



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 – August 2023

EXECUTIVE SUMMARY

The Quarterly Labour Force Survey (QLFS) published by Statistics South Africa on 15 August 2023 provides an overview of the observed changes in the key labour market indicators between the second quarter (April - June) of 2023 and the first quarter (January - March) of 2023. The number of employed persons increased by 154 000 to 16.3 million in the second quarter of 2023, while the number of unemployed persons decreased by 11 000 to 7.9 million compared to the first quarter of 2023, resulting in an increase of 0.6% in the number of people in the labour force.

Stats SA (2023) observed that a number of persons moved from the "not economically active" and "unemployed" statuses to the "employed" category between the second quarter of 2023 and the first quarter of 2023, which resulted in a decrease of 0.3 percentage point in the unemployment rate to 32.6%.



Comparing the second quarter of 2023 to the first quarter of 2023, there was an increase in the overall number of employed individuals across six of the ten industries. Employment in the agricultural sector increased by 7 000 (0.8%) quarter-on-quarter (q/q) basis, reaching 894 000 people.

By province the largest increase in agricultural employment in percentage terms was recorded in Eastern Cape Province (34.4%), followed by the Mpumalanga (24.9%), Limpopo (20.4%) and KwaZulu-Natal (3.3%) provinces. Western Cape, North West, Free State, Gauteng and Northern Cape provinces recorded decreases of 20.1%, 14.6%, 12.9%, 11.2% and 7.2%, respectively. By gender, the number of women employed in the agricultural sector decreased by 22 000 (7.3%), while the number of men increased by 29 000 (4.9%) when compared to the previous quarter

Introduction

The Macroeconomic Digest Labour Report of the second 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 11 August 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 second quarter (April - June) of 2023 and the first quarter (January - March) of 2023. The number of employed persons increased by 154 000 to 16.3 million in the second quarter of 2023, while the number of unemployed persons decreased by 11 000 to 7.9 million compared to the first quarter of 2023, resulting in an increase of 0.6% in the number of people in the labour force. Stats SA (2023) observed that a number of persons moved from the "not economically active" and "unemployed" statuses to the "employed" category between the second quarter of 2023 and the first quarter of 2023, which resulted in a decrease of 0.3 percentage point in the unemployment rate to 32.6%.

Table 1 shows employment by industry between the second quarter of 2023 and the first quarter of 2023. Six out of the ten industries had an increase in the number of employed persons. The largest increase in employment was recorded in Construction (104 000), followed by Trade (92 000), Community and social services (63 000), Private households (37 000), Mining (31 000) and Agriculture (7 000). Employment in the following industries - Manufacturing, Finance, Transport and Utilities, decreased by 96 000, 68 000, 7 000 and 6 000, respectively. The increase in the agricultural sector employment could be attributed to seasonal employment in the citrus industry with a new harvesting season.

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

Industry	Apr-Jun 2022	Jan-Mar 2023	Apr-Jun 2023	Qtr.-to-qtr. change	Year-on-year change	Qtr.-to-qtr. change	Year-on-year change
	Thousand					Percentage (%)	
Total*	15 562	16 192	16 346	154	784	1.0	5.0
Agriculture	874	888	894	7	21	0.8	2.4
Mining	407	413	444	31	36	7.5	8.9
Manufacturing	1 507	1 654	1 558	-96	51	-5.8	3.4
Utilities	104	135	129	-6	25	-4.3	24.4
Construction	1 177	1 201	1 304	104	128	8.6	10.8
Trade	3 163	3 269	3 361	92	198	2.8	6.3
Transport	906	992	986	-7	80	-0.7	8.8
Finance	2 460	2 667	2 599	-68	139	-2.6	5.7
Community and social services	3 821	3 902	3 965	63	144	1.6	3.8
Private households	1 124	1 056	1 093	37	-30	3.5	-2.7

*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 a decrease in employment in the agricultural sector while four recorded increases between the second quarter of 2023 and the first quarter of 2023. By province the largest increase in agricultural employment in percentage terms was recorded in Eastern Cape Province (34.4%), followed by the Mpumalanga (24.9%), Limpopo (20.4%) and KwaZulu-Natal (3.3%) provinces. The harvesting of various fruits and vegetables which utilize manual labour might have contributed to the quarterly increases in agricultural employment.

Western Cape, North West, Free State, Gauteng and Northern Cape provinces recorded decreases of 20.1%, 14.6%, 12.9%, 11.2% and 7.2%, respectively. Difficulties such as the safety regulations related to cold treatment in the European Union (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. The ongoing electricity cuts presents a persisting threat to the overall horticultural industry as most of its products are produced under irrigation.

Year-on-year (y-o-y), agricultural employment increased by 21 000 people employed, translating to a 2.4% increase.

Table 2: Agricultural employment by province

Employment by Agriculture per province	Apr-Jun 2022	Jan-Mar 2023	Apr-Jun 2023	Qtr.-to-qtr. change	Year-on-year change	Qtr.-to-qtr. change	Year-on-year change
	Thousand					Percentage (%)	
Total Agriculture	874	888	894	7	21	0.8	2.4
Western Cape	187	251	200	-50	13	-20.1	7.0
Eastern Cape	110	90	121	31	10	34.4	9.5
Northern Cape	35	41	38	-3	3	-7.2	8.4
Free State	86	82	71	-11	-15	-12.9	-17.2
KwaZulu-Natal	91	143	148	5	57	3.3	62.1
North West	54	45	39	-7	-15	-14.6	-28.4
Gauteng	36	32	28	-4	-8	-11.2	-21.6
Mpumalanga	104	81	101	20	-3	24.9	-3.0
Limpopo	170	124	149	25	-22	20.4	-12.7

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 (2023) shows that men have been the main participants in the agriculture sector from the second quarter of 2011 to the second quarter of 2023. In the second quarter of 2023, the number of men and women actively involved in agriculture was 615 000 and 279 000, respectively. During the second quarter of 2023, the number of women decreased by 22 000 (7.3%), while the number of men increased by 29 000 (4.9%) when compared to the previous quarter.

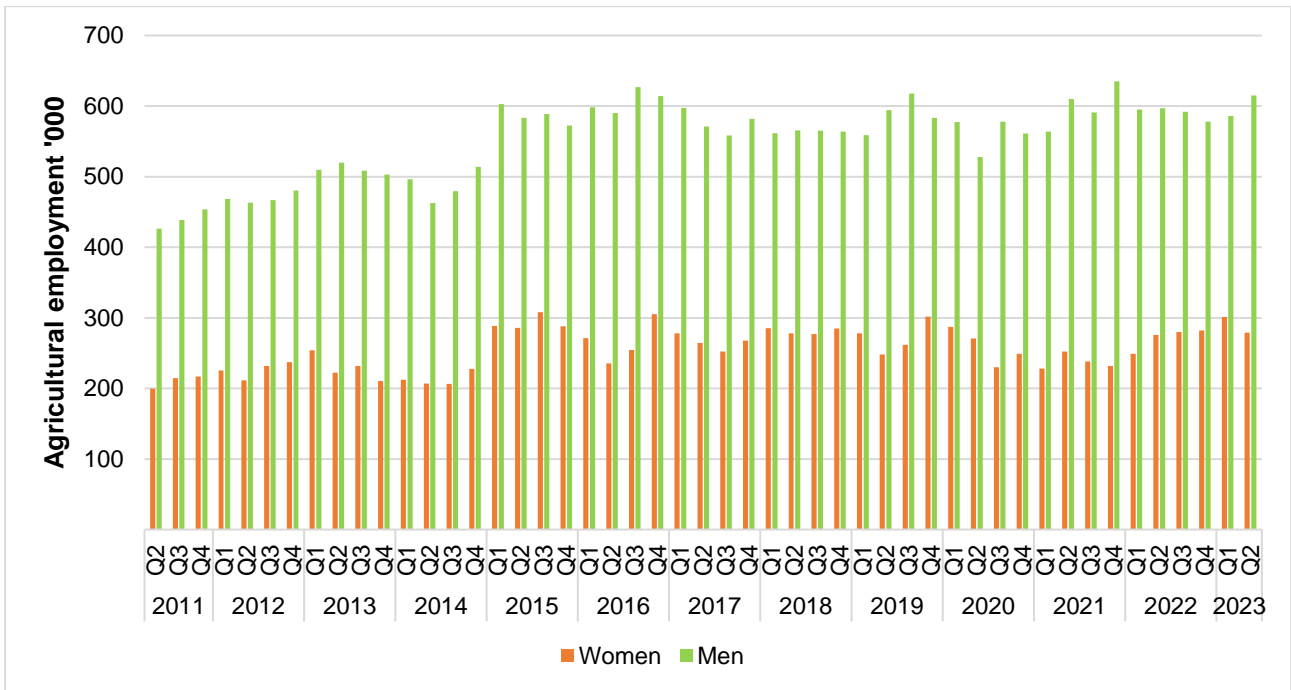


Figure 1: Gender distribution in agriculture

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 42.9%, from 626 000 jobs in the second quarter of 2011 to 894 000 in the second quarter of 2023.

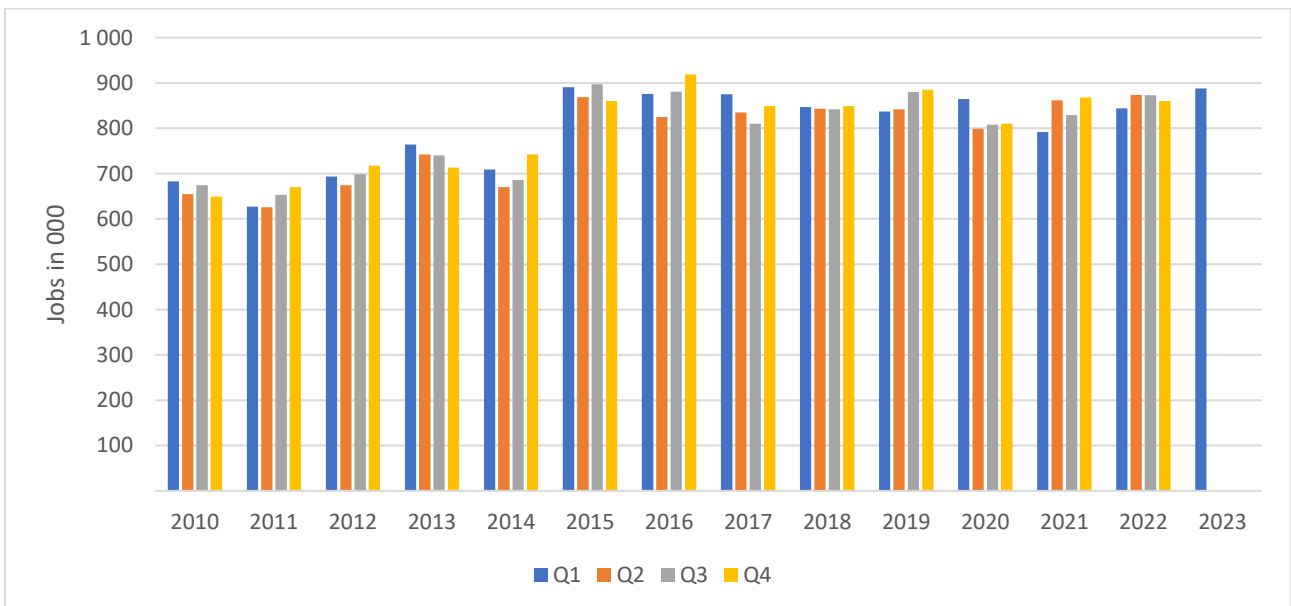


Figure 2: Employment trends in the agricultural sector

Source: Stats SA, 2023

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