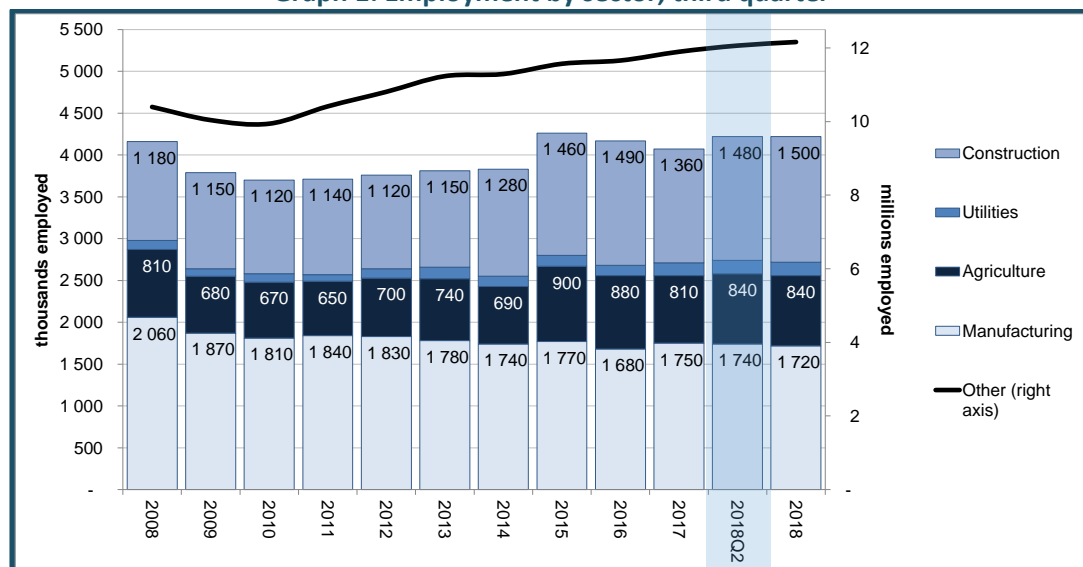


Employment

Total employment reportedly increased by 190 000 or 1.3% from the third quarter of 2017 to the third quarter of 2018, despite the erratic growth in the GDP. Still, manufacturing lost over 20 000 jobs in the year, continuing a trend of stagnant employment since the 2008/9 global financial crisis. In contrast, construction reportedly gained 140 000 jobs over the year, despite the continued decline in its output. Most other new jobs emerged in business and social services.

As Graph 7 shows, construction dominated employment growth in the year to the third quarter 2018. Virtually all the reported jobs growth in the industry were in the formal sector, with over half in Gauteng alone. A significant disconnect has emerged between employment and GDP trends for construction. In contrast, manufacturing reported continued job losses despite the growth in output for the quarter. It has reportedly lost 150 000 positions since the third quarter of 2009, following very large job losses in the global financial crisis of 2008/9. The rest of the economy generally saw net employment gains, with particularly substantial growth in business services (mostly cleaning and security workers) as well as social, personal and community services, principally in the public sector.

Graph 1: Employment by sector, third quarter

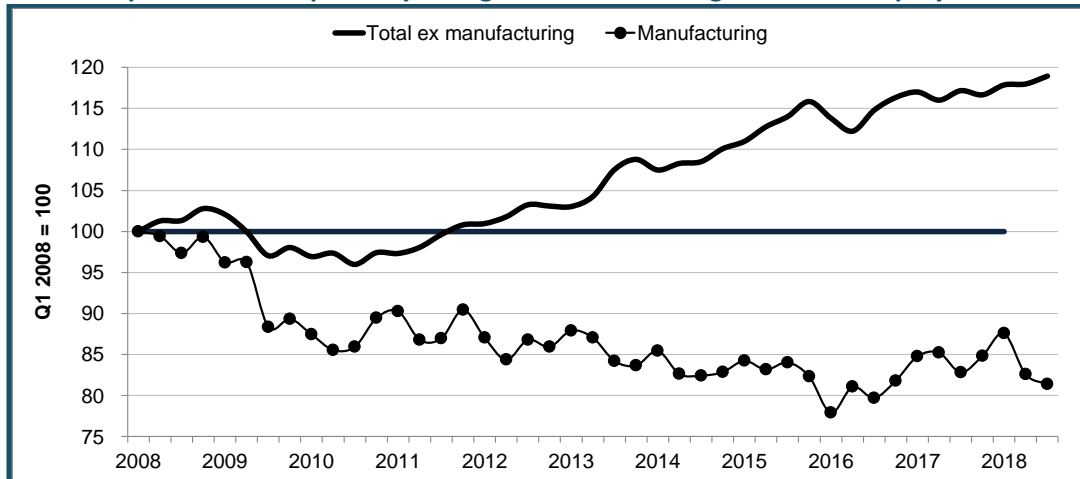


Source: StatsSA. QLFS trends 2008 - 2018Q3. Downloaded from www.statssa.gov.za in October 2018.

Graph 8 provides an index of the change in net employment in manufacturing compared to the rest of the economy.

The loss of jobs in the past two quarters reverses an increase in employment from the first quarter of 2016 to the first quarter of 2018. The decline in the past quarter emerged despite the reported strong growth in manufacturing production.

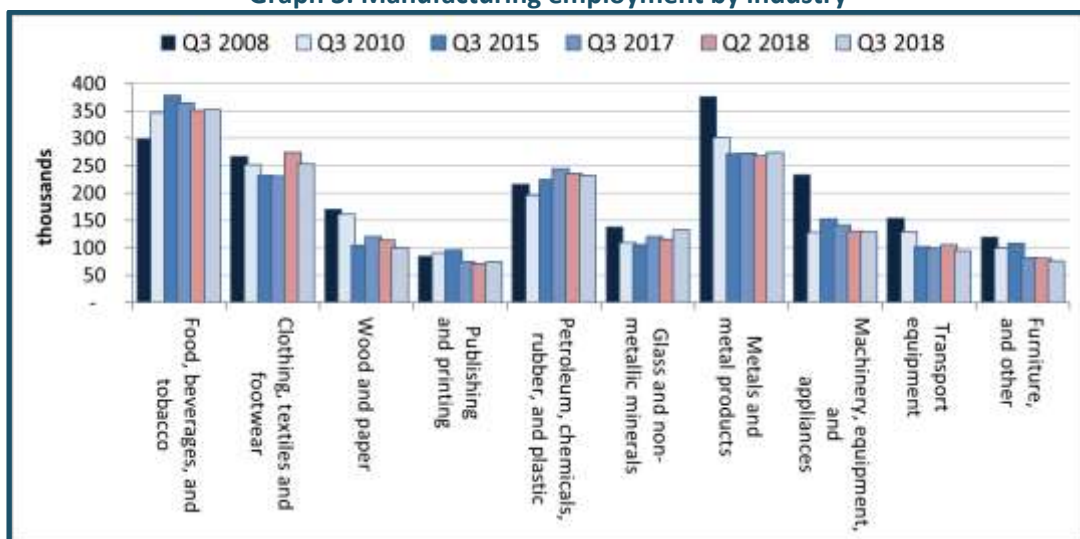
Graph 2: Index of quarterly change in manufacturing and other employment



Source: StatsSA. QLFS trends 2008 - 2018Q2. Downloaded from www.statssa.gov.za in October 2018.

Within manufacturing, most industries saw some job losses over the year to the third quarter 2018, with the notable exception of clothing and textiles, and to a lesser extent glass and non-metallic minerals (mostly building materials). The largest job losses were in wood paper, food, chemicals and machinery and appliances. In contrast, clothing and textiles reported gains of 23 000 (or 10%) over the year, despite the decline between the second and third quarters (Graph 9).

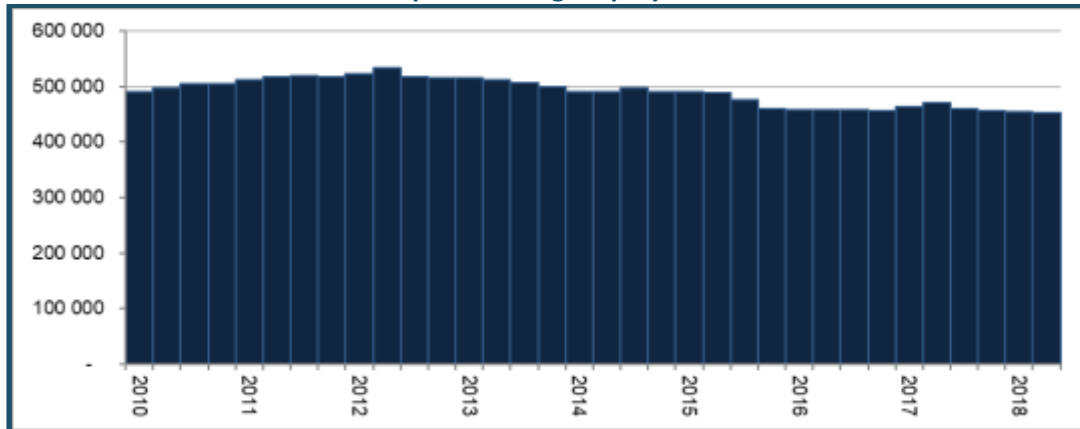
Graph 3: Manufacturing employment by industry



Source: StatsSA. QLFS trends. Electronic database. Downloaded from www.statssa.gov.za in October 2018.

Data for mining are only available through the second quarter of 2018. Employment in the sector has declined since the third quarter of 2012, except for some improvements in the first half of 2017. Mining lost almost 20 000 jobs in the year to the second quarter of 2018, as shown in Graph 10.

Graph 4: Mining employment



Source StatsSA. Quarterly Employment Statistics. October 2018.