

Machra



ECONOMICS DIGEST

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NAMC
Promoting market access for South African agriculture

EXECUTIVE SUMMARY

- *Employment*



The South Africa's unemployment rate increased by 0.1 of a percentage point to 29.1% in the third quarter of 2019 (July to September 2019). Four industries contributed to the total number of persons employed per sector between (April-June 2019) Q2 of 2019 and (July -September 2019) Q3 of 2019. The highest contributing sectors driving employment were Community and Social Services (56 000 jobs) followed by the Agriculture and Mining both with 38 000 jobs and Private households employing 35 000 additional jobs. Agricultural sector employment has improved by 4.5% q-o-q, and reached 880 000 jobs in Q3 of 2019. Negative employment growth (decline) were reported for Manufacturing, Construction, Trade, Utilities, Transport and Finance and other Business Services with job losses of 30 000, 24 000, 21 000, 18 000, 8 000 and 4 000 jobs, respectively.

Agricultural employment per province for Q3 of 2019 has improved for some provinces while it declined in others. Western Cape after declining from the second quarter of 2019, has improved from 182 000 jobs and reached 215 000 jobs in this quarter. Western Cape was the main contributor by 24%, followed by KwaZulu Natal and Limpopo provinces stand each at 16%. However, Gauteng and Northern Cape provinces had the least contribution to agricultural employment by 5% and 4% respectively. Although Gauteng is the least contributor, has improved from 4% to 5% compared to the previous quarter.

Table of Contents

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

1. Introduction

Macroeconomic indicators are statistics that present the current standing of the economy of a country. There are ten industries used to measure the South African economy, depending on these industries, labour markets, trade, foreign investments and others, indicators are pertinent to a broader economy at national level as they influence the direction of the market.

The purpose of the Macroeconomic Digest Vol (2) publication is to provide a valuable, factual and analytical insight on employment trends within the country's economy so that relevant stakeholders can be empowered together with the general public to engage in dialogues, analyse present situations and make informed discussions and policies that will help to shape the country's economic performance. Additionally, it is to publish the data obtained, and released from Statistics South Africa.

2. Employment by Industry

Four industries contributed to the total number of persons employed per sector. Table 1 shows employment numbers between (April-June 2019) Q2 of 2019 and (July-September 2019) Q3 of 2019. The highest contributing sectors driving employment were Community and Social Services (56 000 jobs) followed by the Agriculture and Mining both with 38 000 jobs and Private households employing 35 000 additional jobs. Agricultural sector employment has improved by 4.5% q-o-q, and reached 880 000 jobs in Q3 of 2019. Negative employment growth (decline) were reported for Manufacturing, Construction, Trade, Utilities, Transport and Finance and other Business Services with job losses of 30 000, 24 000, 21 000, 18 000, 8 000 and 4 000 jobs, respectively.

When compared to the same period during 2018 (July-September 2018) a net decline of 5 000 jobs were reported. The highest contributors to the decline in total employment included Construction (-163 000 jobs), Utilities (-23 000 jobs), and Transportation (-21 000 jobs) in Q3 of 2019. On the other hand, employment gains were recorded in Trade and Manufacturing at 103 000 and 41 000 jobs, respectively, during the same period.

Table 1: Total Industry Employment

Industry	Apr-Jun 2018	Apr-Jun 2019	July-Sep 2019	Qtr-to-qtr change	Year-on-year change	Qtr-to-qtr change	Year-on-year change
	Thousands			Percentage			
Total	16 380	16 313	16 375	62	-5	0.4	0.0
Agriculture	842	842	880	38	38	4,5	4,5
Mining	406	381	419	38	13	9,9	3,2
Manufacturing	1 719	1789	1 760	-30	41	-1,6	2.4
Utilities	156	151	133	-18	-23	-11,9	-14,5
Constructing	1 502	1 363	1 339	-24	-163	-1,8	-10,9
Trade	3 305	3 429	3 408	-21	103	-0,6	3,1
Transport	996	983	975	-8	-21	-0,8	-2,1
Finance and other business services	2502	2495	2 492	-4	-10	-0.1	-0,4
Community and social services	3 675	3 622	3 679	58	4	1.6	0,1
Private households	1 267	1 251	1 286	35	20	2,8	1,5

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

Source: Stats SA, 2019

Figure 1 illustrates the provincial employment status in the Agricultural sector (880 000 jobs) in Q3 of 2019. Western Cape after declining from the second quarter of 2019, has improved from 182 000 jobs and reached 215 000 jobs in this quarter. The agricultural contribution at the provincial level, Western Cape contributed by 24%, followed by KwaZulu Natal and Limpopo provinces stand each at 16%. However, Gauteng and Northern Cape provinces had the least contribution to agricultural employment by 5% and 4% respectively. Although Gauteng is the least contributor, it has improved from 4% to 5% compared to the previous quarter.

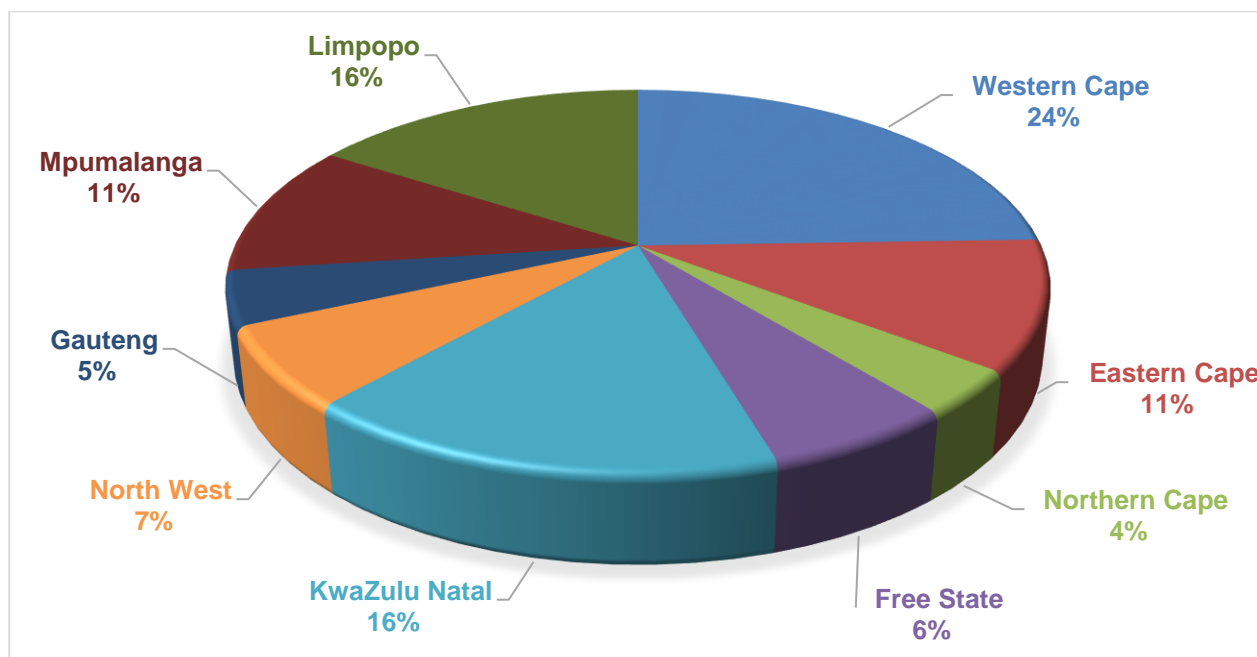


Figure 1: Agricultural employment at the provincial level (Third quarter of 2019, July to September 2019)

Source: Stats SA, 2019

3. Gender Composition of Agricultural Employment

The gender dimension is crucial for economic and transformation point of view. Gender inequality affects access to/and control over resources, and this can have detrimental consequences in developing a sustainable and inclusive agricultural sector. Gender is a crucial dimension when talking about issues related to social welfare and food security within societies thus a country as whole.

Figure 2 below provides a general idea of employment status on gender distribution within the South African Agricultural industry. Both men and women participation in agriculture has improved since there second quarter (April to June) of 2019. Recent data from Stats SA on agriculture shows that men were by far the largest participants in the agricultural industry between July and September 2019 (Q3 of 2019), and this has been the trend over the years as it can be easily seen from the graph below.

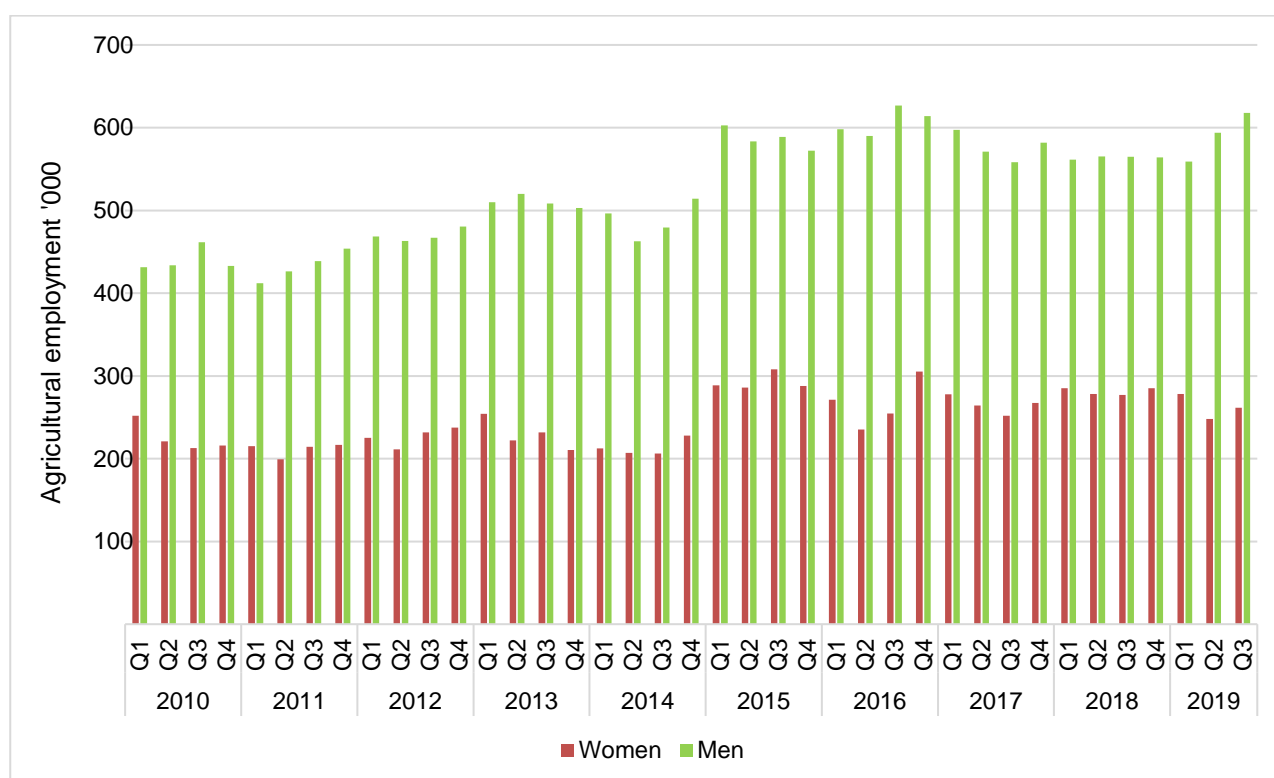


Figure 2: Employment by gender distribution, in Agriculture

Source: Stats SA, 2019

Figure 3 below demonstrates the current state of Agricultural sectoral employment on a quarterly basis starting from 2010 to 2019. Employment has increased by 30.49% between Q3 of 2010 and Q3 of 2019. The sector has seen similar improvement to the year 2015 and 2016, when highest employment was reported.

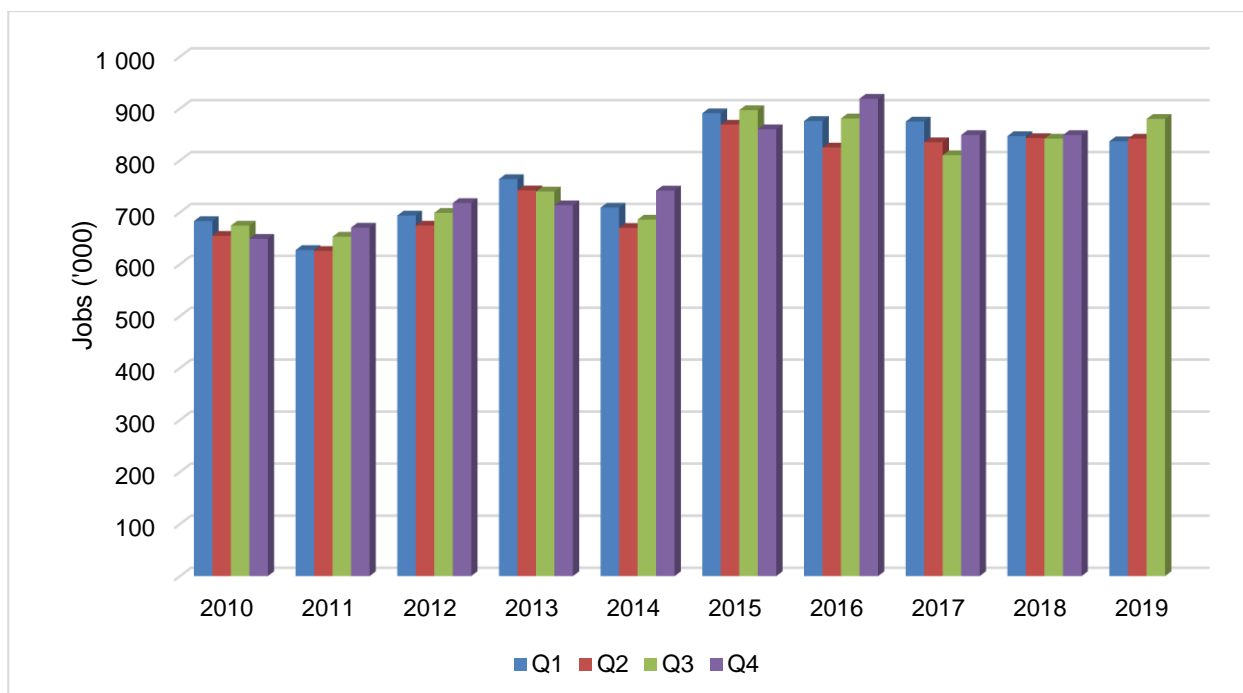


Figure 3: Agricultural employment trends

Source: Stats SA, 2019

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