



Gauteng Market Info
Facts about Pretoria that you should know

3RD Largest Economy in SA

Contribution of South Africa's Metropolitan Areas to Total GDP 2000 (%)

CITY	% Contribution to SA GDP in 2000
Johannesburg	14.98%
Cape Town	14.01%
Pretoria	8.55%
Durban	7.77%
East Rand	7.78%
Total %	55.60%

Taken from Willem Naude and Waldo Krugell, (2002) 'An Inquiry into Cities and Their Role in Subnational Economic Growth in South Africa', Potchefstroom University (Source of data: STATSSA, 2001; PIMSS, 2001)

HIGHEST LSM: Pretoria East is SA's leading income earner

The table below highlights the ten highest income earning suburbs measured in the survey:

Rank	Suburb	Estimated Household income
	Average survey	R14,473.01

1	Pretoria - East	R28,651.32
2	JHB - Fourways	R28,347.83
3	JHB - Bedfordview and Edenvale	R27,816.67
4	JHB - Midrand	R27,781.25
5	JHB - Sandton	R27,737.50
6	JHB - Rosebank Killarney	R26,314.81
7	Pretoria - Centurion	R25,051.02
8	JHB - Randburg North	R24,562.50
9	Durban North - Umhlanga	R24,227.27
10	JHB - Randburg South	R23,635.14

Conducted by TNS Research Surveys, the invaluable ROOTS 2010 data is available free of charge to retailers, marketers, media planners and strategists, and on Telmar systems. For more information, contact NAB at 011 889 0610 or visit www.nab.co.za.

Bottom Line

If most outdoor briefs/campaigns are analysed it is clear that Jo'burg and Cape Town gets the Lion's Share of spend proportionately to their economic activity. Of every Rand spent in Jo'burg and Capetown all things being equal Pretoria should be getting 60 cents.

GDP

The city of Pretoria has the third largest economy in South Africa: only Cape Town and Johannesburg contribute more to the country's GDP than Pretoria. A report in 2000 and again in 2002 by Potchefstroom University showed that 8.55% of South Africa's GDP was generated by Pretoria. And Johannesburg did 14.98% of South Africa's GDP.

Population dynamics

The population of Gauteng is estimated at 9.9 million (2005) and is the largest concentration of people (524.8 people per km²) in South Africa. The projected population between 1996 and 2001 grew by 4.1% per annum, which is substantially higher than the national average of 2.1% per annum. IsiZulu is the predominant language (21.5%), followed by Afrikaans (14.4%), Sesotho (13.1%), and English (12.5%). The total population of the City of Tshwane was estimated at 1 986 019 people in 2004.

The age structure

About 23.6% of the total population within Gauteng and 22.9% in Tshwane are younger than 15 years of age and 72.4% in Gauteng and 72.6% in Tshwane are between 15 and 64 years of age. This means that Tshwane has a youthful population, which is indicative of a potentially strong future population growth rate.

Human Development Index (HDI)

The HDI quotient of 1 indicates the highest level of human development, while a minimum value of zero indicates an extremely low level of human development. Figure 8 indicates the level of human development for South Africa, Gauteng and Tshwane from 1996 to 2002. The HDI is based on three indicators, namely longevity (life expectancy at birth), knowledge (adult literacy) and standard of living (per capita income) - as discussed in the previous sections. The level of human development in Tshwane is equal to that of the province and shows a high level of development in comparison with the rest of the country.

Economy of the City of Tshwane

The healthy local economy is strongly based on the manufacturing and service industries. Most of the service industries occur in the Central Business District (CBD) and the surrounding areas, whereas the manufacturing industries are concentrated in Rosslyn in the north and Silverton on the eastern side. The sectoral economies that performed the best during the past years are the wholesale, retail and financial and professional service industries. From the late 1980s through the 1990s and the first few years of the new millennium, the city's rate of economic and employment growth was among the highest in the country. The entrepreneurial spirit is strongly awakened in the City of Tshwane, with 50% of all the economically active population privately employed.

Internationally linked knowledge-based service industries are increasingly gaining prominence. Technological innovation forms a cornerstone of this trend. The knowledge-based capacities of institutions such as the CSIR (Council for Scientific and Industrial Research), Universities (UNISA, Tshwane University of Technology, MEDUNSA and University of Pretoria), Armscor, Iscor, Denel Informatics, Onderstepoort Veterinary Research Institute and the motor industry are forever driving innovation to the levels of excellence.

Gauteng is the economic powerhouse of South Africa. The province covers 1.4% of the total area of South Africa, but is home to 17.1% of the country's inhabitants. It is by far South Africa's most densely populated province. Gauteng is highly urbanised. The adult literacy rate in the province (people 15 years and older who can read and write their home language) is 92.9%.

Production

In 2004 Gauteng contributed 34.4% to the GDP of South Africa, of which Tshwane contributed 7% to the GDP of Gauteng.

Given the fact that the City of Tshwane falls within Gauteng, it enjoys the advantage of access to large urban markets and new technologies due to its relative proximity to well-developed nodes such as the Johannesburg CBD and Ekurhuleni. It is evident that the Finance and Business Services Sector (followed by the Manufacturing Sector) contributes proportionally the largest segment towards the economies of South Africa and Gauteng, revealing not only the strong nature of this sector, but also the economy's dependence on finance and business activities. In Tshwane, however, the economy is dominated by the Government Services Sector, followed by the Finance and Business Services Sector.

Almost 30% of Tshwane's economy is dependent on Government Services activities, followed by Finance and Business Services (22.6%), Manufacturing (15%), Wholesale and Retail (13.1%) and Transport and Communication (10%) activities. The relatively low level of diversification of the Tshwane economy has the

potential to impact on economic growth rates, especially when sectors with high growth are not well represented in the area.

Socio-economic conditions

The city is growing rapidly at just over 4% per annum and is expected to double in size by 2020. Residents are relatively better off than South Africa's average citizen in terms of employment, with an unemployment rate of 33% relative to a national rate of 42%. The average annual income per household in the city is more than R140 000, although households without any income have risen in number, suggesting that economic growth has not been uniformly beneficial. According to Census 2001, one in five households (or 185 340 in number) received no income, while one in three households earned less than R19 200 (or a maximum of R1 600 per month, excluding social grants).

Personal income

Gauteng has a per capita income of R19 261 (US\$ 3 158) per annum - the highest of all the provinces. While the mining industry contributes only 5.1% to the Gross Geographic Product (GGP) in the province, Gauteng has more than a hundred mines. The tertiary sector (including trade, finance, insurance, real estate and business services) is the main contributor to Gauteng's GGP (61.6%), followed by manufacturing (27.1%).

According to national census information, the gender distribution is very close to equal: 50.2% male and 49.8% female. The black population group represents 68% of the population, while white people make up 28%, coloured people 1.7%, Indian/Asian people 1.5% and others 0.8%. South Africa occupies only 4% of the landmass of Africa and has more than 50% of the cars, phones, autobanks and industrial facilities of the whole continent. Most of these are in Gauteng, the smallest province in South Africa. Gauteng, one of the nine provinces of South Africa, is strategically poised to act as the major gateway into Africa. With its capital Johannesburg, situated 50 km from City of Tshwane, and covering an area of 18 810 sq km, it acts as the economic powerhouse of South Africa. Most of what happens in the social, economic and technological spheres of South Africa is pioneered in Gauteng, accounting for 37.7% of the GDP.