



National Agricultural  
Marketing Council  
Promoting market access for South African agriculture

# Markets and Economic Research Centre

## Macroeconomic Digest



*An Update on Selected  
Macroeconomic Indicators*

*Labour -September 2020*

## EXECUTIVE SUMMARY

The Quarterly Labour Force Survey published by Statistics South Africa on 29 September stated that the working-age population increased by 147 000 or 0.4% in the second quarter. The number of employed persons decrease with 2.2 million to 14 1 million from first quarter to the second quarter of 2020. One might expect that unemployment will increase; in fact, it declines by 2,8 million to 4,3 million compared to first quarter. In spite of the decline in employment, the number of discouraged work-seekers, like the number of unemployed, decreased by 447 000, and the number of people who were not economically active for reasons other than discouragement increased by 5,6 million between the first quarter and second quarter, resulting in a net increase of 5,2 million in the not economically active population.

Between the first quarter of 2020 and the second quarter of 2020, the number of employed people decreased in all ten industries, with the largest decline recorded in Community and social services (515 000), followed by Trade (373 000), Private households (311 000), Finance (283 000), Construction (278 000) and Manufacturing (250 000). Agriculture declined by 66 000 compared in the previous quarter.



The agricultural sectors' employment varies across provinces and based on different agricultural activities per province. The largest –quarter-on-quarter (q-o-q) employment increases were recorded in the Mpumalanga which stood at 22%, followed by the Limpopo (16%) and the Gauteng (2%). Western Cape and Northern Cape recorded declines of 58% and 17%, respectively.

## Table of Contents

1. Introduction .....	3
2. Employment by Industry .....	3
3. Gender Composition in Agriculture .....	5

### 1. Introduction

The purpose of this publication, the Macroeconomic Digest Report Vol (1) of 2020 is to provide valuable factual and analytical information on employment that can empower stakeholders and the public at large, to engage in discussions and analysis of policies and strategies. The analysis in this publication is based on data obtained from Statistics South Africa (Stats SA).

### 2. Employment by Industry

The Quarterly Labour Force Survey published by Statistics South Africa on 29 September stated that the working-age population increased by 147 000 or 0.4% in the second quarter (April-June) of 2020. The number of employed persons decrease with 2.2 million to 14 1 million from first quarter (Jan-Mar) of 2020 to the second quarter of 2020. One might expect that unemployment will increase; in fact, it declines by 2,8 million to 4,3 million compared to first quarter. In spite of the decline in employment, the number of discouraged work-seekers, like the number of unemployed, decreased by 447 000, and the number of people who were not economically active for reasons other than discouragement increased by 5,6 million between the first quarter and second quarter, resulting in a net increase of 5,2 million in the not economically active population. **Table 1** illustrates differences between the first quarter of 2020 and the second quarter of 2020. As it can be seen in table 1 that the number of employed people has decreased in all ten industries, with the largest decline recorded in Community and social services (515 000), followed by Trade (373 000), Private households (311 000), Finance (283 000), Construction (278 000) and Manufacturing (250 000). Agriculture recorded the least declined 66 000 compared to the previous quarter and this can be linked to the fact that, the agriculture sector was declared as an essential industry thus a minimal effect in jobs losses was observed.

Compared to the same period last year, a net decrease of 2.2 million in total employment was largely due to losses in the number of people employed in the Trade industry (482 000), Community and social services (379 000), Manufacturing (334 000), Construction (297 000), Finance (261 000) and Private households (246 000) industries.

**Table 1: Quarterly and Annual Total Employment**

Industry	Apr-Jun 2019	Jan-Mar 2020	Apr-Jun 2020	Qtr-to-qtr change	Year-on-year change	Qtr.-to-qtr. % change	Year-on-year % change
	Thousand					Percentage	
<b>Total</b>	<b>16 313</b>	<b>16 383</b>	<b>14 148</b>	<b>-2 234</b>	<b>-2 164</b>	<b>-13.6</b>	<b>-13.3</b>
Agriculture	842	865	799	-66	-43	-7.6	-5.1
Mining	381	436	373	-63	-8	-14.4	-2.1
Manufacturing	1 789	1 706	1 456	-250	-334	-14.7	-18.6
Utilities	151	116	113	-3	-38	-2.3	-25.4
Constructing	1 363	1 343	1 066	-278	-297	-20.7	-21.8
Trade	3 429	3 320	2 946	-373	-482	-11.2	-14.1
Transport	983	995	885	-110	-98	-11.0	-10.0
Finance and other business services	2 495	2 517	2 234	-283	-261	-11.2	-10.5
Community and social services	3 622	3 759	3 244	-515	-13.7	-13.7	-10.4
Private households	1 251	1 316	1 005	-311	-23.6	-23.6	-19.7

\*Note: Total includes "other" industry. Due to rounding, numbers do not necessarily add up to totals.

Source: Stats SA, 2020

**Table 2** shows the employment status in Agriculture during the second quarter 2020, per province. The largest –quarter-on-quarter (q-o-q) employment increases were recorded in the Mpumalanga province with a 22% increase, followed by the Limpopo (16%) and the Gauteng province (2%). The Western Cape and Northern Cape provinces recorded declines of 58% and 17%, respectively.

**Table 2: Employment by Province in Agriculture (Second quarter of 2020, April – June 2020)**

Employment by Agriculture per province	Apr-Jun 2019	Jan-Mar 2020	Apr-Jun 2020	Qtr-to-qtr change	Year-on-year change	Qtr.-to-qtr. % change	Year-on-year % change
	Thousand					Percentage	
Western Cape	182	255	197	-58	16	-22.6	8.6
Eastern Cape	97	80	67	-13	-30	-16.6	-30.8
Northern Cape	33	41	24	-17	-9	-41.8	-27.7
Free State	60	62	57	-5	-2	-7.9	-4.0
KwaZulu Natal	134	133	126	-7	-8	-5.2	-6.0
North West	61	51	45	-5	-15	-10.7	-25.3
Gauteng	33	30	32	2	-2	5.0	-5.2
Mpumalanga	101	86	86	22	7	25.0	7.2
Limpopo	141	126	126	16	1	12.8	0.6

Source: Stats SA, 2020

### 3. Gender Composition of Agricultural Employment

Gender dimension is crucial from a socio-economic and transformation point of view. Gender inequality affects access to and control over resources which undermines a sustainable and inclusive development of the Agricultural sector. It plays a significant role in enhancing food security and household welfare in societies. **Figure 1** provides an overview of employment status on gender distribution within the agriculture sector in South Africa. The recently released data from Stats SA on Agriculture shows that men have been the main participants within the agriculture sector over the past years. In the second quarter of 2020, men actively involved in Agriculture were 528 000, while women were only 271 000. The number of men and women involved within the sector has decreased by 8.6% and 5.7%, respectively, when compared to the previous quarter. This decrease can be attributed to regulations during the lockdown period where the numbers of workers were reduced to adhere to the rules, thus some employees for released or laid off.

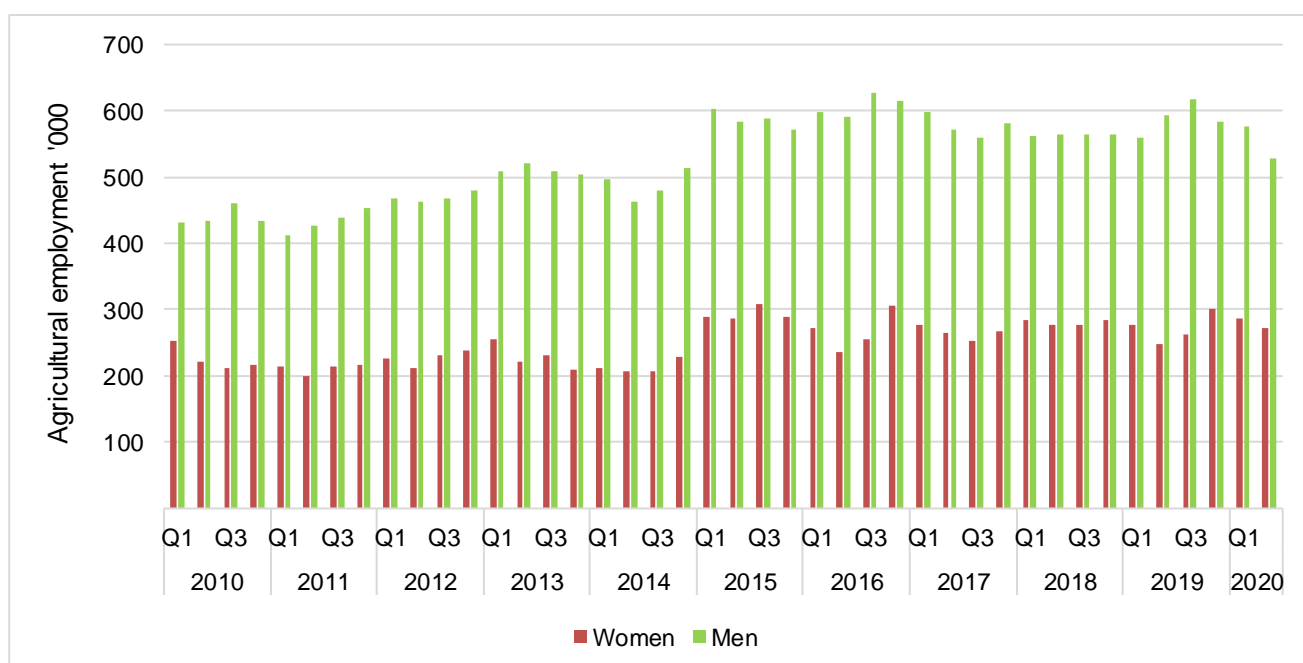


Figure 1: Gender distribution in Agriculture  
Source: Stats SA, 2020

**Figure 2** presents the long-term trends in Agricultural sectoral employment on a quarterly basis since 2010. Data shows that overall employment has increased by 22.0% between the second quarter of 2010 and 2020.

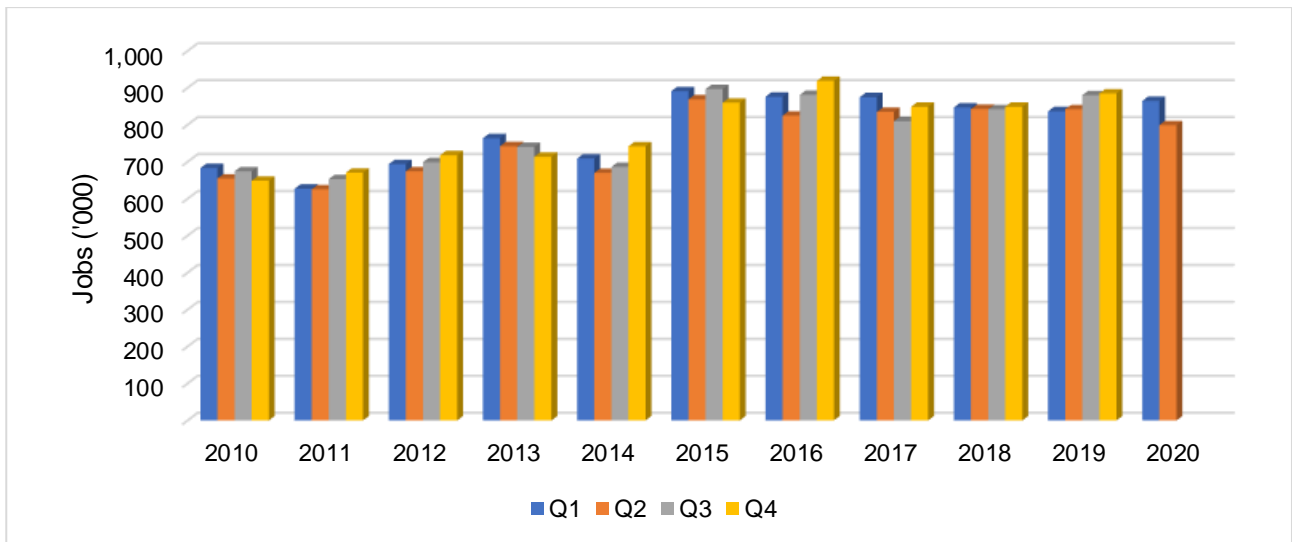


Figure 2: Agricultural employment trends  
Source: Stats SA, 2020

Compiled by:

Fezeka Matebeni  
Corné Dempers  
Thabile Nkunjana  
Dr Sifiso Ntombela

Enquiries: Dr Christo Joubert: +27 12 341 1115 or [christo@namc.co.za](mailto:christo@namc.co.za)

© 2020. Published by the National Agricultural Marketing Council (NAMC).

**Disclaimer:**

Information contained in this document results from research funded wholly or in part by the NAMC acting in good faith. Opinions, attitudes and points of view expressed herein do not necessarily reflect the official position or policies of the NAMC. The NAMC makes no claims, promises, or guarantees about the accuracy, completeness, or adequacy of the contents of this document and expressly disclaims liability for errors and omissions regarding the content thereof. No warranty of any kind, implied, expressed, or statutory, including but not limited to the warranties of non-infringement of third-party rights, title, merchantability, fitness for a particular purpose or freedom from computer virus is given with respect to the contents of this document in hardcopy, electronic format or electronic links thereto. Reference made to any specific product, process, and service by trade name, trade mark, manufacturer or another commercial commodity or entity are for informational purposes only and do not constitute or imply approval, endorsement or favouring by the NAMC.