



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 – March 2022

EXECUTIVE SUMMARY

The Quarterly Labour Force Survey (QLFS) published by Statistics South Africa on 29 March 2022 provides an overview of the observed changes in the key labour market indicators between the third quarter (July - September) of 2021 and fourth quarter (October - December) of 2021. The number of employed persons increased by 262 000 from 14.3 million (1.8%) to 14.5 million in Q4: 2021, and the number of unemployed persons increased by 278 000 from 7.6 million (3.6%) to 7.9 million compared to Q3: 2021, resulting in an increase of 540 000 (up by 2.5%) in the number of people in the labour force.

According to Stats SA, it was observed that a large number of persons moved from the "not economically active" status to the "employed" and "unemployed" categories between the two quarters, from 34.9% to 35.3% in the third quarter of 2021 resulting in an increase of 0.4 of a percentage point in the unemployment rate. This is the highest unemployment rate recorded since the start of the QLFS in 2008.



During the fourth quarter of 2021, the Agricultural sector employed 57 000 more employees on a year-on-year basis and 38 000 more employees on a quarter-to-quarter basis. This constitutes a 7.1% change year-on-year and a 4.6% quarter-to-quarter change. The largest employment increase was recorded in the Gauteng Province with 46.4%, followed by North West Province (35.4%), Northern Cape Province (20.8%) and KwaZulu-Natal Province (17.0%). Western Cape, Free State and Limpopo Provinces showed decreases of 9.8%, 8.4% and 6.5%, respectively. Furthermore, the number of men and women actively involved in Agriculture was 635 000 and 232 000, respectively. The number of men increased by 44 000 (7.4%), while women involved in the sector decreased by 6 000 (-2.5%) in the fourth quarter, when compared to the previous quarter.

Introduction

The Macroeconomic Digest Labour Report of the fourth quarter of 2021 provides an overview of employment figures by industry, province and gender composition in the agricultural sector. The figures in this publication are based on data obtained from Statistics South Africa (Stats SA) released on 29 March 2022 (delayed publication of data).

1. Employment by Industry

The Quarterly Labour Force Survey (QLFS) published by Statistics South Africa on 29 March 2022 provides an overview of the observed changes in the key labour market indicators between the third quarter (July - September) of 2021 and fourth quarter (October - December) of 2021. The number of employed persons increased by 262 000 from 14.3 million (1.8%) to 14.5 million in Q4: 2021, and the number of unemployed persons increased by 278 000 from 7.6 million (3.6%) to 7.9 million compared to Q3: 2021, resulting in an increase of 540 000 (up by 2.5%) in the number of people in the labour force.

According to Stats SA, it was observed that a large number of persons moved from the "not economically active" status to the "employed" and "unemployed" categories between the two quarters, which resulted in an increase of 0.4 of a percentage point in the unemployment rate to 35.3% from 34.9% in the third quarter of 2021. This is the highest unemployment rate recorded since the start of the QLFS in 2008.

Table 1 shows employment by industry between the third quarter of 2021 (Q3: 2021) and the fourth quarter of 2021 (Q4: 2021). The number of employed persons increased in six of the ten industries. The largest increase in employment was recorded in Private Households (129 000), followed by Trade (118 000), Community & social services (73 000) and Agriculture (38 000 each). The largest decrease in employment was recorded in Manufacturing (85 000) followed by Construction (25 000), Utilities (14 000) and Transport (13 000).

Table 1: Quarterly and Annual Total Employment

Industry	Oct-Dec 2020	Jul-Sep 2021	Oct-Dec 2021	Qtr.-to-qtr. change	Year-on-year change	Qtr.-to-qtr. change	Year-on-year change
	Thousand				Percentage (%)		
Total*	15 024	14 282	14 544	262	-479	1.8	-3.2
Agriculture	810	829	868	38	57	4.6	7.1
Mining	384	345	370	25	-14	7.3	-3.5
Manufacturing	1 491	1 402	1 316	-85	-174	-6.1	-11.7
Utilities	99	96	82	-14	-18	-14.7	-17.7
Constructing	1 166	1 157	1 133	-25	-33	-2.1	-2.8
Trade	3 063	2 778	2 896	118	-168	4.2	-5.5
Transport	943	964	951	-13	8	-1.4	0.8
Finance	2 312	2 386	2 404	18	93	0.8	4.0
Community and social services	3 551	3 191	3 264	73	-286	2.3	-8.1
Private households	1 197	1 130	1 258	129	62	11.4	5.2

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

Source: Stats SA, 2022

Table 2 shows the employment status in Agriculture per province. From Q3: 2021 to Q4: 2021, agricultural employment increased in six of the nine provinces. The largest employment increase was recorded in the Gauteng Province with 46.4%, followed by North West Province (35.4%), Northern Cape Province (20.8%) and KwaZulu-Natal Province (17.0%). Western Cape, Free State and Limpopo Provinces showed decreases of 9.8%, 8.4% and 6.5%, respectively.

Table 2: Employment by province in Agriculture

Employment by Agriculture per province	Oct-Dec 2020	Jul-Sep 2021	Oct-Dec 2021	Qtr.-to-qtr. change	Year-on-year change	Qtr.-to-qtr. change	Year-on-year change
	Thousand					Percentage (%)	
Total Agriculture	810	829	868	38	57	4.6	7.1
Western Cape	178	197	178	-19	0	-9.8	-0.1
Eastern Cape	101	107	108	1	8	1.1	7.7
Northern Cape	28	34	41	7	13	20.8	46.0
Free State	54	72	66	-6	13	-8.4	23.5
KwaZulu-Natal	141	113	132	19	-9	17.0	-6.3
North West	40	52	71	18	31	35.4	76.2
Gauteng	33	28	41	13	8	46.4	24.9
Mpumalanga	100	92	106	13	6	14.5	6.2
Limpopo	136	133	124	-9	-12	-6.5	-8.6

Source: Stats SA, 2022

2. Gender Composition of Agricultural Employment

Gender inequality affects access to and control over resources which in turn undermines a sustainable and inclusive development of the Agricultural sector. There is a strong link between food security and gender. According to the United Nation's Women Watch, women play key roles in maintaining all four pillars of food security: as food producers and agricultural entrepreneurs; "gatekeepers" who dedicate their own time, income and decision-making to maintain food and nutritional security of their households and communities; and "managers" of the stability of food supplies in times of economic hardship.

Figure 1 provides an overview of employment status on gender distribution within the agriculture sector. Data from Stats SA (2022) shows that men have been the main participants within the agriculture sector from Q1: 2010 to Q4: 2021. In the fourth quarter of 2021, the number of men and women actively involved in Agriculture was 635 000 and 232 000, respectively. The number of men increased by 44 000 (7.4%), while women involved in the sector decreased by 6 000 (-2.5%) in the fourth quarter, when compared to the previous quarter. This means gender equality in the agriculture in South Africa is still a challenge. An opportunity to emphasise policy discussion and implementation to address transformation issues in the sector is therefore critical. However, year-on-year, both women and men employed in agriculture showed increases of 7.5% and 46.6%, respectively.

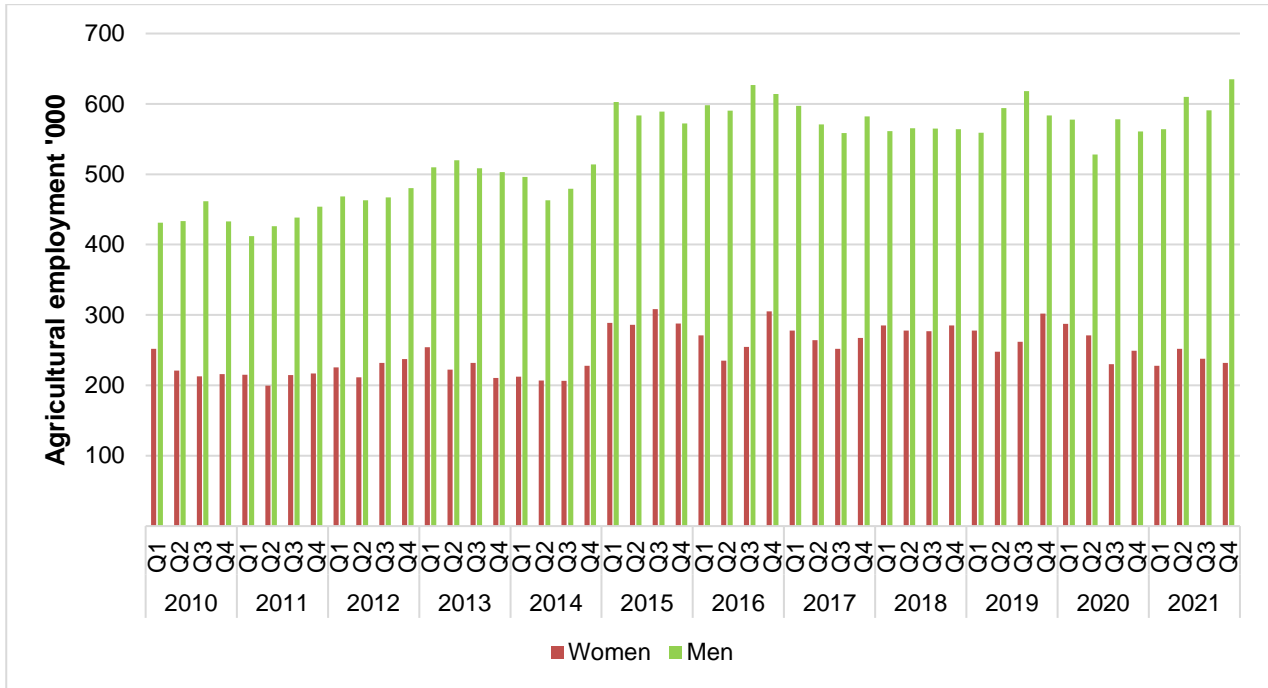


Figure 1: Gender distribution in Agriculture

Source: Stats SA, 2022

Figure 2 presents the long-term trends in Agricultural sectoral employment on a quarterly basis since 2010. **Figure 2** shows that overall employment has increased by 33.8%, from 649 000 to 868 000 jobs, between the fourth quarter of 2010 and the fourth quarter of 2021, respectively. It is also clear from the long-term trends illustrated that there is a fluctuation in employment in the agricultural sector in each quarter and this might be attributed to the adoption of production technologies and the seasonality of agricultural production.

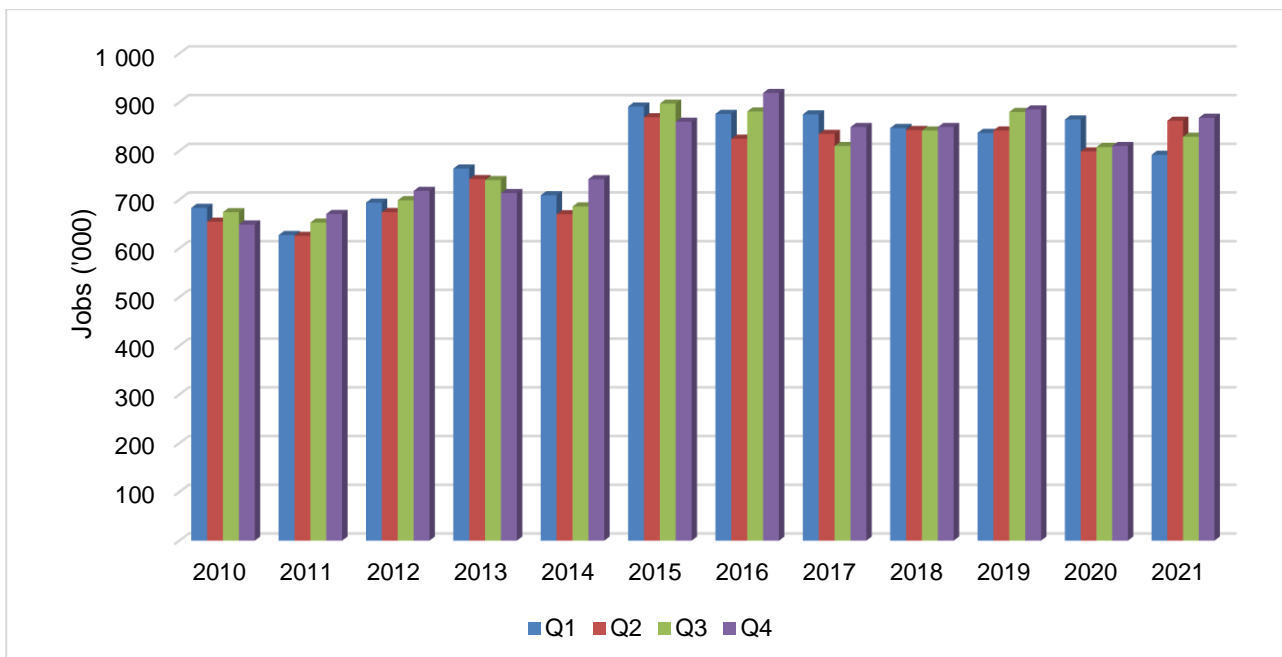


Figure 2: Agricultural employment trends

Source: Stats SA, 2022

Conclusion

The labour market in the fourth quarter of 2021 increased by 0.4 percentage points in the unemployment rate to 35.3% compared to the previous quarter. This leaves 7.9 million unemployed

persons in the country. In the agricultural sector, 38 000 jobs were gained during Q4: 2021 compared to the previous quarter and year on year there was 57 000 more employed. The high level of unemployment remains a major concern and may potentially have negative effects on economic welfare, production, erosion of human capital, social exclusion, crime and social instability and deepen poverty in the country.

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