



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 – May 2023

EXECUTIVE SUMMARY

The Quarterly Labour Force Survey (QLFS) published by Statistics South Africa on 16 May 2023 provides an overview of the observed changes in the key labour market indicators between the first quarter (January - March) of 2023 and the fourth quarter (October - December) of 2022. The number of employed persons increased by 258 000 to 16.2 million in the first quarter of 2023, while the number of unemployed persons increased by 179 000 to 7.9 million compared to the fourth quarter of 2022, resulting in an increase of 0.2% in the number of people in the labour force.

Stats SA (2022) observed that a large number of persons moved from the "not economically active" category to the "employed" and "unemployed" statuses between the fourth of 2022 and the first quarter of 2023, which resulted in an increase of 0.2 percentage point in the unemployment rate to 32.9%.



Comparing the first quarter of 2023 to the first quarter of 2022, there was an increase in the overall number of employed individuals across six of the ten industries. Employment in the agricultural sector increased by 43 000 (3.2%) y/y, reaching 888 000 people.

Employment in the agricultural sector had increased by 27 000 (3.2%) during the first quarter of 2023, reaching 888 000. By province the largest employment increase in percentage terms was recorded in Limpopo (15.2%), followed by the Western Cape (12.6%), KwaZulu-Natal (10.4%), North West (1.8%) and a marginal increase of 0.7% in the Eastern Cape. Northern Cape, Mpumalanga, Free State and Gauteng provinces recorded decreases of 21.6%, 12.2%, 9.2% and 3.9%, respectively. By gender, the number of women employed in the agricultural sector increased by 19 000 (6.9%), while men increased by 8 000 (1.4%) when compared to the previous quarter.

Introduction

The Macroeconomic Digest Labour Report of the first quarter of 2023 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 16 May 2023.

1. Employment by Industry

The Quarterly Labour Force Survey (QLFS) published by Stats SA provides an overview of the observed changes in the key labour market indicators between the first quarter (January - March) of 2023 and the fourth quarter (October - December) of 2022. The number of employed persons increased by 258 000 to 16.2 million in the first quarter of 2023, while the number of unemployed persons increased by 179 000 to 7.9 million compared to the fourth quarter of 2022, resulting in an

increase of 0.2% in the number of people in the labour force. Stats SA (2022) observed that a large number of persons moved from the "not economically active" category to the "employed" and "unemployed" statuses between the fourth quarter of 2022 and the first quarter of 2023, which resulted in an increase of 0.2 percentage point in the unemployment rate to 32.9%.

Table 1 shows employment by industry between the fourth quarter of 2022 and the first quarter of 2023. Five out of the ten industries had an increase in the number of employed persons. The largest increase in employment was recorded in Finance (184 000), followed by Community and social services (175 000), Agriculture (27 000), Utilities (11 000) and Transport (10 000). Employment in the following industries- Private households, Trade, Mining, Construction, and Manufacturing decreased by 85 000, 28 000, 11 000, 24 000 and 2 000, respectively. The increase in the agricultural sector employment could be attributed to seasonal employment in the pome fruit (apples and pears) industry which started in January of 2023. The lemon and soft citrus industries also started with a new season.

Table 1: Quarterly employment, quarter-to-quarter and year-on-year changes

Industry	Jan-Mar 2022	Oct-Dec 2022	Jan-Mar 2023	Qtr.-to-qtr. change	Year-on-year change	Qtr.-to-qtr. change	Year-on-year change
	Thousand					Percentage (%)	
Total*	14 914	15 934	16 192	258	1 278	1.6	8.6
Agriculture	844	860	888	27	43	3.2	5.1
Mining	406	436	413	-24	7	-5.4	1.6
Manufacturing	1 579	1 656	1 654	-2	75	-0.1	4.7
Utilities	103	124	135	11	32	8.7	31.0
Construction	1 073	1 212	1 201	-11	128	-0.9	11.9
Trade	2 994	3 297	3 269	-28	275	-0.8	9.2
Transport	960	982	992	10	32	1.0	3.3
Finance	2 332	2 484	2 667	184	335	7.4	14.4
Community and social services	3 546	3 727	3 902	175	357	4.7	10.1
Private households	1 072	1 142	1 056	-85	-16	-7.5	-1.5

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

Source: Stats SA, 2023

Table 2 shows the employment trends in Agriculture per province. Five provinces recorded an increase in employment in the agricultural sector while four recorded decreases between the fourth quarter of 2022 and the first quarter of 2023. By province the largest increase in employment in percentage terms was recorded in Limpopo (15.2%), followed by the Western Cape (12.6%), KwaZulu-Natal (10.4%), North West (1.8%) and a marginal increase of 0.7% in the Eastern Cape.

Northern Cape, Mpumalanga, Free State and Gauteng provinces, recorded decreases of 21.6%, 12.2%, 9.2% and 3.9%, respectively. Difficulties such as the safety regulations related to cold treatment in the EU faced by the citrus industry, one of the largest industries within the fruit subsector present a serious threat to this year's overall employment. This will possibly be visible in the 2nd quarter's data and later in the overall sectors' employment. The ongoing electricity cuts presents a persisting threat in the overall horticultural industry as most of its products are produced under irrigation.

Year-on-year (y-o-y), agricultural employment increased by 43 000 people employed, translating to a 5.1% increase.

Table 2: Agricultural employment by province

Employment by Agriculture per province	Jan-Mar 2022	Oct-Dec 2022	Jan-Mar 2023	Qtr.-to-qtr. change	Year-on-year change	Qtr.-to-qtr. change	Year-on-year change
	Thousand				Percentage (%)		
Total Agriculture	844	860	888	27	43	3.2	5.1
Western Cape	203	223	251	28	47	12.6	23.3
Eastern Cape	93	89	90	1	-3	0.7	-3.4
Northern Cape	49	52	41	-11	-8	-21.6	-17.2
Free State	84	90	82	-8	-3	-9.2	-3.1
KwaZulu-Natal	85	130	143	14	58	10.4	68.3
North West	51	44	45	1	-6	1.8	-12.0
Gauteng	28	33	32	-1	4	-3.9	12.5
Mpumalanga	95	92	81	-11	-15	-12.2	-15.3
Limpopo	155	107	124	16	-31	15.2	-20.0

Source: Stats SA, 2023

2. Gender Composition of Employment in the Agricultural Sector

By affecting access to and control over resources, gender inequality prevents the agricultural sector from growing in a way that is both sustainable and inclusive. According to the United Nations Women's Watch, women play crucial roles in upholding all four pillars of food security as food producers and agricultural entrepreneurs who invest their own time, money, and decision-making to maintain the food and nutritional security of their households and communities.

Figure 1 provides an overview of the employment situation and gender distribution in the agricultural sector. Data from Stats SA (2022) shows that men have been the main participants in the agriculture sector from the first quarter of 2011 to the first quarter of 2023. In the first quarter of 2023, the number of men and women actively involved in agriculture was 586 000 and 301 000, respectively. The trend observed in the first quarter has continued from the previous quarters as observed in **Figure 1**. During the first quarter of 2023, the number of women increased by 19 000 (6.7%), while men increased by 8 000 (1.4%) when compared to the previous quarter.

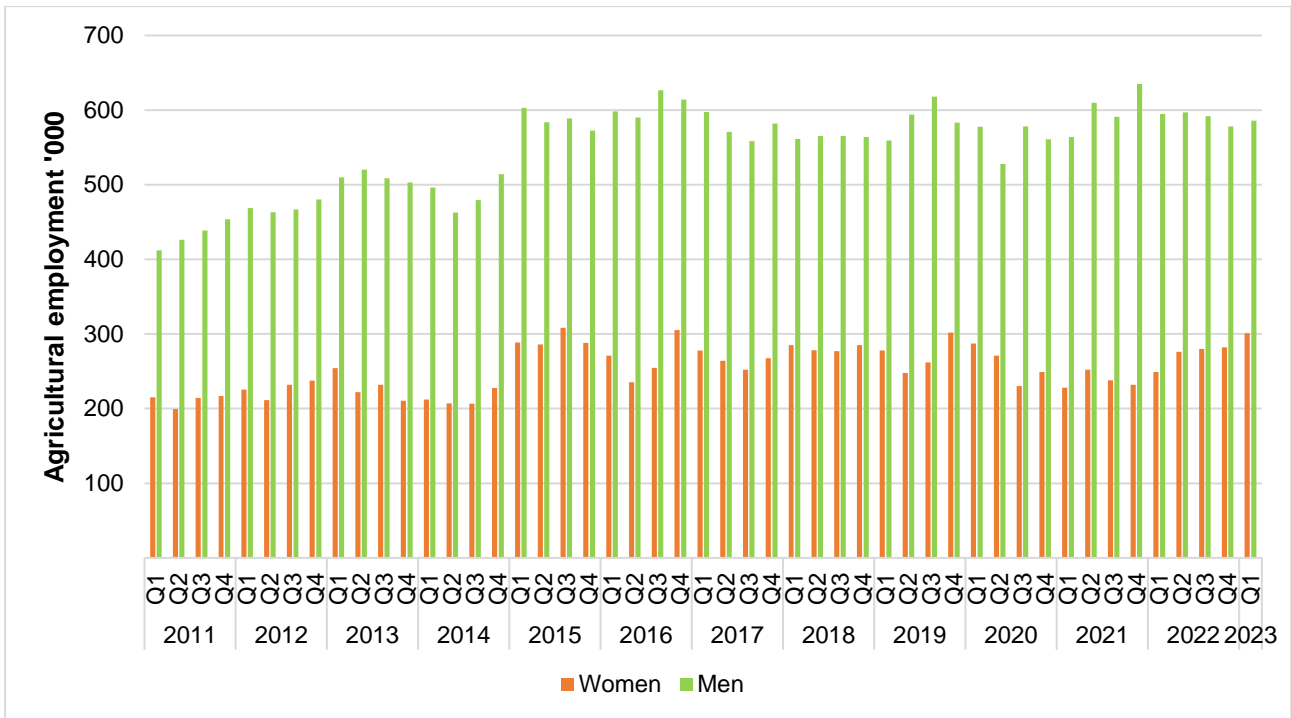


Figure 1: Gender distribution in agriculture

Figure 2 presents the long-term trends of employment in the agricultural sector on a quarterly basis since 2011. Long-term trends show a large increase in agricultural employment, however, there are periods where agricultural employment declines as observed in **Figure 2**. These periodical decreases can be attributed to seasonal employment as farmers tend to employ more workers on certain periods of a particular marketing season. Overall, employment increased by 41.6%, from 627 000 jobs in the first quarter of 2011 to 888 000 in the first quarter of 2023.

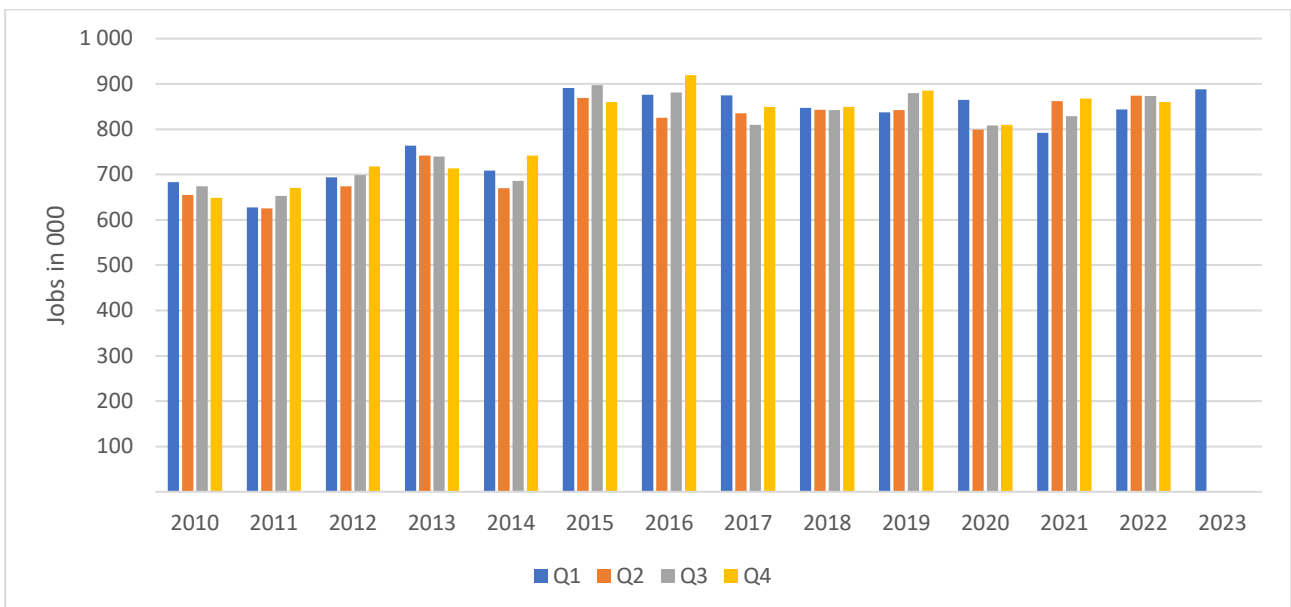


Figure 2: Employment trends in the agricultural sector

Source: Stats SA, 2023

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