by industry, 2019-2024
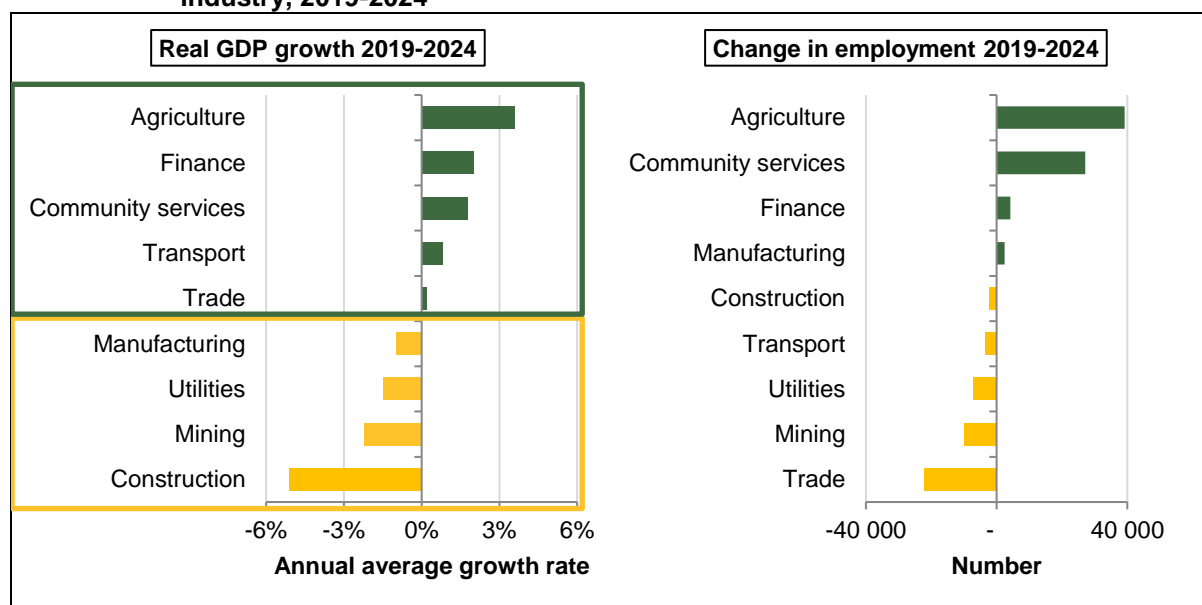
*Sources: Stats SA – Provincial Gross Domestic Product, 2024
              Stats SA – QLFS, 2025*

Employment by gender and age

Figure 24 displays the employment by gender and age for Q2 2024 and Q2 2025, respectively. There were more males (58.1%) employed in Mpumalanga in Q2 2025 than females. Over the past year, the male employment number increased by 49 285 to 710 394. Female employment numbers declined by 18 777 to 512 299, and therefore recorded a smaller share in Q2 2025 (41.9%) than a year earlier (44.5%).

In Q2 2025, adults (35-64 years) held the majority of jobs in Mpumalanga with a share of 64.2%. The adult employment numbers increased by 17 399 from a year earlier and the share decreased slightly from 64.4% in Q2 2024 to the current 64.2%. The youth (15-34 years) employment numbers increased by 13 110 and therefore the youth share increased from 35.6% in Q2 2024 to 35.8% in Q2 2025.

Figure 24: Employment by gender and age group (15-64 years), 2024-2025
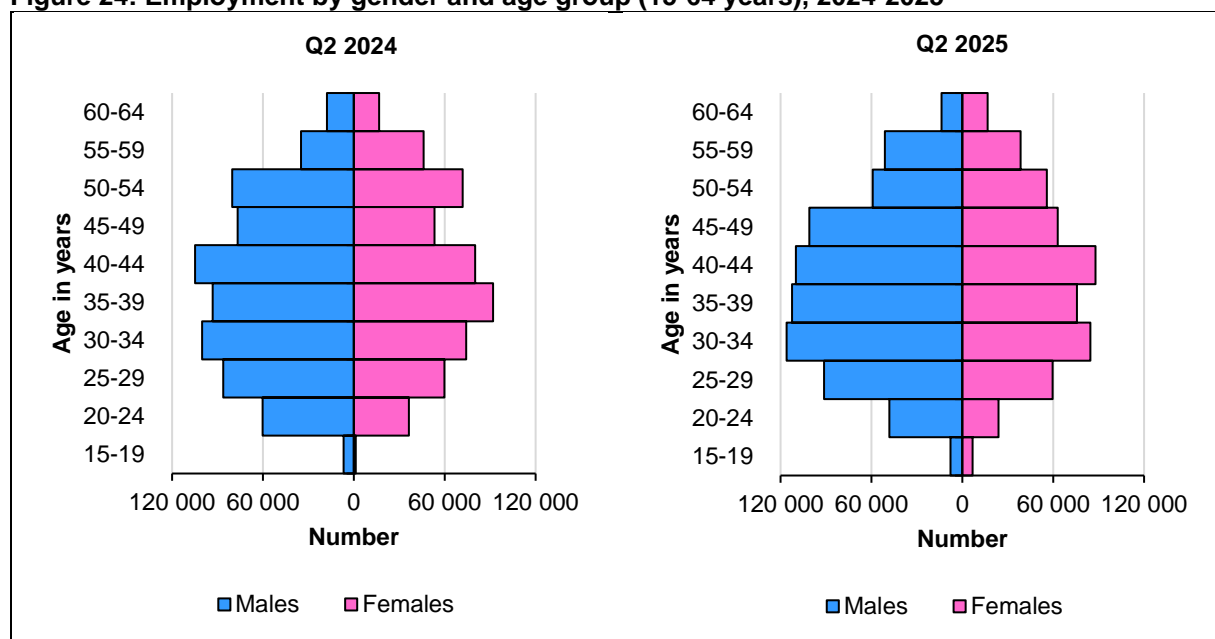
Source: Stats SA – QLFS, 2025

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 25: Comparison of labour intensity in Mpumalanga by industry, 2019-2024
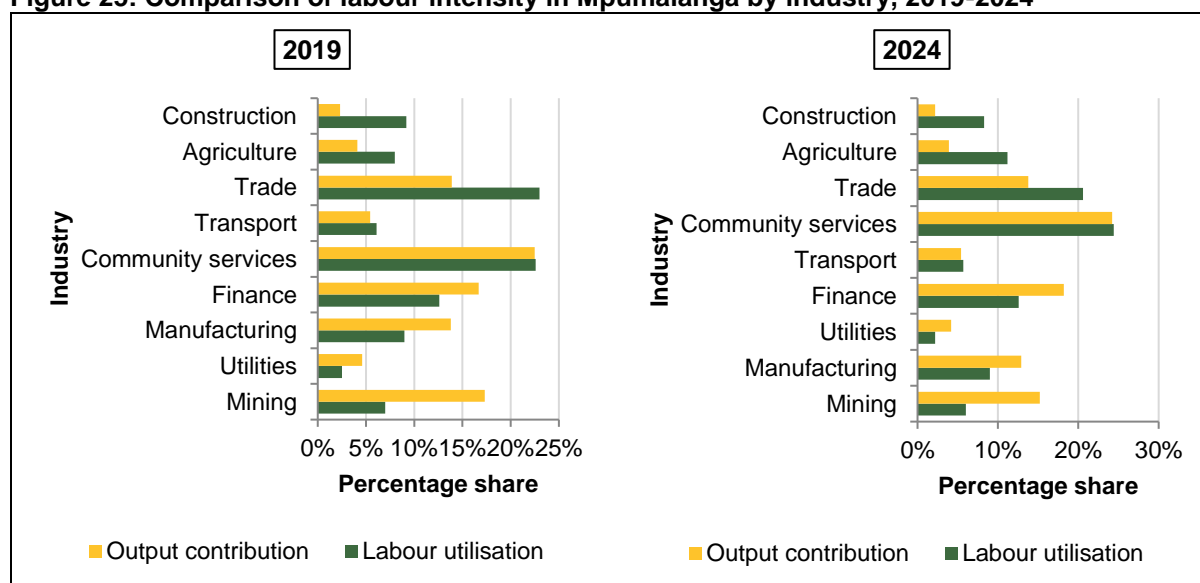
Sources: Stats SA – Provincial Gross Domestic Product, 2024
Stats SA – QLFS, 2025

Figure 25 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.

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 26). 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.

Figure 26: Relationship between GDP and employment levels in Mpumalanga, 2015-2024
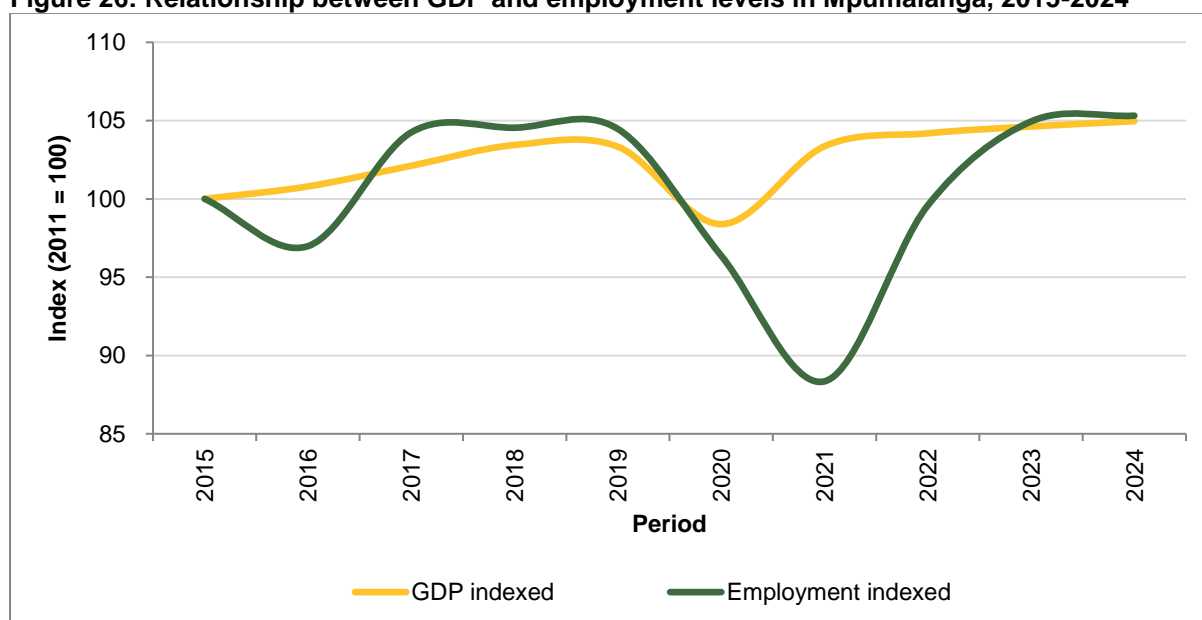
Table 19: Comparative employment elasticity per industry in Mpumalanga, 2015-2024

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**

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.

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, 2025
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 27 displays what job change took place per industry in Mpumalanga between 2019 and 2024 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 78 400 between 2019 and 2024. Using shift share, job gains of 39 200 were due to the national trend in the economy as a whole, while 13 173 extra jobs were created due to national trends in the agriculture industry specifically. Therefore, a total of 52 373 job gains in the Mpumalanga agriculture industry were due to national trends.

Figure 27: Industry job changes according to shift share analysis in Mpumalanga, 2019-2024
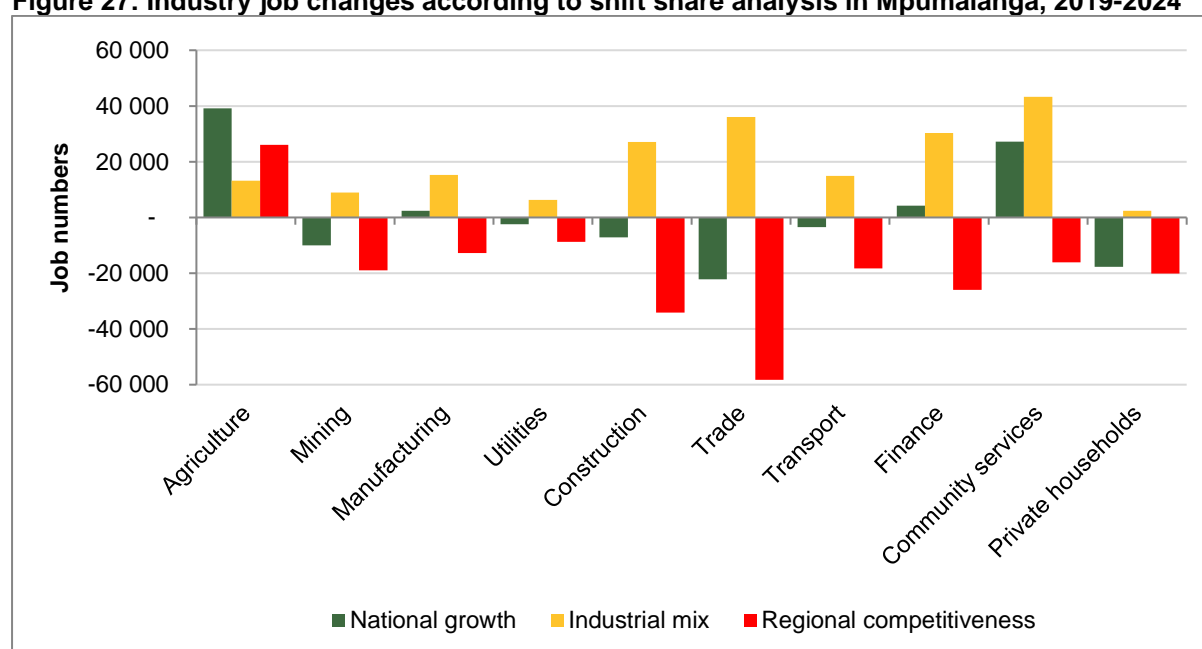
Source: DEDT – Comparative Advantage & Regional Competitiveness Model, 2025

The regional competitiveness effect was 26 027 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. No other industry in Mpumalanga revealed similar shift share results with positive national and regional factors.

Job numbers in Mpumalanga's mining industry declined by 20 136 over the 5-year period. Shift share analysis reveals that national trends as well as regional factors dragged employment lower despite positive factors in the national mining industry. Utilities, construction, trade, transport and employment in private households also recorded lower employment numbers as a result of both negative national trends and regional competitiveness factors, despite positive national industry factors.

Job numbers in Mpumalanga's manufacturing industry increased by 4 850 between 2019 and 2024. The gains stemmed from national growth factors and national industry specific factors, despite negative regional competitiveness factors. Finance and community services also recorded higher employment numbers as a result of national growth and national industry factors.

3.2.2.5 Occupational profile

Figure 28 illustrates the occupational profile of Mpumalanga

in the second 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) decreased from 18.8% in Q2 2024 to 18.2% in Q2 2025.

The share of semi-skilled occupations increased from 43.8% to 48.1% over the period under review. The combined share of elementary occupations and domestic workers (unskilled occupations) was 33.7% in Q2 2025, down from the 37.4% share of one year earlier.

Figure 28: Mpumalanga's occupational profile, 2024-2025
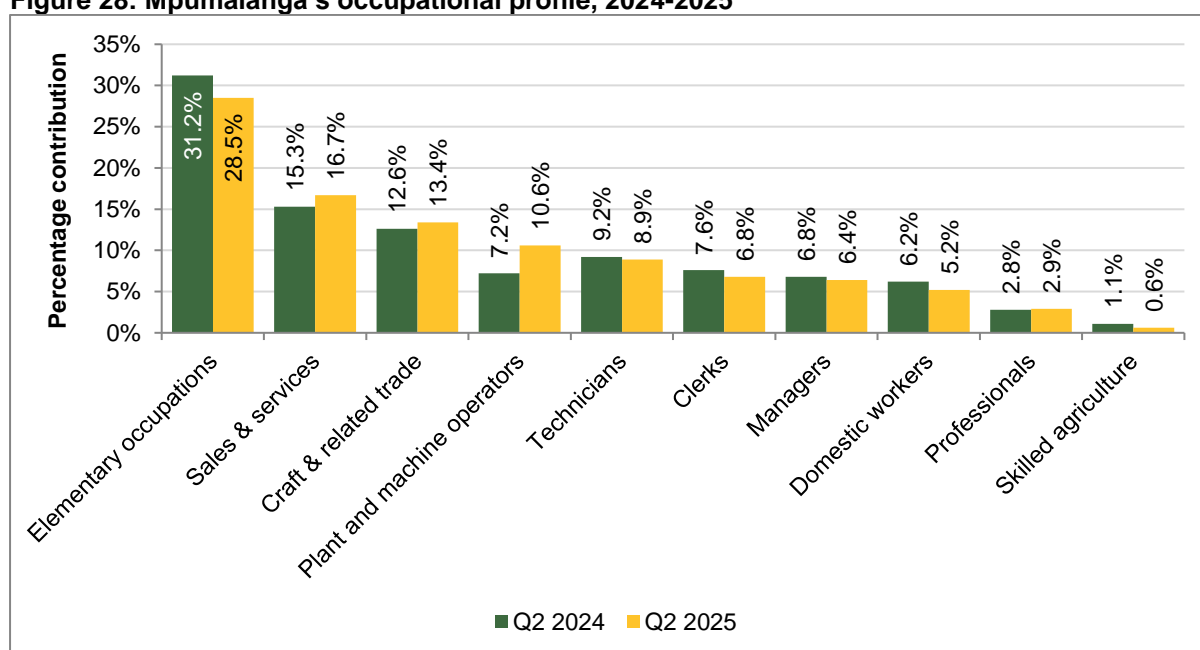
Source: Stats SA – QLFS, 2025

3.2.3   Unemployment

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

Official definition of unemployment

According to Statistics South Africa's *QLFS*, the unemployment rate in Mpumalanga was 34.0% in Q2 2025, which was lower than the 35.4% recorded in Q1 2025 and lower than the 37.4% in Q2 2024 (Figure 29). Five of the provinces (including Mpumalanga) registered a lower unemployment rate over the last year. Mpumalanga's unemployment rate declined/improved by 3.4 percentage points over the 1-year period and it declined/improved by 1.4 percentage points over the last quarter. Mpumalanga's improvement over the 1-year period was the highest/best among the provinces that recorded improvements. Mpumalanga was only one of three provinces with a lower unemployment rate than the previous quarter.

In Q2 2025, Mpumalanga's unemployment rate was higher than the national average of 33.2%.

Mpumalanga, recorded the fifth lowest/fifth highest unemployment rate among the nine provinces, with North West (40.1%) registering the highest unemployment rate in Q2 2025.

Figure 29: Strict unemployment rate for South Africa by province, 2024-2025

Region	WC	NC	RSA	KZN	GP	MP	LP	FS	EC	NW
Q2 2024	22.2%	32.0%	33.5%	31.1%	35.1%	37.4%	31.4%	37.6%	41.0%	41.3%
Q1 2025	19.6%	29.5%	32.9%	32.3%	34.7%	35.4%	33.3%	37.9%	39.3%	40.4%
Q2 2025	21.1%	32.7%	33.2%	33.4%	33.8%	34.0%	35.0%	38.5%	39.5%	40.1%
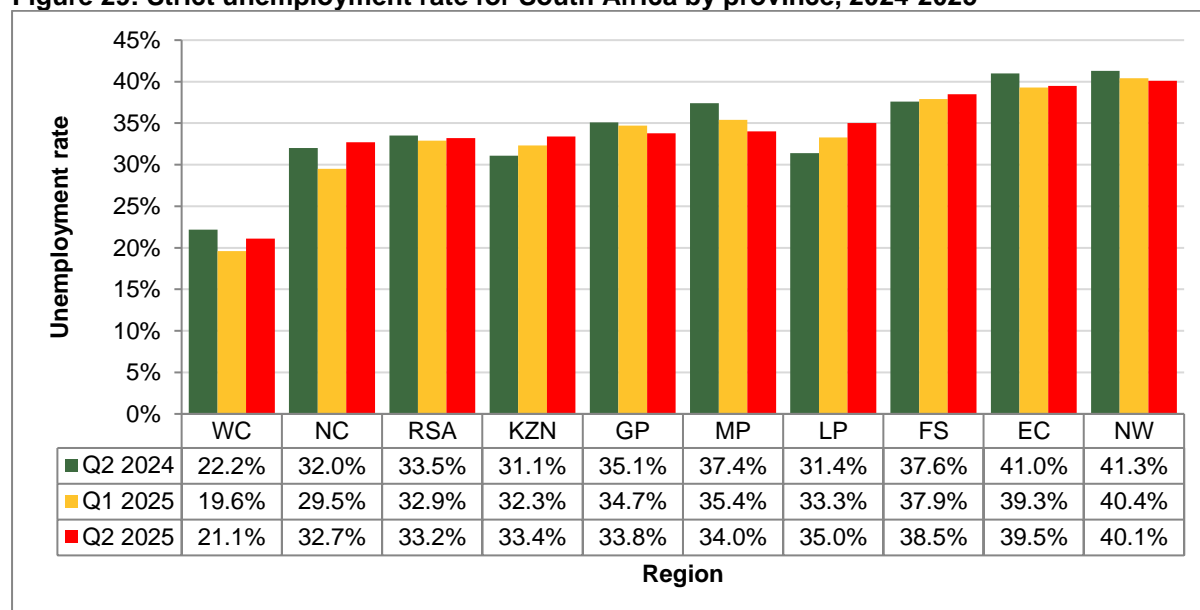
Source: Stats SA – QLFS, 2025

Target unemployment rate

Should the MTDP target of 60 000 jobs per year up to 2030 be reached, the unemployment rate should, in all probability, drop lower than the targeted 25%, to 18% as is displayed in Figure 30. If jobs, however, are to be created in a similar fashion than between 2019 and 2024, the unemployment rate should in all probability be higher than the current rate by 2030.

Figure 30: Mpumalanga's unemployment rate target, 2018-2030
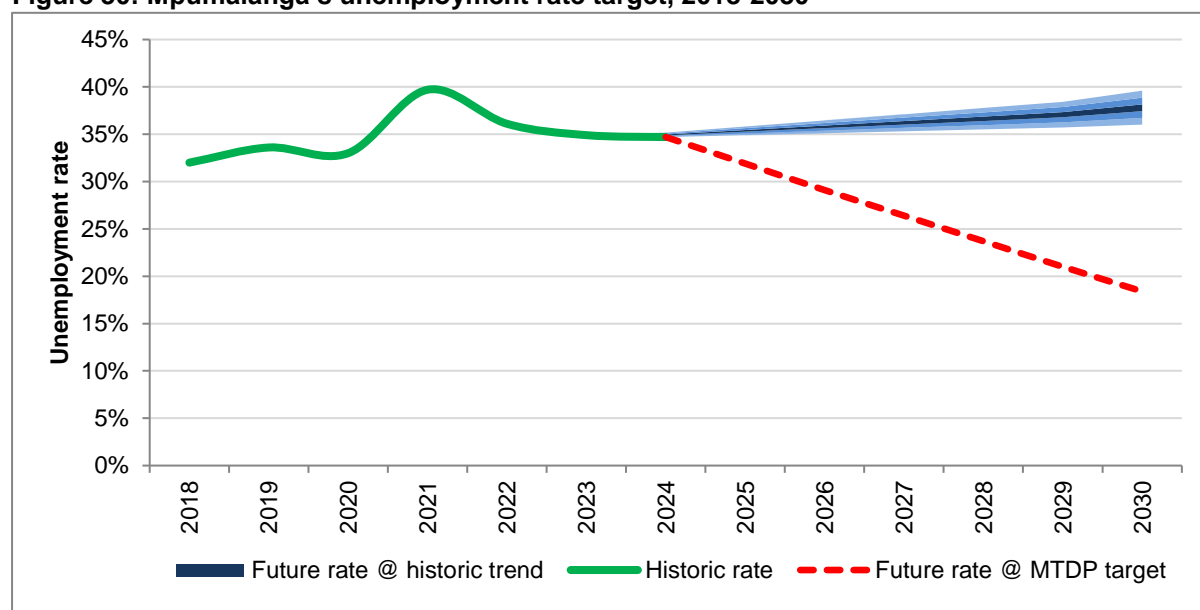
Source: Stats SA – QLFS, 2025 & calculations based thereon

Official unemployment by gender and age

Figure 31 displays the breakdown of unemployment by gender and age for the second quarters of 2024 and 2025, respectively. In Q2 2025, females accounted for 50.6% of the total number of unemployed

individuals, while males constituted 49.4%. This female share was higher compared to twelve months earlier when females made up 49.0% of the unemployed population. Among the unemployed, the youth cohort represented 62.2% of the total in the province, which was slightly lower than the share recorded in Q2 2024 of 62.9%.

Figure 31: Mpumalanga's unemployed by gender and age group (15-64 years), 2024-2025
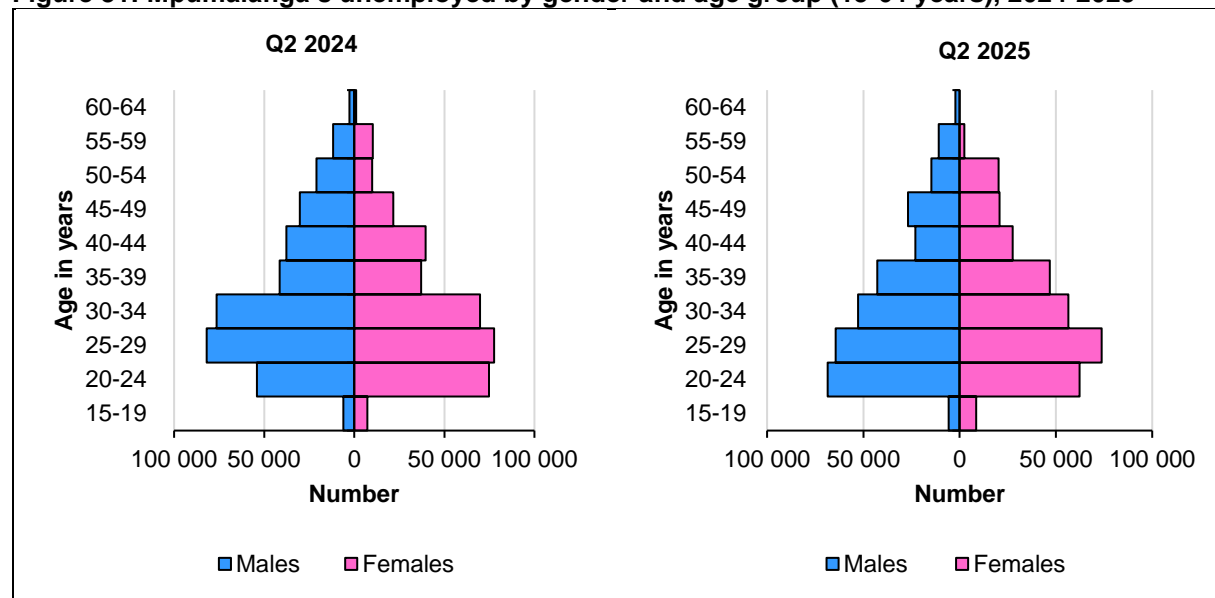
Source: Stats S A – QLFS, 2025

In Q2 2025, the unemployment rate of males stood at 30.5%, which was lower than the female unemployment rate of 38.4%. The unemployment rate for youth of working age (15-34 years[18]) was 47.3%, whereas the unemployment rate of adults (35-64 years) was 23.3%. The female youth unemployment rate of 53.5% was significantly higher than the male youth unemployment rate of 42.1%. Additionally, the unemployment rate of the 18-24 year age cohort was 63.3% in Q2 2025, with the female unemployment rate in that age group reaching 71.4%.

Duration of unemployment

The incidence of long-term unemployment (1 year and longer) in Mpumalanga increased between Q2 2024 and Q2 2025. The share of the unemployed in Mpumalanga that indicated they were unemployed in excess of 12 months, increased from 71.2% to 73.2% (Table 21).

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

| Duration	Q2 2024			Q2 2025		
	Males	**Females**	**Share of unemployed**	**Males**	**Females**	**Share of unemployed**
1 year and longer	242 421	264 160	71.2%	218 361	243 630	73.2%
Less than 1 year	120 592	84 545	28.8%	93 493	75 304	26.8%
Total	**363 013**	**348 705**	**100.0%**	**311 854**	**318 934**	**100.0%**

Source: Stats SA – QLFS, 2025

The incidence of long-term unemployment was the highest among females in Q4 2024. The youth cohort contributed 63.7% to the number of unemployed that has been struggling to secure employment

---

[18] 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.

for more than 12 months.

Expanded definition of unemployment

The expanded unemployment rate takes into account everybody who was available for work even if they did not search for work. In essence, it includes all persons who are unemployed according to the strict definition plus part of the inactive population who indicated that they were available, regardless of the reason they gave for not looking for work.

Figure 32 shows that South Africa's unemployment rate in terms of the expanded definition increased/deteriorated from 42.6% in Q2 2024 to 42.9% in Q2 2025. Over the same period, the expanded unemployment rate in Mpumalanga declined/improved from 48.7% to 48.4%. On a quarterly basis there was also a decline/improvement, as the rate in Mpumalanga declined by 0.9 of a percentage point from 49.3% in Q1 2025.

Mpumalanga ranked second highest/worst in terms of the expanded unemployment rate in Q2 2025. North West recorded the highest rate at 54.7%, while Western Cape had the lowest rate of 27.0%. When analysing the annual changes, it is worth noting that only Western Cape, Free State, Eastern Cape and Mpumalanga improved, whereas the other five provinces deteriorated.

Figure 32: Expanded unemployment rate in South Africa and provinces, 2024-2025

	WC	GP	RSA	FS	NC	EC	LP	KZN	MP	NW
Q2 2024	27.3%	39.2%	42.6%	45.1%	44.9%	49.7%	47.1%	44.9%	48.7%	54.2%
Q1 2025	24.7%	40.0%	43.1%	44.8%	43.0%	49.0%	48.6%	46.9%	49.3%	56.0%
Q2 2025	27.0%	39.2%	42.9%	43.8%	46.9%	47.6%	47.7%	47.9%	48.4%	54.7%
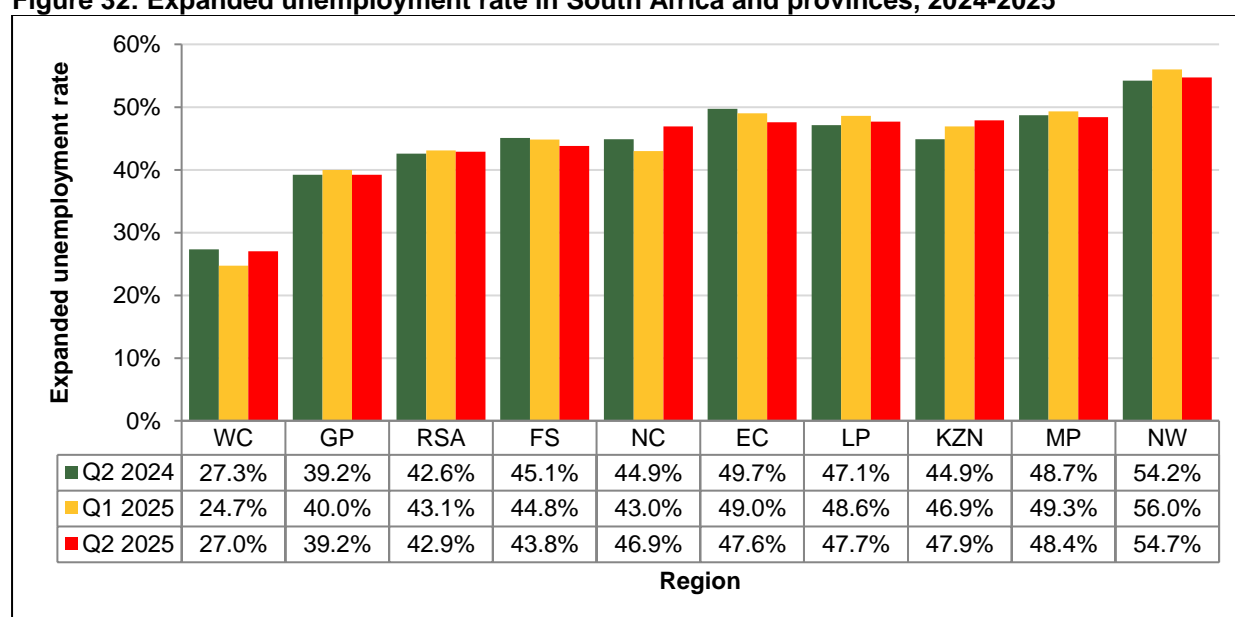
Source: Stats SA – QLFS, 2025

Expanded unemployed by gender and age

Figure 33 displays the expanded unemployment by gender and age for the second quarters of 2024 and 2025, respectively. In Q2 2025, females accounted for 55.9% of the total number of unemployed individuals and males for 44.1%. The share of females was higher than twelve months earlier when females contributed 52.2%. The youth segment contributed 59.3% to the overall number of unemployed individuals in the province, which declined by 1.3 percentage points from 60.6% in Q2 2024.

In Q2 2025, the expanded unemployment rate of males stood at 41.6%, which was much lower than the rate among females of 55.6%. The expanded unemployment rate of youth working age (15 34 years) was 60.9%, while for adults it was 37.3%. The unemployment rate among female youth in Q2 2025 was

significantly higher at 68.1% compared to the male youth unemployment rate of 53.9%. The expanded unemployment rate of the 18-24 year age cohort was 75.7% in Q2 2025 and the 18-24 year-old female unemployment rate was 83.4%.

Figure 33: Mpumalanga's expanded unemployed by gender and age (15-64 years), 2024-2025
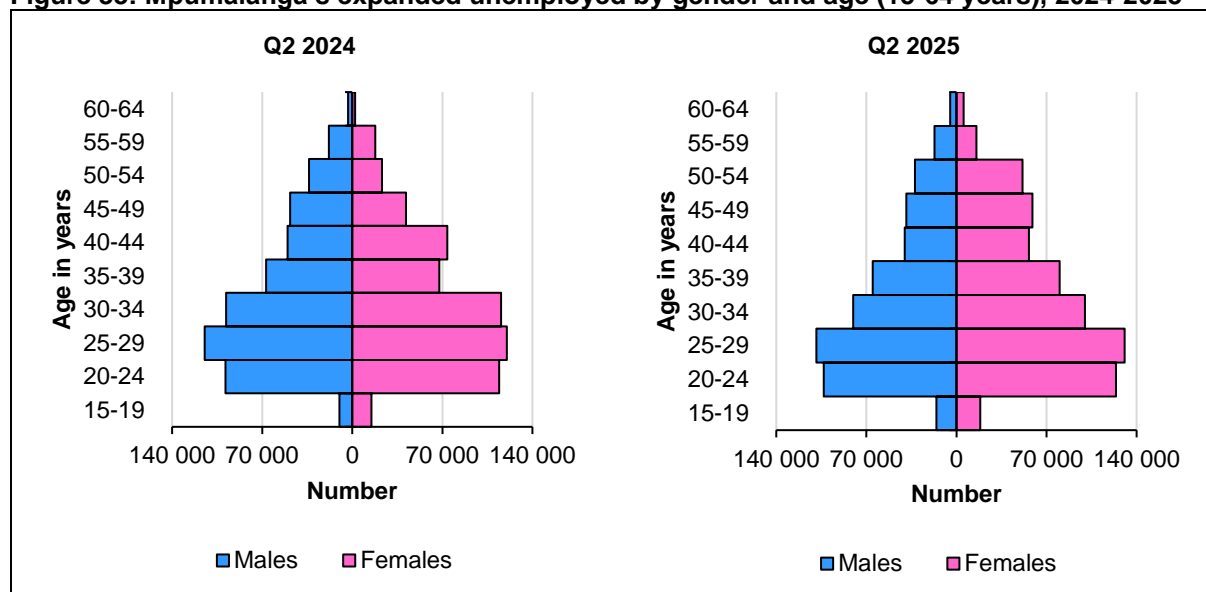
Source: Stats SA – QLFS, 2025

Discouraged work-seekers

Statistics South Africa defines a discouraged work-seeker as a person, who was not employed during the reference period, wanted to work, was available to work or start a business but did not take active steps to find work during the four week that preceded the reference period.

Figure 34: Provincial contribution to national total number of discouraged work-seekers, 2024-25
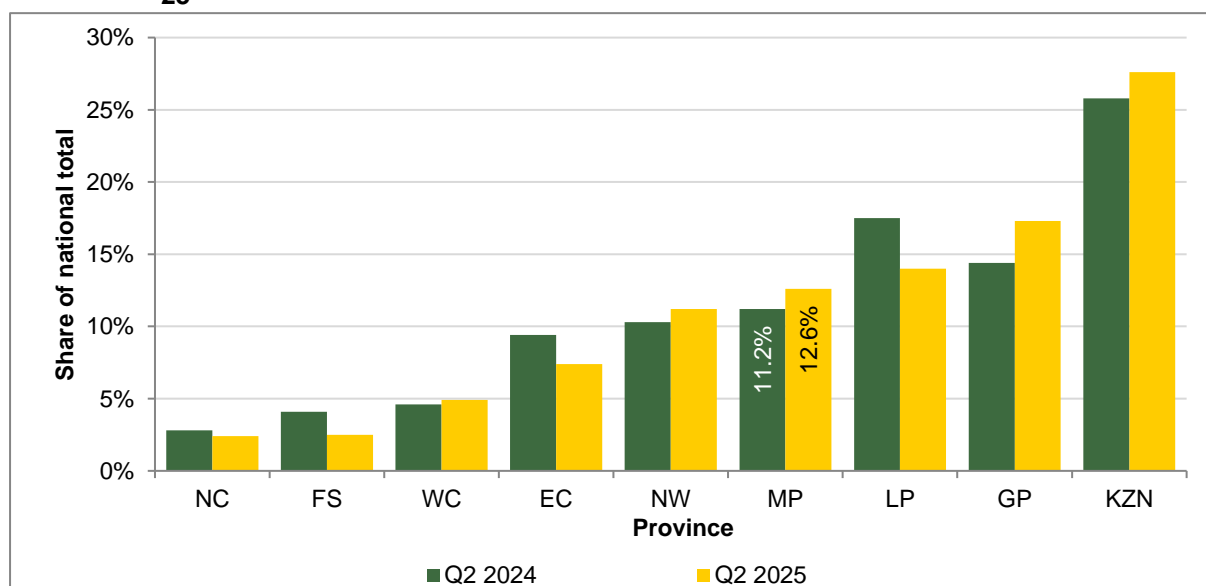
Source: Stats SA – QLFS, 2025

South Africa's discouraged work-seekers declined by 28 164 on a quarterly basis and increased by 249 847 on an annual basis. The number of discouraged work-seekers in Mpumalanga increased by 13 482 compared to the previous quarter, and by 75 028 on an annual basis. Figure 34 indicates that Mpumalanga accounted for 12.6% of South Africa's discouraged work seekers in Q2 2025. This

represents an increase compared to the 11.2% share recorded one year earlier. When comparing Mpumalanga to other provinces, it ranked fourth highest/sixth lowest in terms of the share of discouraged workers to the national total.

The data presented in Figure 35 shows the proportion of discouraged work seekers relative to the working age population (15-64 years) within the same region between the second quarters of 2024 and 2025. In Q2 2025, the share of discouraged work seekers in relation to the working age population in Mpumalanga was 13.5%, which was higher than the national average of 8.2%. In Q2 2025, only North West had a larger share of discouraged work seekers in relation to their respective working age populations compared to Mpumalanga.

Figure 35: **Comparison of discouraged work-seekers as a ratio of regional working age population (15-64 years), 2024-25**
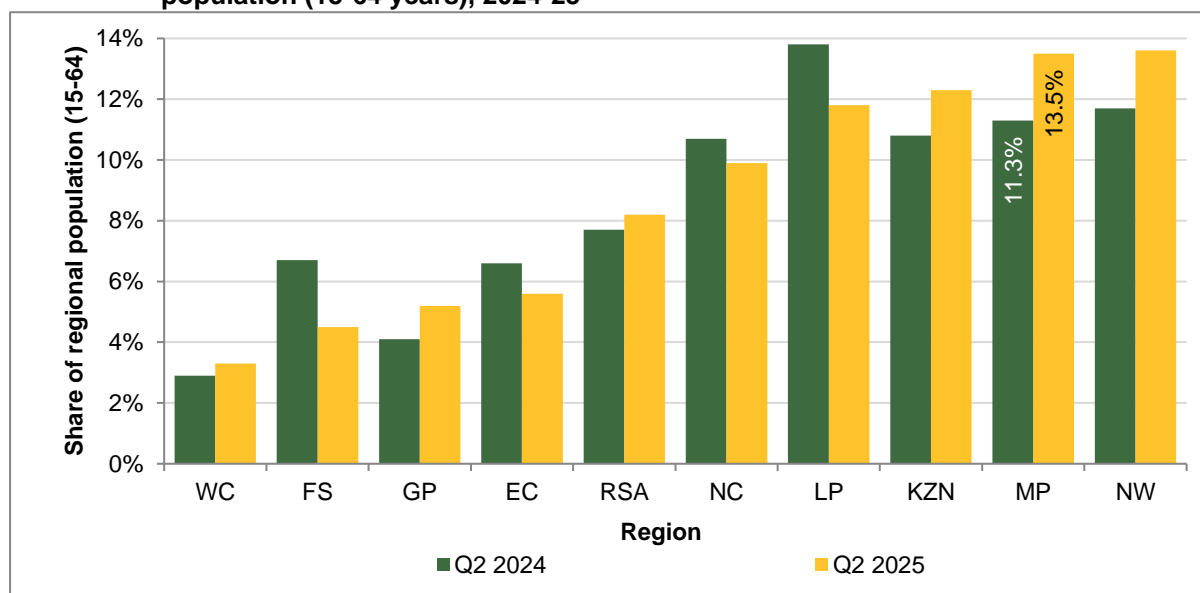
Source: Stats SA – QLFS, 2025

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.

Poverty lines

In 2012, Stats SA published a set of three national poverty lines based on expenditure data collected. The three lines were described as the food poverty line (FPL[19]), lower-bound poverty line (LBPL[20]) and

---

[19] The level of consumption below which individuals are unable to purchase sufficient food to provide them with an adequate diet and amounted to R796per capita per month in 2024.
[20] Includes expenditure on non-food items, but requires that individuals sacrifice food in order to obtain it and amounted to R1 109 per capita per month in 2024.

upper-bound poverty line (UBPL[21]).

It is evident from Table 22 that the share of South Africa's population below the LBPL declined from 56.5% in 1996 to 48.7% in 2024. Mpumalanga's population share below the LBPL improved from 64.1% in 1996 to 52.5% in 2024. Although South Africa and Mpumalanga registered an improvement over the 28-year period, the share of population below the LBPL increased between 2014 and 2024.

In 2024, Mpumalanga's share below the LBPL was higher than the national figure and the fourth highest/worst among the nine provinces with KwaZulu-Natal (59.6%) registering the highest share and Western Cape (35.3%) the lowest. In 2024, Nkangala (44.7%) registered the lowest share of population below the LBPL and Ehlanzeni (63.4%) the highest. As with Mpumalanga, all three districts recorded a deterioration in the share below the LBPL between 2014 and 2024.

Table 22: Share of population below the LBPL in South Africa & Mpumalanga, 1996-2024

Region	% of population						
	1996	2000	2005	2009	2014	2018	2024
South Africa	56.5%	55.4%	48.4%	46.5%	38.5%	43.6%	48.7%
Mpumalanga	64.1%	62.7%	55.1%	51.5%	41.5%	47.0%	52.5%
Gert Sibande	61.4%	61.5%	54.1%	50.1%	39.1%	43.0%	45.7%
Nkangala	57.8%	56.6%	49.3%	45.5%	36.3%	41.1%	44.7%
Ehlanzeni	70.1%	67.8%	59.8%	56.8%	47.1%	54.3%	63.4%

Source: S&P Global – ReX, July 2025

It is evident from Table 23 that the share of South Africa's population below the FPL increased/deteriorated from 34.1% in 1996 to 35.7% in 2024. The sharp deterioration between 2014 (23.8%) and 2024 (35.7%) is a big concern. Mpumalanga's population share below the FPL improved marginally from 38.8% in 1996 to 38.7% in 2024, however, as with the national share, Mpumalanga registered a sharp deterioration/increase between 2014 and 2024.

In 2024, Mpumalanga's FPL share was higher than the national figure and the fourth highest/worst among the nine provinces. KwaZulu-Natal (46.5%) registered the highest/worst share and Western Cape (23.3%) the lowest. In 2024, Nkangala (32.5%) registered the lowest share of population below the FPL and Ehlanzeni (47.5%) the highest. As with Mpumalanga, all three districts recorded a sharp deterioration in the share below the FPL between 2014 and 2024.

Table 23: Share of population below the FPL in South Africa & Mpumalanga, 1996-2024

Region	% of population						
	1996	2000	2005	2009	2014	2018	2024
South Africa	34.1%	35.0%	29.0%	32.0%	23.8%	29.2%	35.7%
Mpumalanga	38.8%	40.0%	33.4%	35.8%	25.8%	31.6%	38.7%
Gert Sibande	36.9%	39.2%	32.8%	34.8%	24.0%	28.7%	33.4%
Nkangala	33.6%	34.4%	28.6%	30.7%	22.0%	27.1%	32.5%
Ehlanzeni	43.7%	44.4%	37.2%	40.3%	29.8%	37.2%	47.5%

Source: S&P Global – ReX, July 2025

The share of South Africa's population below the UBPL declined/improved from 72.7% in 1996 to 63.1% in 2024 (Table 24). Mpumalanga's population share below the UBPL also improved from 80.6% in 1996 to 67.4% in 2024. Similar to the findings of the LBPL and FPL, South Africa and Mpumalanga recorded a deterioration/increase between 2014 and 2024.

In 2024, Mpumalanga's share was higher than the national figure and the third highest/worst among

---

[21] Includes expenditure on adequate food and non-food items and amounted to R1 634 per capita per month in 2024.

the nine provinces with Limpopo (74.8%) registering the highest share and Western Cape (49.5%) the lowest. In 2024, Nkangala (58.5%) recorded the lowest share of population below the UBPL and Ehlanzeni (80.0%) the highest.

Table 24: Share of population below the UBPL in South Africa & Mpumalanga, 1996-2024

Region	% of population						
	1996	2000	2005	2009	2014	2018	2024
South Africa	72.7%	70.2%	65.0%	61.6%	55.0%	58.8%	63.1%
Mpumalanga	80.6%	77.7%	72.1%	67.5%	59.0%	62.7%	67.4%
Gert Sibande	77.4%	76.2%	70.8%	65.9%	56.0%	57.9%	59.4%
Nkangala	75.3%	72.8%	67.1%	61.9%	53.1%	56.0%	58.5%
Ehlanzeni	86.1%	82.2%	76.6%	72.6%	65.4%	71.1%	80.0%

Source: S&P Global – ReX, July 2025

Number in poverty

Between 1996 and 2024, the number of people below the LBPL in Mpumalanga increased by 483 380 from 2.13 million to 2.61 million (Figure 36). Amongst the three districts, Ehlanzeni recorded the largest number of people below the LBPL throughout the 28-year period and Gert Sibande the lowest. The number of people in poverty in Ehlanzeni increased by 247 470 over the 28-year period, whereas Nkangala recorded 149 064 more people below the LBPL in 2024 than in 1996. It is evident how the number in poverty in all three districts (and Mpumalanga) increased sharply from 2011 onwards.

Figure 36: Number of people below the LBPL in Mpumalanga and districts, 1996-2024
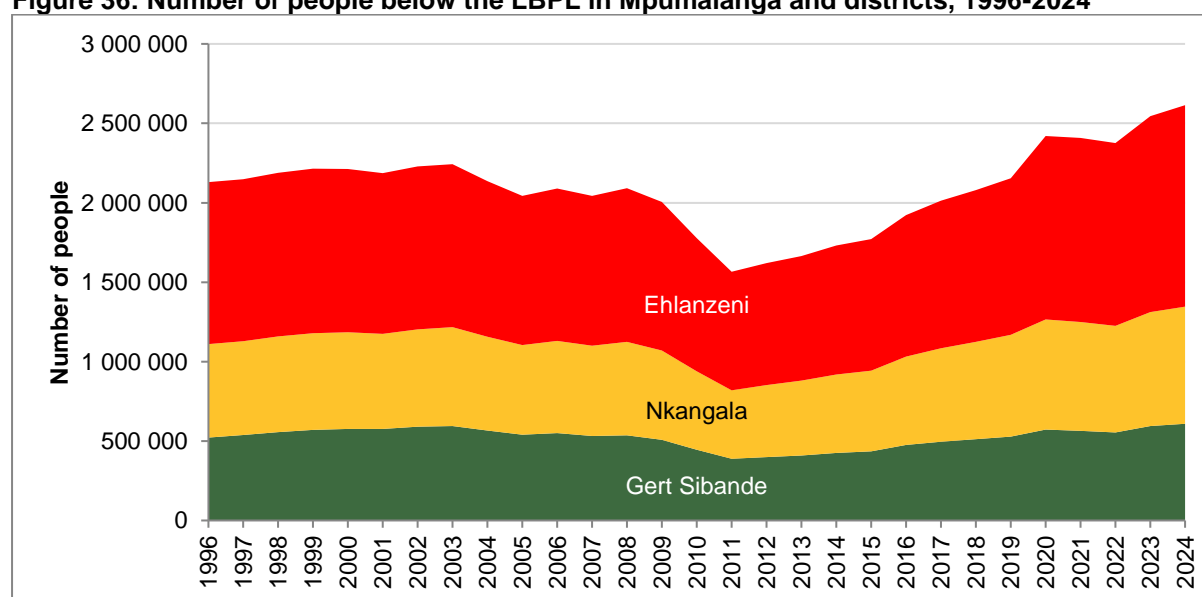
Source: S&P Global – ReX, July 2025

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 2019 GHS and 2022 GHS and published *Subjective Poverty in South Africa, 2019 & 2022*. The GHS, among other things, measures the living standards of South Africans. 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, North West (44.3%) had the highest incidence of poverty and Western Cape (18.0%) the lowest. Mpumalanga recorded the fifth lowest/highest incidence of poverty. According to the SPW indicator between 2019 and 2022, the proportion of households who perceived themselves

as poor from Mpumalanga increased/deteriorated from 19.3% to 22.6% (Table 25).

Based on the MI indicator, Eastern Cape (59.9%) had the highest incidence of poverty and KwaZulu-Natal (43.3%) the lowest. Mpumalanga again recorded the fifth lowest/highest incidence of poverty. According to the MI indicator between 2019 and 2022, the proportion of households who perceived themselves as poor from Mpumalanga declined/improved from 58.8% to 51.7%.

Based on the IE indicator, Mpumalanga (58.2%) had the highest incidence of poverty and Western Cape (31.7%) the lowest. According to the IE indicator between 2019 and 2022, the proportion of households who perceived themselves as poor from Mpumalanga declined/improved from 63.9% to 58.2%.

Table 25: Poverty incidence by subjective poverty indicator in South Africa & provinces, 2019 & 2022

Province	Self-perceived Wealth		Minimum Income		Income Evaluation	
	2019	2022	2019	2022	2019	2022
Western Cape	16.8%	18.0%	52.0%	44.7%	31.7%	31.7%
Eastern Cape	27.6%	29.1%	59.5%	59.9%	62.4%	55.6%
Northern Cape	18.0%	21.6%	46.9%	55.8%	41.5%	50.4%
Free State	26.5%	22.2%	65.7%	47.4%	52.6%	42.8%
KwaZulu-Natal	30.5%	31.1%	52.1%	43.3%	33.9%	36.9%
North West	38.9%	44.3%	64.7%	53.2%	57.7%	49.9%
Gauteng	21.1%	21.3%	60.9%	58.8%	47.7%	47.7%
Mpumalanga	**19.3%**	**22.6%**	**58.8%**	**51.7%**	**63.9%**	**58.2%**
Limpopo	42.9%	34.9%	47.3%	43.9%	43.4%	46.0%
South Africa	**26.3%**	**26.5%**	**57.0%**	**51.6%**	**46.7%**	**45.4%**

Source: Stats SA – Subjective Poverty in South Africa, 2024

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 26). 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 26: 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, July 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 27 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.

Table 27: 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, July 2025

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.

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 0.61 in 2024 (Table 28). The most recent national level only reflects a slightly less unequal income distribution than was the case in 1996. Income inequality has declined/improved steadily between 2009 and 2024.

Table 28: Gini-coefficient for South Africa, Mpumalanga & districts, 1996-2024

Region	1996	2000	2005	2009	2014	2018	2024
South Africa	0.62	0.66	0.64	0.65	0.64	0.63	0.61
Mpumalanga	0.60	0.64	0.63	0.63	0.62	0.61	0.60
Gert Sibande	0.60	0.64	0.64	0.63	0.62	0.61	0.60
Nkangala	0.59	0.62	0.62	0.62	0.61	0.61	0.60
Ehlanzeni	0.59	0.63	0.62	0.62	0.61	0.61	0.60

Source: S&P Global – ReX, July 2025

The provincial income distribution was as unequal in 2024 (0.60) than what it was in 1996 (0.60). Similar to the national situation, the provincial income inequality also remained declined/improved steadily between 2009 and 2024. Among the provinces, Mpumalanga (0.60) registered the joint third lowest
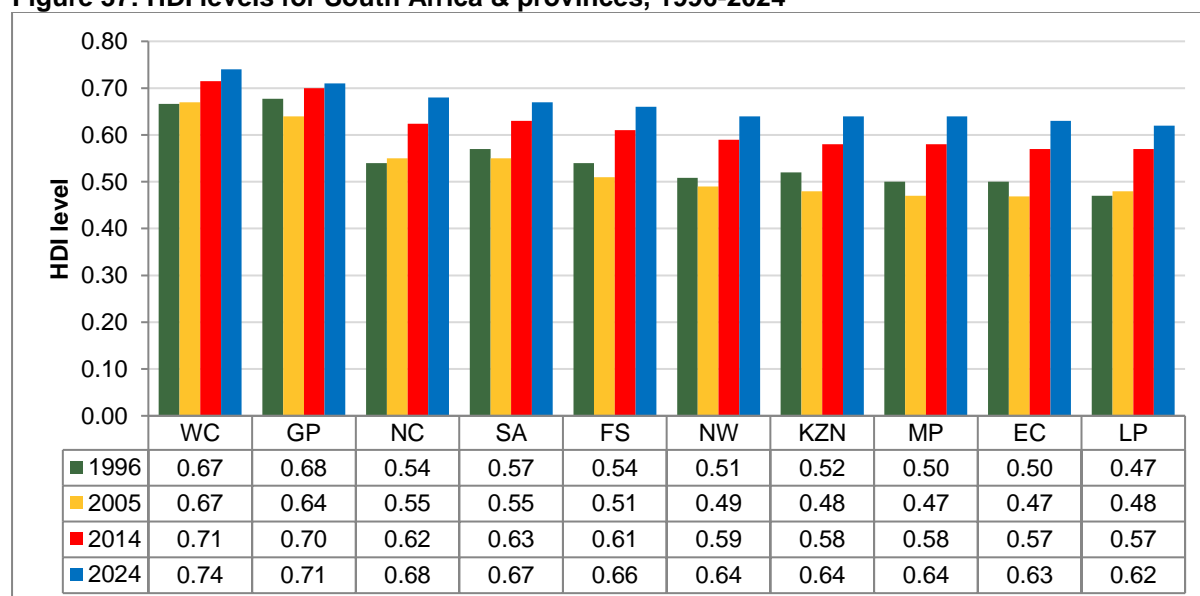
level of income inequality in 2024, with Limpopo and Western Cape, both on 0.59, experiencing the lowest income inequality. In 2024, all three districts registered Gini-coefficients of 0.60, which indicates that inequality remained unchanged in Gert Sibande, whilst it deteriorated slightly in Nkangala and Ehlanzeni.

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 37 that Western Cape registered the highest HDI in 2024. Mpumalanga's HDI level improved over the 28-year period from 0.50 in 1996 to 0.64 in 2023. Despite improving between 1996 and 2024, it was still lower than the national level of 0.67 in 2024. Mpumalanga recorded the joint third lowest/joint fifth highest HDI level among the nine provinces in 2024 with Limpopo the lowest. Between the three districts in Mpumalanga, Nkangala recorded the highest HDI level of 0.65 in 2024 and Ehlanzeni the lowest at 0.63 (Table 29).

Figure 37: HDI levels for South Africa & provinces, 1996-2024

	WC	GP	NC	SA	FS	NW	KZN	MP	EC	LP
1996	0.67	0.68	0.54	0.57	0.54	0.51	0.52	0.50	0.50	0.47
2005	0.67	0.64	0.55	0.55	0.51	0.49	0.48	0.47	0.47	0.48
2014	0.71	0.70	0.62	0.63	0.61	0.59	0.58	0.58	0.57	0.57
2024	0.74	0.71	0.68	0.67	0.66	0.64	0.64	0.64	0.63	0.62

Source: S&P Global – ReX, July 2025

Table 29: HDI levels for South Africa, Mpumalanga & districts, 1996-2024

Region	1996	2000	2005	2009	2014	2018	2024
South Africa	0.57	0.56	0.55	0.58	0.63	0.65	0.67
Mpumalanga	0.50	0.48	0.47	0.51	0.58	0.61	0.64
Gert Sibande	0.51	0.48	0.47	0.52	0.58	0.61	0.64
Nkangala	0.54	0.51	0.50	0.53	0.60	0.63	0.65
Ehlanzeni	0.47	0.45	0.44	0.49	0.56	0.59	0.63

Source: S&P Global – ReX, July 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 0.90 in 2024. Asians and Coloureds followed with HDI levels of 0.81 and 0.73, respectively. The Black African population registered the lowest HDI level of 0.60 (Table 30), 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 2018 and 2024, the HDI level of Asians declined.

Table 30: HDI level by population group in Mpumalanga, 1996-2023

Population group	1996	2000	2005	2009	2014	2018	2024
Black African	0.44	0.42	0.41	0.46	0.54	0.57	0.60
White	0.85	0.86	0.87	0.87	0.87	0.88	0.90
Coloured	0.57	0.62	0.63	0.64	0.66	0.70	0.73
Asian	0.75	0.78	0.79	0.77	0.79	0.82	0.81
Total	0.50	0.48	0.47	0.51	0.58	0.61	0.64

Source: S&P Global – ReX, July 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 38).

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 38: Average annual household income by province, 2014/15 to 2022/23
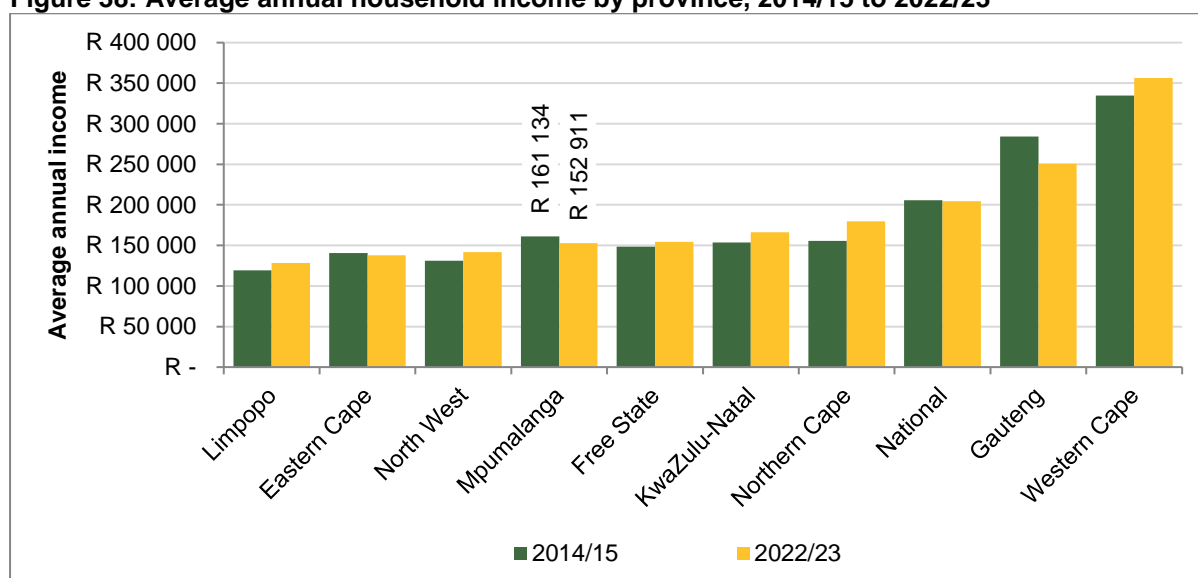
Source: Stats SA – Income and Expenditure Survey of Households 2022/23

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 31. 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 39. The average household in South Africa is dependent on incomes from salaries with 68.8% of income derived from

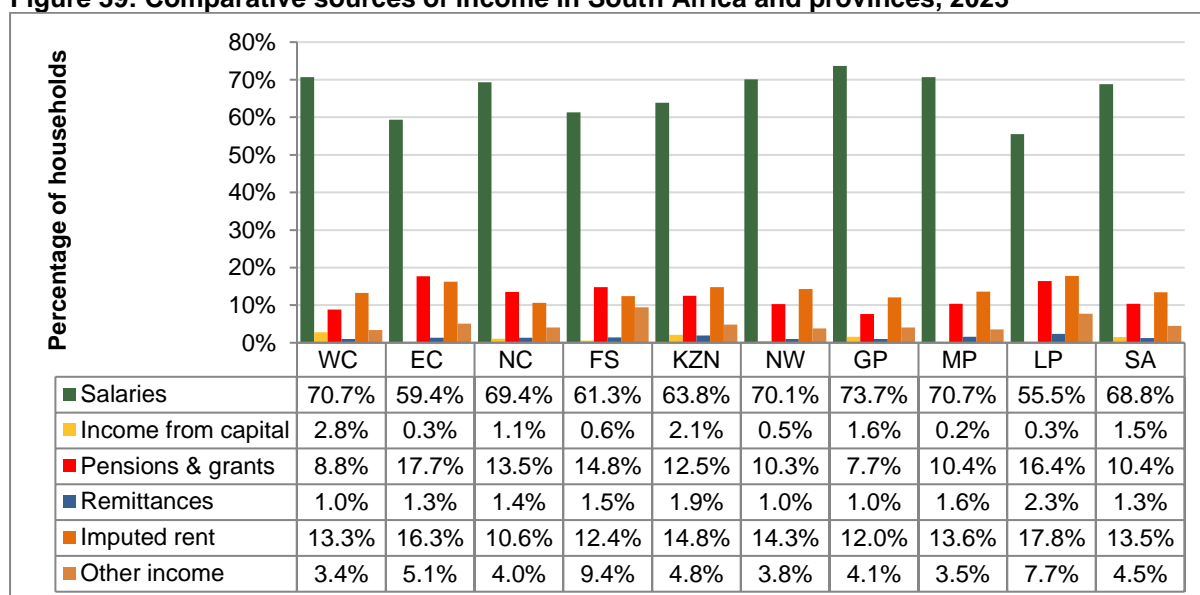salaries in 2022. In Mpumalanga, the average household received 70.7% of income from salaries. Income from imputed rent (from both owned and residing rent free) as well as pensions and grants, also contributed substantially to the average household income in South Africa and Mpumalanga.

Table 31: Household expenditure in South Africa & Mpumalanga, 2023

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

Figure 39: 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

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 19.3 million by June 2025.

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 June 2025, the number of grants paid to citizens in Mpumalanga increased to 1.65 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 40). KwaZulu-Natal (4.3 million) registered the highest number of grants paid by

2025 and Northern Cape (550 274) the lowest.

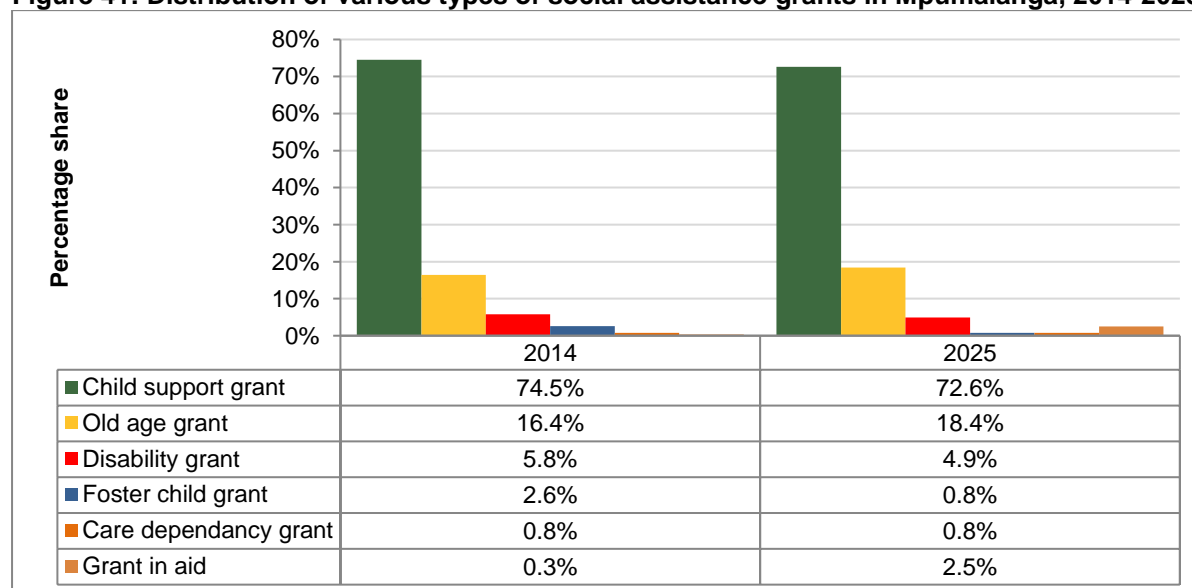Despite the positive impact of social assistance grants on income distribution and poverty, skills development and employment creation remain the most important factors to improve the livelihoods of people. Skills constraints push up the premium for skilled labour, inducing large differences between 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 40: Provincial shares of national social assistance grant number, 2014-2025
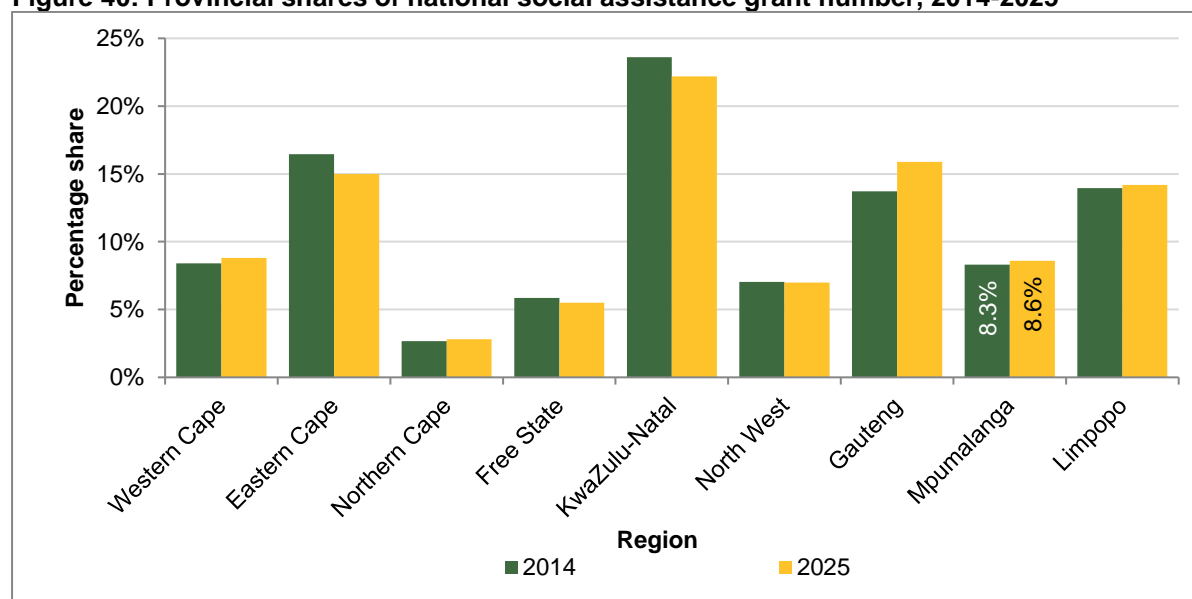
Source: SASSA, 2025

Figure 41: Distribution of various types of social assistance grants in Mpumalanga, 2014-2025

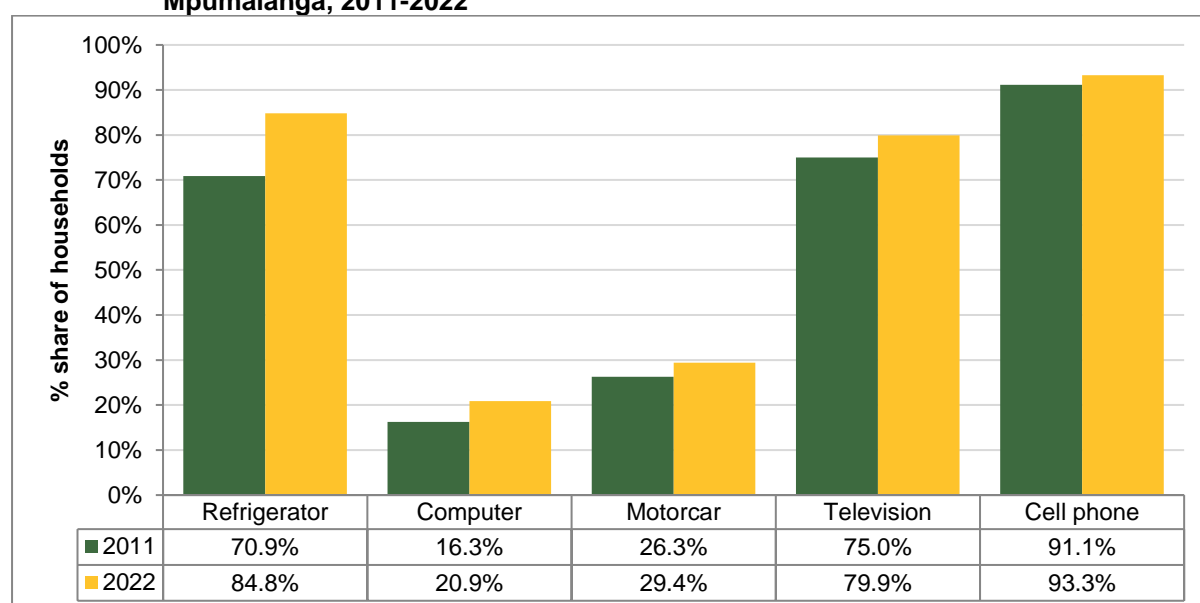|	2014	2025
Child support grant	74.5%	72.6%
Old age grant	16.4%	18.4%
Disability grant	5.8%	4.9%
Foster child grant	2.6%	0.8%
Care dependency grant	0.8%	0.8%
Grant in aid	0.3%	2.5%

Source: SASSA - 2025

It is evident from Figure 41, that 72.6% of Mpumalanga's total social assistance grants by June 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 1 196 179 in 2025. The number of old age grants increased from 217 045 in 2014 to 302 445 in 2025 and their share of the total number of grants increased to 18.4% in 2025. Disability grant recipients increased in number from 79 244 in 2014 to 81 025 in 2025, however, it recorded a smaller share in 2025 (4.9%) 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 1.22 million.

4.5   Ownership of household goods

Figure 42 compares the ownership levels of certain household goods in Mpumalanga between 2011 and 2022. It is evident that more households in Mpumalanga owned specific assets in 2022 than in 2011. The ownership of refrigerators (13.9 percentage point increase) increased the most between 2011 and 2022, followed by televisions (4.9 percentage point increase).

Figure 42:   Percentage distribution of households owning various household goods in Mpumalanga, 2011-2022

	Refrigerator	Computer	Motorcar	Television	Cell phone
■ 2011	70.9%	16.3%	26.3%	75.0%	91.1%
■ 2022	84.8%	20.9%	29.4%	79.9%	93.3%

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

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 2024 was 4.1%, which was the fifth highest among the provinces and lower than the average for South Africa (4.4%). Mpumalanga's average annual inflation rate for 2024 was lower than the 6.6% average for 2023.

In August 2025, Mpumalanga recorded an inflation rate of 2.9%, which was lower than the 3.1% inflation rate recorded in July 2025. The provincial inflation rate was lower than the national inflation rate for the nineteenth consecutive month. Mpumalanga (2.9%) recorded the lowest inflation rate and North West (4.1%) recorded the highest. In August 2025, Mpumalanga's inflation rate was below the upper band of the inflation target zone for the twenty-first consecutive month. The comparative percentage change in the CPI for South Africa and Mpumalanga from January 2003 to August 2025 is displayed in Figure 43.

The main determinants of inflation in Mpumalanga based on their respective weightings, as provided in Table 32, 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.

It appears from Table 32 that the FNAB index accounted for 42.8% and the housing and utilities index for 35.9% of the average price increase in Mpumalanga during August 2025. The transport index, however, declined and put the brakes on the overall increase in the inflation rate. The insurance and financial services index was a new index without a value for August 2025 and therefore no annual percentage change could be calculated. Together, the two positive contributors among the four main determinants contributed 78.7% of the average price increase in Mpumalanga during August 2025.

Figure 43: CPI in South Africa and Mpumalanga, 2003–2025
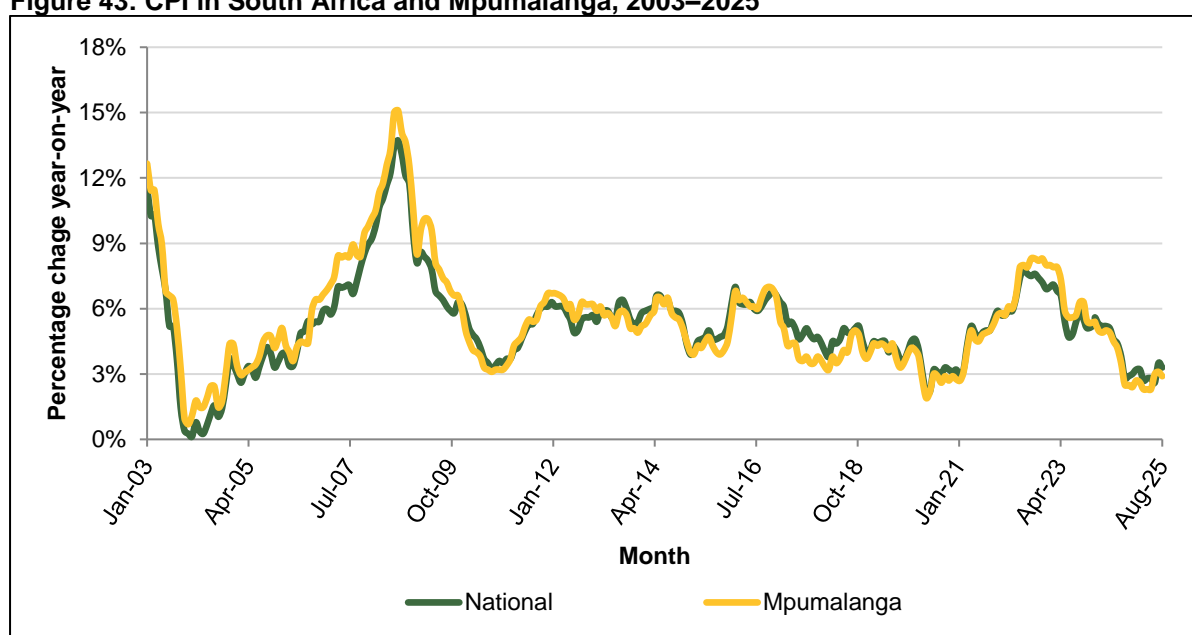
Source: Stats SA – CPI, 2025

Table 32: Mpumalanga's CPI group indices, weights, percentage change & contribution to inflation, August 2025

| Index description	Weight	Percentage change		Estimated inflation contribution
		Month-on-month	Year-on-year	
Food & non-alcoholic beverages	21.67%	+0.1%	+5.0%	42.8%
Alcoholic beverages and tobacco	4.03%	-0.8%	+4.0%	6.4%
Clothing and footwear	5.24%	+0.1%	+1.7%	3.5%
Housing and utilities	22.15%	+0.1%	+4.1%	35.9%
Furnishings, equipment & maintenance	3.21%	+0.2%	-0.7%	-0.9%
Health	1.79%	+0.0%	+5.4%	3.8%
Transport	18.02%	-0.3%	-0.5%	-3.6%
Information & communication	5.88%	-0.3%	-0.4%	-0.9%
Recreation, sport & culture	2.44%	+0.8%	+3.3%	3.2%
Education services	1.49%	+0.0%	+6.7%	3.9%
Restaurants & accommodation services	3.77%	+0.2%	+2.5%	3.7%
Insurance & financial services	6.82%	+0.0%	-	-
Personal care & miscellaneous services	3.49%	+0.2%	+1.5%	2.1%
All items	**100.0%**	**-0.1%**	**+2.9%**	**100.0%**

Source: Stats SA – CPI Additional Tables, 2025

The price increase of especially meat products provided most of the upward push in the FNAB index.

Within the housing and utilities index, the price increases of electricity as well as owners' equivalent rent provided the bulk of the upward swell. Despite the price increase of vehicles, lower fuel prices pulled the transport index lower

When the impact of the more volatile FNAB and fuel prices are excluded from the consumer price index as in Figure 44, the underlying annual inflation would have been 2.8% in August 2025. If the electricity price was also excluded from the calculation of headline CPI inflation, Mpumalanga's resultant core inflation would have been 2.4% in August 2025. Mpumalanga's headline inflation rate declined in August 2025 and so did the underlying inflation rate and the core inflation rate.

Figure 44: Measures of underlying inflation in Mpumalanga, 2009–2025
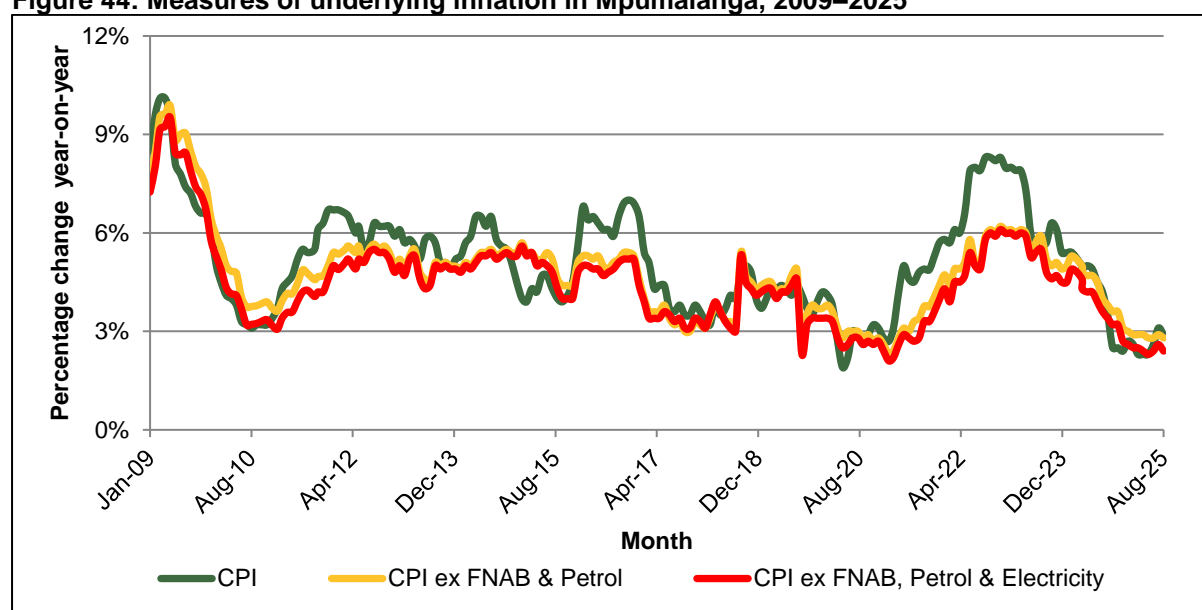
Source: Stats SA – CPI Additional Tables, 2025

4.7   Education profile

Level of education

When Mpumalanga's highest level of schooling in 2022 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, 12.2% of the people 20 years and older in South Africa have completed a post school qualification compared to 7.3% in Mpumalanga (Figure 45). 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.

It is further evident when comparing provinces (Figure 46), that Mpumalanga (11.7%) registered the second highest (worst) share of people 20 years and older with no schooling. It was 4.8 percentage points higher/worse than the national share of 6.9% in 2022. Mpumalanga (40.2%) recorded the third highest/seventh lowest share of people 20 years and older with matric among the nine provinces, higher than the national share of 37.6%.
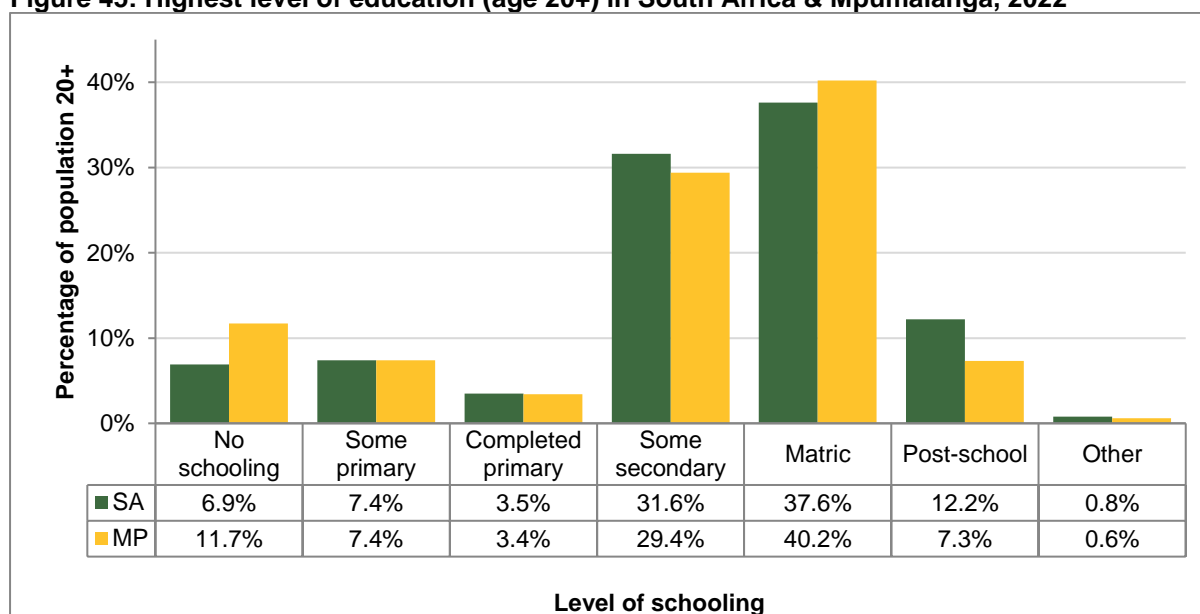
School attendance

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 47, reflects the attendance rates in South Africa and the provinces. In 2022, the early childhood development (ECD) attendance rate in Mpumalanga was 57.4%. Mpumalanga's ECD attendance rate was lower than the national rate of 60.2% in 2022 and the fifth highest/lowest among the provinces. In 2022, the attendance rate for people 5 years to 24 years was 73.4% in 2022 in Mpumalanga. This rate for Mpumalanga was the same as that of South Africa and was the fifth highest/lowest among the provinces.

Figure 45: Highest level of education (age 20+) in South Africa & Mpumalanga, 2022

	No schooling	Some primary	Completed primary	Some secondary	Matric	Post-school	Other
SA	6.9%	7.4%	3.5%	31.6%	37.6%	12.2%	0.8%
MP	11.7%	7.4%	3.4%	29.4%	40.2%	7.3%	0.6%

Level of schooling

Sources: Stats SA – Census 2022

Figure 46: Selected education levels (age 20+) in South Africa & provinces, 2022
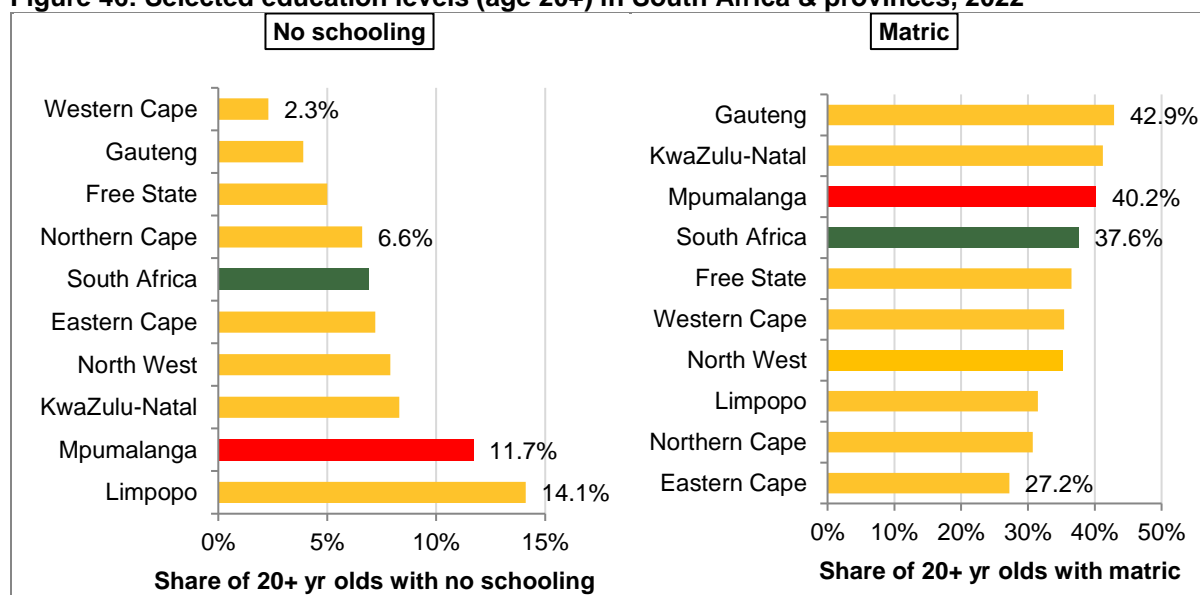
Source: Stats SA – Census 2022

Grade 12 NSC results

In 2024, Mpumalanga's national senior certificate (NSC) pass rate was 85.0%, which was lower than

the national NSC pass rate of 87.3%. When Mpumalanga's throughput[22] rate for 2024 is calculated, it is evident that 63.0% of the grade ones in 2013 wrote the national senior certificate examinations in 2024, compared with the national throughput rate of only 57.7%. Mpumalanga's throughput rate was the highest/best among the nine provinces.
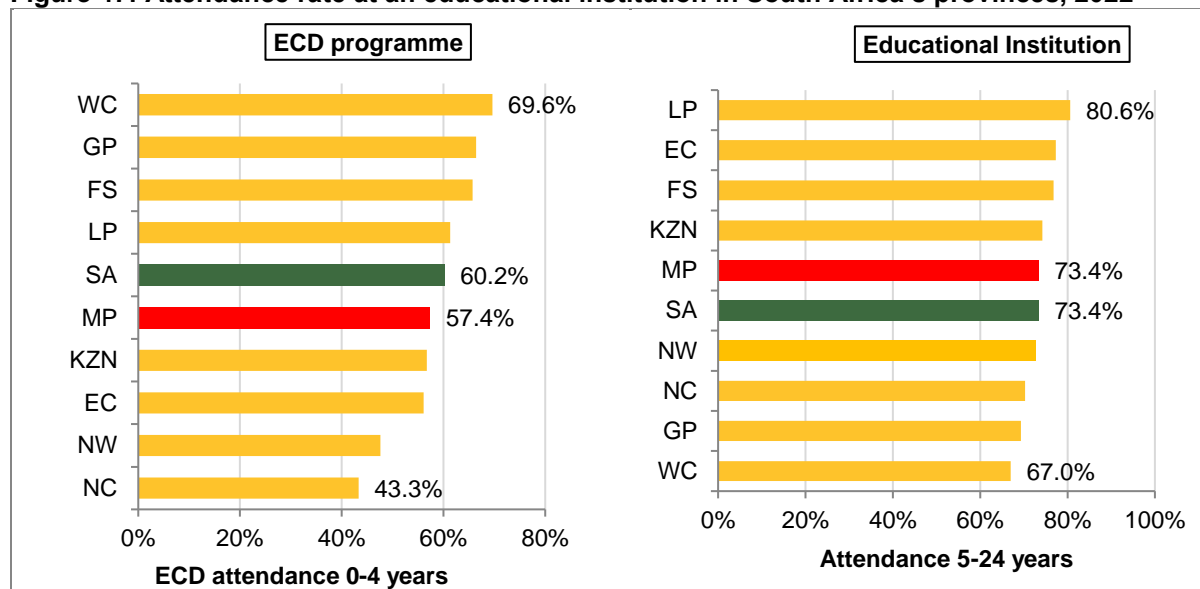
Figure 47: Attendance rate at an educational institution in South Africa's provinces, 2022

Source: Stats SA – Census 2022

Table 33 compares the grade 12 pass rates among the various provinces from 2016 to 2024. The national pass rate of grade 12's increased from 72.5% in 2016 to 87.3% in 2024. Mpumalanga's Grade 12 pass rate increased from 77.1% in 2016 to 85.0% in 2024. Between 2023 and 2024, Mpumalanga's pass rate improved from 77.0% to 85.0%. All nine provinces experienced an increase between 2023 and 2024, and Mpumalanga's increase of 8 percentage points was the second highest increase.

Table 33: Comparative grade 12 pass rate for South Africa and provinces, 2016-2024

Province	2016	2017	2018	2019	2020	2021	2022	2023	2024
EC[23]	59.3%	65.0%	70.6%	76.5%	68.1%	73.0%	77.3%	81.4%	85.0%
FS[24]	88.2%	86.1%	87.5%	88.4%	85.1%	85.7%	88.5%	89.0%	91.0%
GP[25]	85.1%	85.1%	87.9%	87.2%	83.8%	82.8%	84.4%	85.4%	88.4%
KZN[26]	66.4%	72.9%	76.2%	81.3%	77.6%	76.8%	83.0%	86.4%	89.5%
LP[27]	62.5%	65.6%	69.4%	73.2%	68.2%	66.7%	72.1%	79.5%	85.0%
MP[28]	**77.1%**	**74.8%**	**79.0%**	**80.3%**	**73.7%**	**73.6%**	**76.8%**	**77.0%**	**85.0%**
NW[29]	82.5%	79.4%	81.1%	86.8%	76.2%	78.2%	79.8%	81.6%	87.5%
NC[30]	78.7%	75.6%	73.3%	76.5%	66.0%	71.4%	74.2%	75.8%	84.2%
WC[31]	86.0%	82.8%	81.5%	82.3%	79.9%	81.2%	81.4%	81.5%	86.6%
National	**72.5%**	**75.1%**	**78.2%**	**81.3%**	**76.2%**	**76.4%**	**80.1%**	**82.9%**	**87.3%**

Source: Department of Basic Education - National Senior Certificate Examinations Report 2025

Mpumalanga's pass rate was lower than the national grade 12 pass rate for the sixth consecutive year.

---

[22] Learners writing Grade 12 examinations within 12 years of starting school in Grade 1.
[23] Eastern Cape
[24] Free State
[25] Gauteng
[26] KwaZulu-Natal
[27] Limpopo
[28] Mpumalanga
[29] North West
[30] Northern Cape
[31] Western Cape

Mpumalanga was the province with the joint sixth highest/second lowest pass rate in 2024, on par with sixth highest in 2016. Free State (91.0%) recorded the highest Grade 12 pass rate in 2024 and Northern Cape (84.2%) the lowest.

A comparison of Grade 12 pass rates among the four education districts from 2016 to 2024 is presented in Table 34. All four education districts recorded an improvement between 2016 and 2024. Ehlanzeni registered the highest Grade 12 pass rate in 2024 at 88.4%, whereas Bohlabela's pass rate was the lowest at 78.6%.

Table 34: Comparative grade 12 pass rate for education districts in Mpumalanga, 2016-2024

Education district	% Pass rate								
	2016	2017	2018	2019	2020	2021	2022	2023	2024
Bohlabela[32]	72.3%	72.4%	76.9%	76.7%	74.6%	74.2%	79.3%	69.1%	78.6%
Ehlanzeni[33]	79.5%	76.8%	82.3%	84.6%	74.5%	75.6%	76.2%	81.8%	88.4%
Gert Sibande	75.9%	76.5%	77.5%	79.3%	70.9%	72.2%	77.7%	79.8%	87.7%
Nkangala	79.5%	73.5%	78.7%	80.6%	74.6%	72.2%	74.5%	76.4%	85.2%

Source: Mpumalanga Department of Education, 2025

Education ratios

According to the Department of Basic Education's *School Realities* report of 2024, there were 1 161 189 learners (Grade 0 to 12) in 1 617 ordinary public and 137 independent schools in Mpumalanga, who were served by 37 151 educators. The learner-educator ratio (LER) in public schools of Mpumalanga increased between 2016 and 2024 from 31.8 to 32.6 learners per educator (Table 35). This was higher than the national level of 31.3 learners per educator. The learner-school ratio (LSR) in public schools of Mpumalanga was higher than the national figure of 598 in 2024 and increased from 607 learners per school in 2016 to 695 in 2024. According to the educator-school ratio (ESR), the number of educators per public school increased between 2016 and 2024 from 19 to 21 and was higher than the national level of 19.

Table 35:   Comparison of education ratios in ordinary public schools for South Africa and provinces, 2016-2024

Province	LER[34]		LSR		ESR	
	2016	2024	2016	2024	2016	2024
Eastern Cape	32.5	30.4	347	343	11	11
Free State	29.9	28.9	553	761	19	26
Gauteng	32.5	30.6	983	1 127	30	37
KwaZulu-Natal	33.1	31.5	480	492	15	16
Limpopo	33.0	34.2	441	668	13	20
Mpumalanga	**31.8**	**32.6**	**607**	**695**	**19**	**21**
Northern Cape	32.5	29.5	529	556	16	19
North West	32.6	31.1	551	594	17	19
Western Cape	32.0	30.2	733	823	23	27
National	**32.6**	**31.3**	**521**	**598**	**16**	**19**

Source: Department of Basic Education – 2016 & 2024 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

---

[32] The Bohlabela education district includes schools in Bushbuckridge and Thaba Chweu
[33] The Ehlanzeni education district includes schools in City of Mbombela and Nkomazi
[34] State paid and School Governing Body paid educators

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 48 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[35] 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 the provinces.

Figure 48: Comparison of selected health indicators between South Africa & Mpumalanga, 2022& 2023
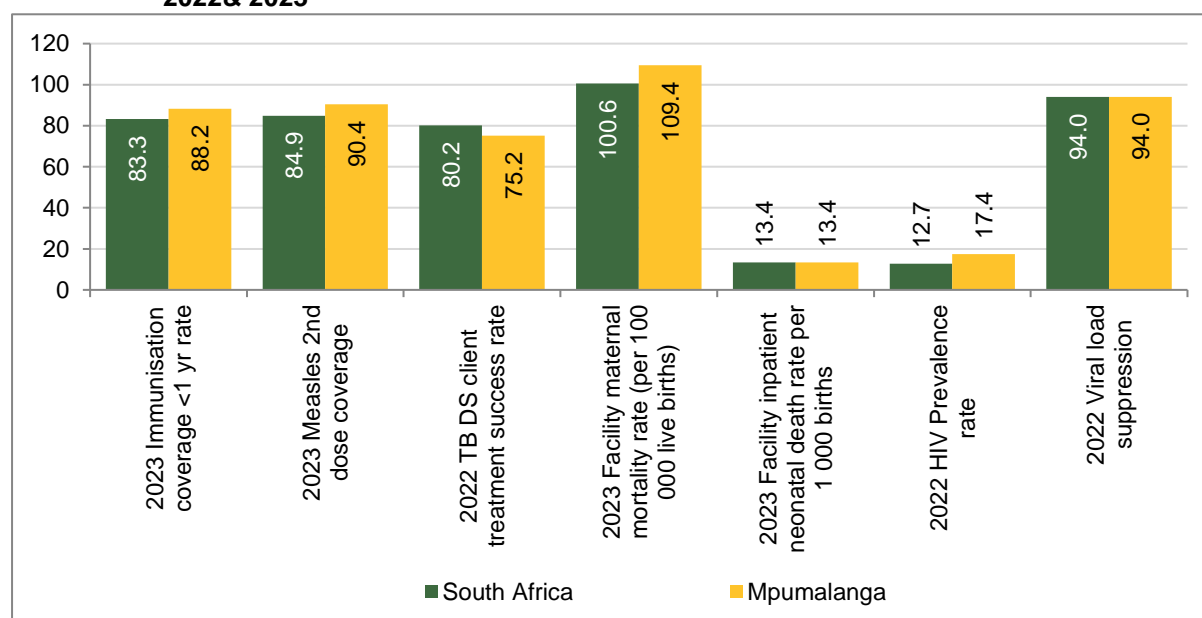
HIV prevalence and targets

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

---

[35] 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.

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 2022, 87.3% of people living with HIV aged 15 years and older in Mpumalanga were aware of their HIV status, 94.5% of those diagnosed were on ART and 94.0% of those on ART were virally suppressed. The combined result for Mpumalanga was 77.6% in 2022, which fell short of the combined target of 95% but was slightly higher than the national average of 77.0% and the 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 49, the share of households in Mpumalanga that occupied informal dwellings declined between 2011 (10.9%) and 2022 (5.8%). More households had access to flush/chemical toilets (57.3%) in 2022 than in 2011 (45.2%). The proportion of Mpumalanga's households with access to piped water (86.9%) was slightly lower in 2022 than in 2011, and the households connected to electricity increased to 93.7%. Households with municipal refuse removal (52.4%) also improved from its 2011 level.

Figure 49: Access to household services in Mpumalanga, 2011-2022

	% 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)
2011	10.9%	45.2%	87.4%	86.7%	44.0%
2022	5.8%	57.3%	86.9%	93.7%	52.4%
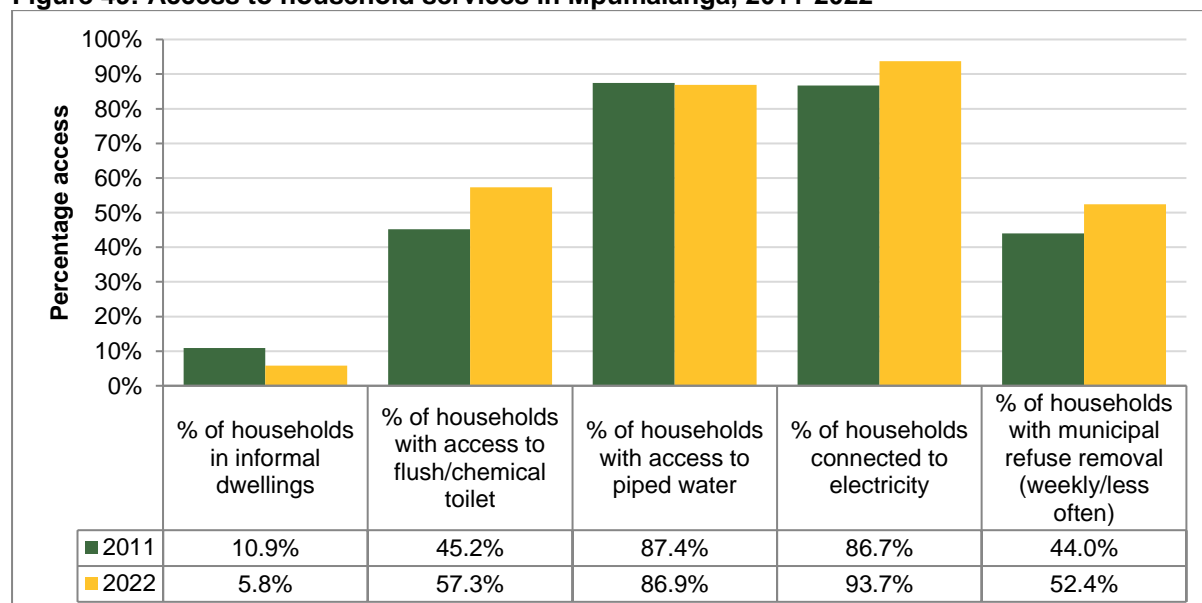
Sources: Stats SA – Census 2011
Stats SA – Census 2022

It is clear from Table 36 that 185 541 households in Mpumalanga still lacked access to piped water in any form and 82 428 households were still living in informal dwellings in 2022. The number of households that were not connected to electricity numbered 89 984, whereas 607 751 households did not have access to a flush/chemical toilet and 677 242 households indicated that it received no municipal refuse removal at least weekly or less often.
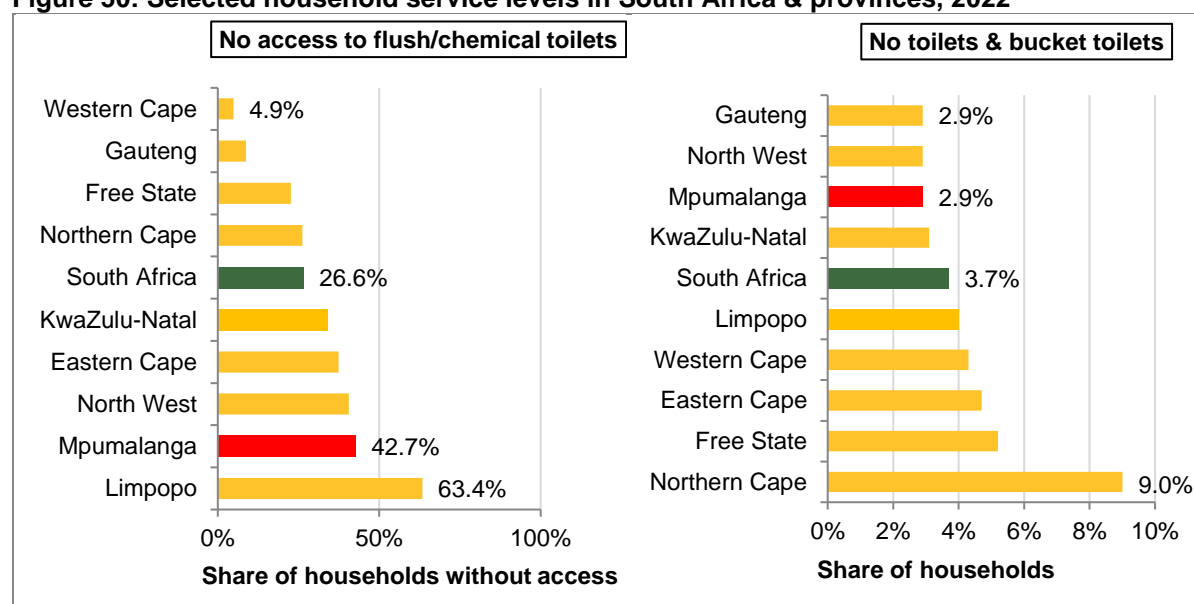
The percentage of households in Mpumalanga without access to flush/chemical toilets was 42.7% in 2022 and was the second highest among the nine provinces. Figure 50 further reveals that Mpumalanga had the joint lowest/best share of households with no toilets and bucket toilets (2.9%).

Table 36: Household services backlog number in Mpumalanga, 2022

Household service	Backlog number
Without flush/chemical toilets	607 751
Other sources of water for drinking (no piped water)	185 541
No electricity connection	89 984
Informal dwellings	82 428
No municipal refuse removal (weekly/less often)	677 242

Sources: Stats SA – Census 2022

Figure 50: Selected household service levels in South Africa & provinces, 2022

Source: Stats SA – Census 2022

In 2022, the percentage of households not connected to piped water in Mpumalanga was recorded at 13.1% (Figure 51). This was the third highest/worst backlog among the nine provinces and worse than the national backlog of 8.7%. The percentage of households In Mpumalanga not connected to electricity was recorded at 6.3% in 2022. In 2022, the electricity backlog in Mpumalanga was the third highest/worst and worse than the national backlog of 5.3%.

A relatively small percentage of households in Mpumalanga (5.8%) occupied informal dwellings in 2022, compared to the national figure of 8.1% (Figure 52). 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 47.7% in 2022. This was the second highest/worst share among the nine provinces.

Figure 51: Selected household service levels in South Africa & provinces, 2022

Not connected to piped water	
Western Cape	0.9%
Gauteng	
Free State	
Northern Cape	
South Africa	8.7%
North West	
KwaZulu-Natal	
Mpumalanga	13.1%
Eastern Cape	
Limpopo	20.5%

Share of households without access

Not connected to electricity	
KwaZulu-Natal	3.3%
Western Cape	
Limpopo	
South Africa	5.3%
Free State	
Eastern Cape	
North West	
Mpumalanga	6.3%
Gauteng	
Northern Cape	7.5%

Share of households without access
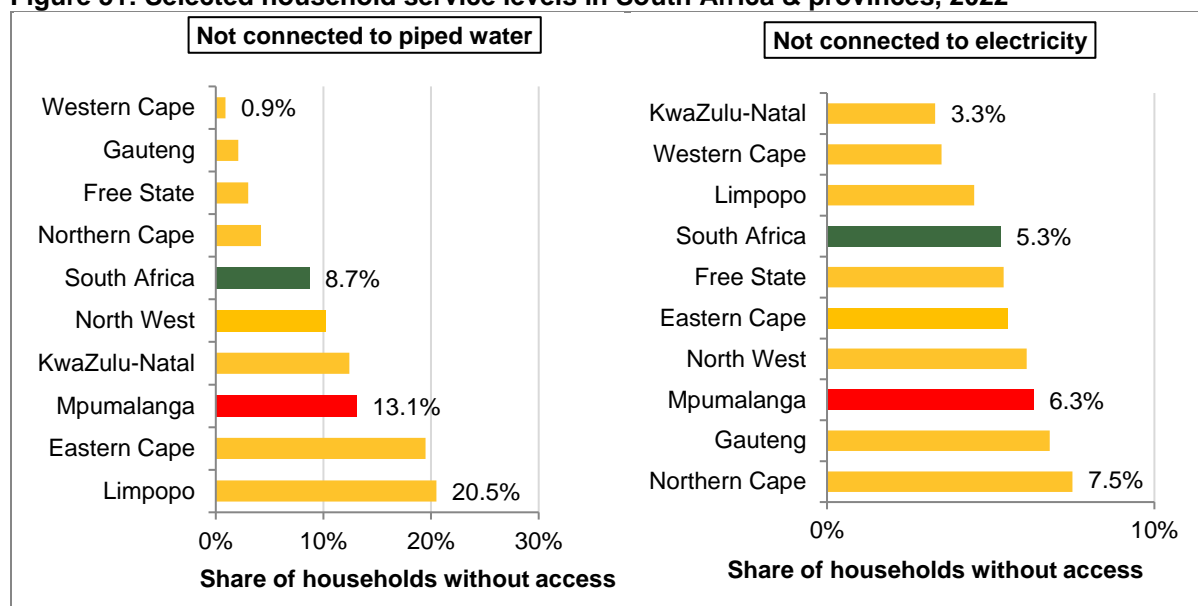
Source: Stats SA – Census 2022

Figure 52: Selected household service levels in South Africa & provinces, 2022

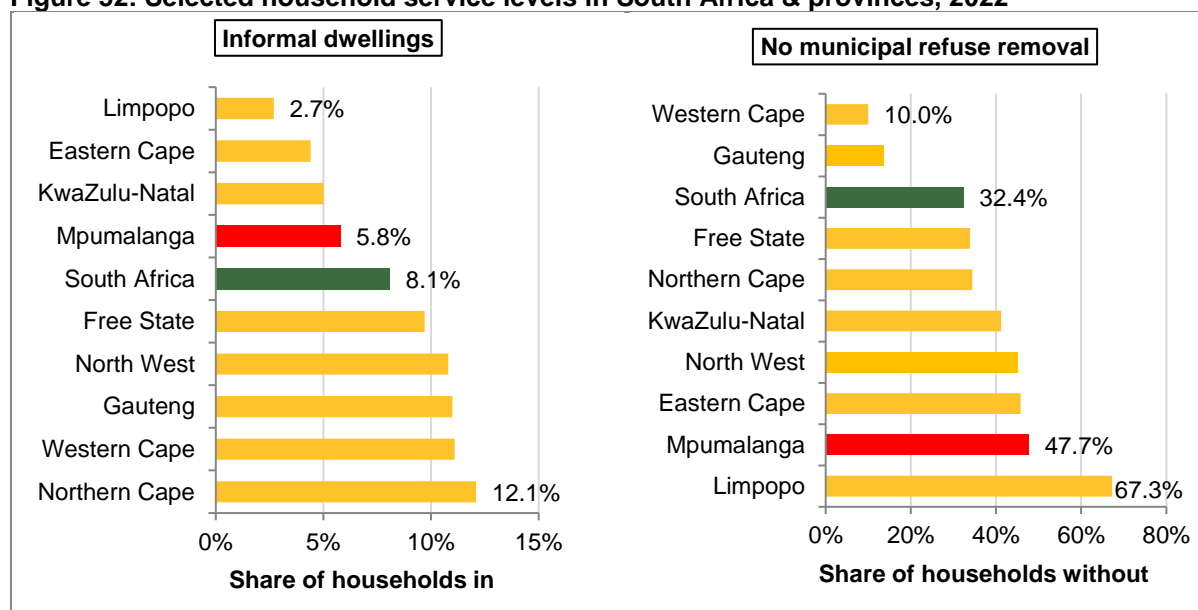| Informal dwellings	
Limpopo	2.7%
Eastern Cape	
KwaZulu-Natal	
Mpumalanga	5.8%
South Africa	8.1%
Free State	
North West	
Gauteng	
Western Cape	
Northern Cape	12.1%

Share of households in

No municipal refuse removal	
Western Cape	10.0%
Gauteng	
South Africa	32.4%
Free State	
Northern Cape	
KwaZulu-Natal	
North West	
Eastern Cape	
Mpumalanga	47.7%
Limpopo	67.3%

Share of households without

Source: Stats SA – Census 2022

5.2   Crime profile

Among the four categories of serious community reported crimes displayed in Table 37, 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.

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. 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.

Table 37: Serious community reported crimes in South Africa and provinces, 2024/2025

Provinces	Contact crimes[36]		Contact related crimes[37]		Property related crimes[38]		Other serious crimes[39]	
	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

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

---

[36] 7 serious community reported contact crimes are murder, sexual offences, attempted murder, assault grievous bodily harm (GBH), common assault, common robbery & aggravated robbery.
[37] 2 serious community reported contact related crimes are arson & malicious damage to property.
[38] 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.
[39] 3 serious community reported other serious crimes are other theft, commercial crime, & shoplifting.

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 38 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 39 presents a comparison between the districts in the province of virtually the same socio-economic indicators used in the first table. Table 40 presents a summary of the relevant provincial targets as expressed Mpumalanga Provincial Government.

Table 38: 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 39: 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 40: 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%.