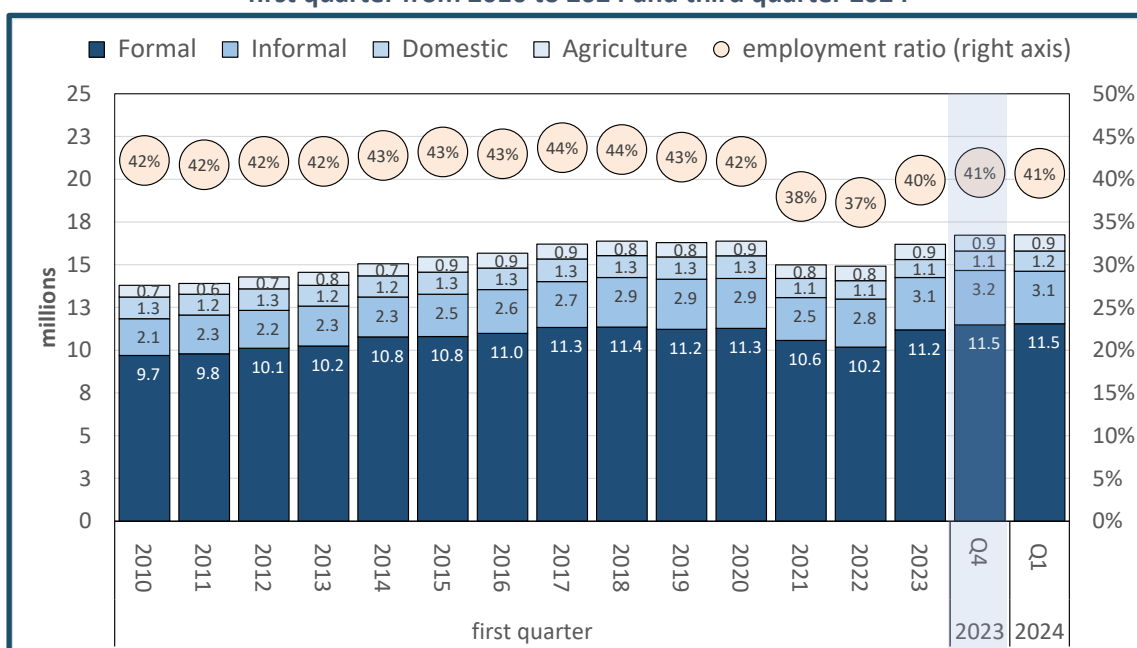


Employment

In the year to the first quarter 2024, although the GDP grew only 0.7%, employment reportedly expanded by over half a million. The formal sector accounted for two thirds of the new jobs. Domestic work saw a sharp recovery, but remained below pre-pandemic levels. Changes in employment within manufacturing did not align with industry sales figures, with an unusually sharp decline reported in auto and extraordinary growth in clothing and textiles.

In the year to the first quarter of 2024, the Quarterly Labour Force Survey (QLFS) found that total employment increased by 550 000 jobs, or 3.4%, to reach a total of 16.7 million (Graph 9). The QLFS is not seasonally adjusted, and quarter on quarter changes are largely seasonal. The formal sector generated most of the net new jobs growth over the year to March 2024. It added 360 000 positions, expanding by 3.2%. Domestic work reportedly gained 120 000 jobs, or over 10%, although it remained below pre-pandemic levels. Agriculture added 50 000 jobs, for growth of 6.1%, while the informal sector was essentially unchanged. Employment in the first quarter of 2024 was 360 000 higher than in the first quarter of 2020, just before the pandemic downturn hit.

Graph 9. First quarter employment by type of employer, and the employment ratio (a), first quarter from 2010 to 2024 and third quarter 2024



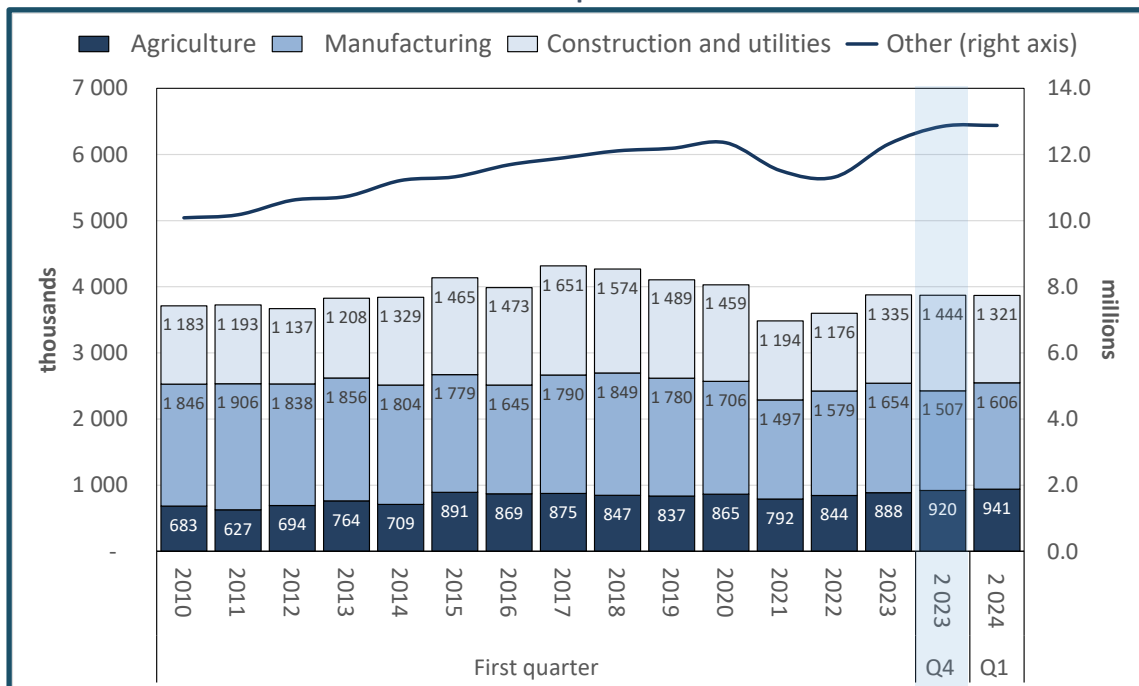
Note: (a) The employment ratio equals employed as percentage of total working aged population.

Source: Calculated from Statistics South Africa. QLFS Trends 2008-2024Q1. Excel spreadsheet

The share of adults with employment climbed 1% over the year to March 2024, reaching 41%. Still, the ratio remained well below pre-pandemic levels because the jobs recovery lagged population growth. In the rest of the world, around 60% of the adult population is employed.

Manufacturing lost 50 000 jobs in the year to March 2024, according to the QLFS, while construction also shrank slightly. Together, these sectors employed around half a million fewer people than in the mid-2010s, according to the survey, and 150 000 fewer than before the pandemic. In contrast, the rest of the economy, made up mostly of private and personal services, retail, logistics and social services, gained 550 000 jobs, or 4.6%, in the year to March 2024.

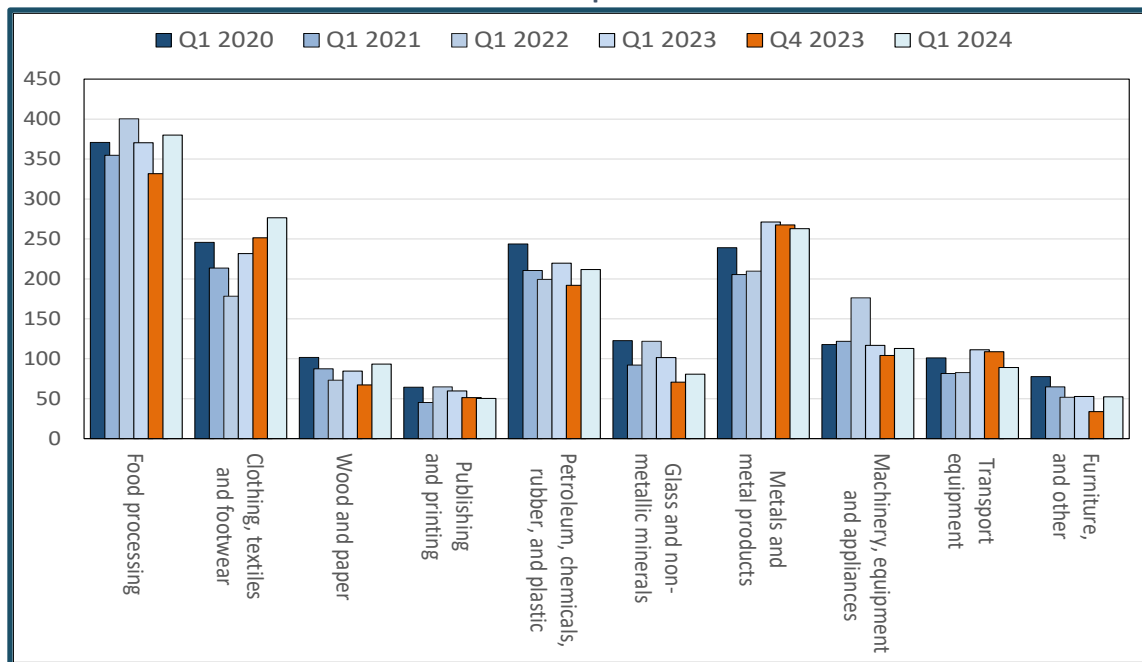
Graph 10. Employment in agriculture, manufacturing and utilities and construction, in thousands, and in the rest of the economy in millions, first quarter 2008 to 2024 and fourth quarter 2023



Source: Calculated from Statistics South Africa. QLFS Trends 2008-2023Q1. Excel spreadsheet.

By industry, job losses in manufacturing reportedly occurred principally in auto and glass and other non-metallic minerals (Graph 11). According to the QLFS, transport equipment, which includes components producers and major assembly plants, shed over 20 000 jobs in the year to March 2024, for a fall of 20%. Employment in glass and non-metallic minerals declined by a similar amount. While auto did see a fall in sales, as noted above, the employment data derive from a household survey and may be overstated. Similarly, a reported jump of 45 000 jobs in clothing, textiles and footwear over the year seems unlikely. It would mean employment climbed 20% in the industry although its sales dropped 5% in value and over 2% in volume. Food and the wood/paper value chain also reported expanded employment. In contrast, the other manufacturing industries all lost some jobs in the year to March 2024.

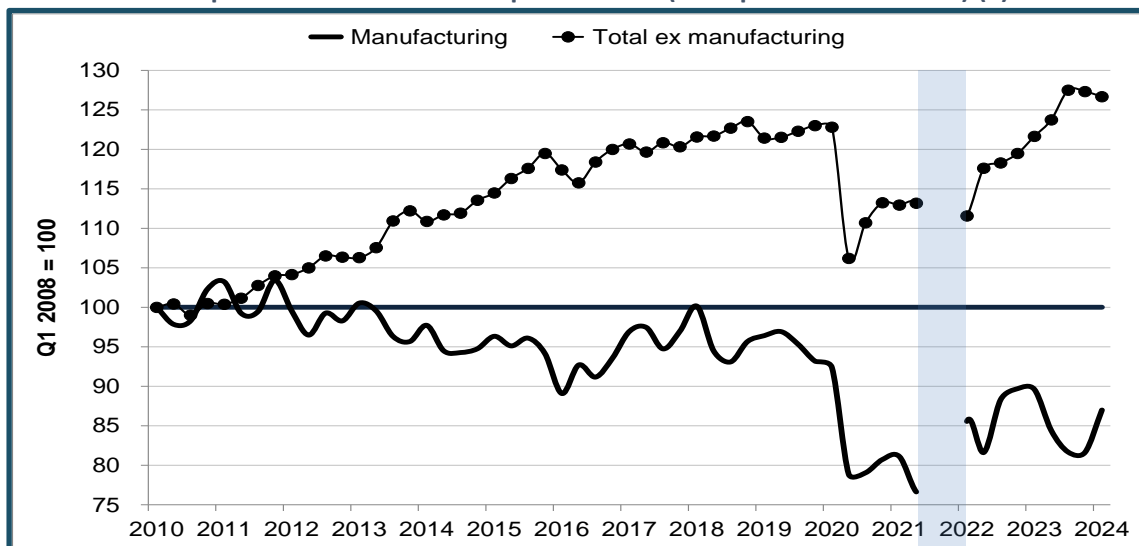
Graph 11. Employment in manufacturing industries, first quarter 2019 to 2022 and fourth quarter 2023



Source: Calculated from Statistics South Africa. Quarterly Labour Force Survey for relevant quarters. Electronic databases.

Despite job gains in some years, the QLFS reports that manufacturing employment has dropped significantly since 2010, and recovered only partially from the pandemic downturn. In contrast, employment in the rest of the economy is now substantially above its pre-pandemic level, although it shrank over the six months to March 2024. (Graph 12)

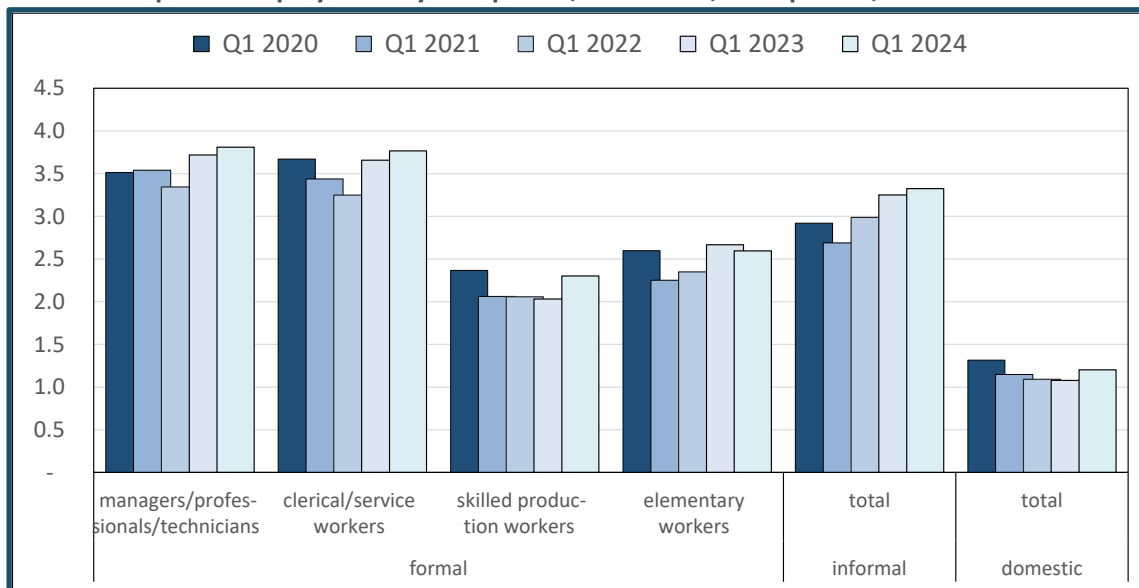
Graph 12. Index of employment in manufacturing and the rest of the economy, first quarter 2010 to the first quarter 2023 (first quarter 2010 = 100) (a)



Note: (a) Response rates for the QLFS were extremely low in the second half of 2021, and the figures for that period are therefore highly unreliable and excluded from the graph. Source: Calculated from Statistics South Africa. QLFS for relevant quarters. Electronic databases.

By occupation, the year to March 2024 saw substantial gains for domestic and skilled production workers, for the first time since before the pandemic (Graph 13). Formal skilled and semi-skilled production workers reportedly added 270 000 jobs, for growth of over 25%. In contrast, formal elementary workers saw modest job losses. Managerial, professional, clerical and informal jobs climbed relatively slowly, at under 2.5% for the year. That said, in March 2024, formal managers and professionals held almost 300 000 jobs more than in March 2020, just before the lockdown, and had enjoyed almost half of all jobs growth over the recovery period. The informal sector had 400 000 more workers than before the pandemic, and clerical and service workers had gained nearly 100 000. In contrast, formal elementary employment only returned to pre-pandemic levels in March 2024, while skilled production workers still had 3% fewer places than before the pandemic, and domestic workers almost 10% less.

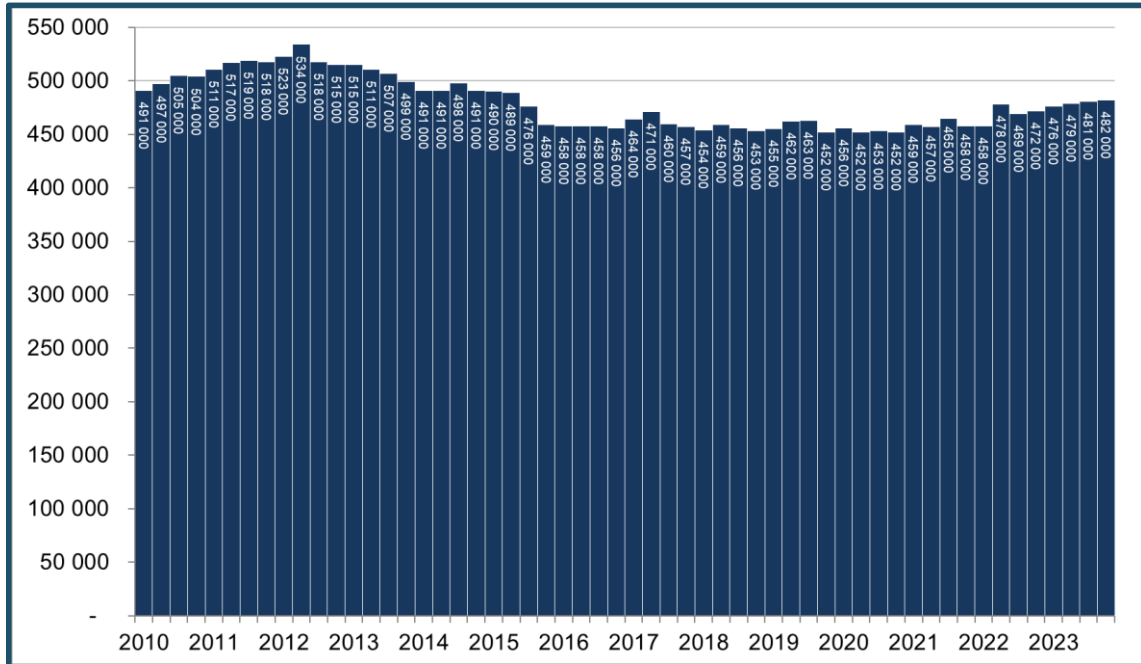
Graph 13. Employment by occupation, in millions, first quarter, 2020 to 2024



Source: Calculated from Statistics South Africa. QLFS for relevant quarters. Electronic databases.

For data on mining employment, Statistics South Africa recommends the survey of formal businesses, the Quarterly Employment Survey, rather than the QLFS, which samples households. The Quarterly Employment Survey is published a quarter behind the QLFS, however. Based on the data, mining had gained 10 000 more jobs in the last quarter of 2023 compared to a year earlier. The industry had expanded gradually from 2020, in large part due to soaring metals prices internationally. Still, it remained around 20% smaller than at the height of the commodity boom in the 2010s, largely thanks to the on-going decline in gold production. (Graph 14)

Graph 14. Mining employment, first quarter 2010 to first quarter 2023



Source: Statistics South Africa. Quarterly Employment Statistics. Detailed breakdown. First quarter 2022
Excel spreadsheet