

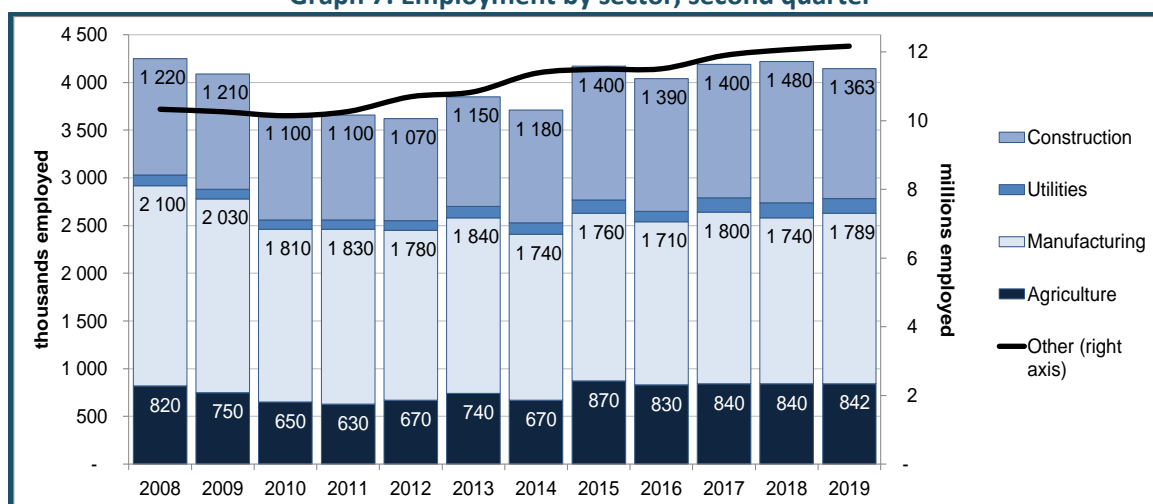
Employment

After a sharp fall in the first quarter, employment in the real economy was essentially stable in the year to the second quarter of 2019. It is now at the same level it was in 2015.

Employment data are not seasonally adjusted, which makes evaluation of quarterly changes difficult. In 2019, total employment increased by around 20 000, or 0.1%. That came close to the second-quarter norm over the previous eight years, which saw a slight decline in employment. It contrasted with the sharp fall reported for the first quarter, with the loss of 250 000 jobs or 1% of the total. That was far above the normal seasonal contraction of around 0.1%.

Because jobs data are not seasonally adjusted, it is more useful to compare figures for the same quarter of each year. As Graph 7 shows, employment in the real economy in the second quarter, excluding mining, was around 80 000 or 1.5% lower in the second quarter of 2019 than in the second quarter of 2018. Virtually all the job losses came from construction, which lost over 100 000 positions or 8% of the total in the year to second quarter 2019. Still, construction employment remains substantially higher than it was from 2010 to 2014. In contrast to construction, manufacturing saw an uptick compared to a year earlier, expanding by 50 000 jobs or almost 3%, while agriculture was stable. Employment in other sectors – services, logistics and retail – climbed slightly over the past year.

Graph 7. Employment by sector, second quarter

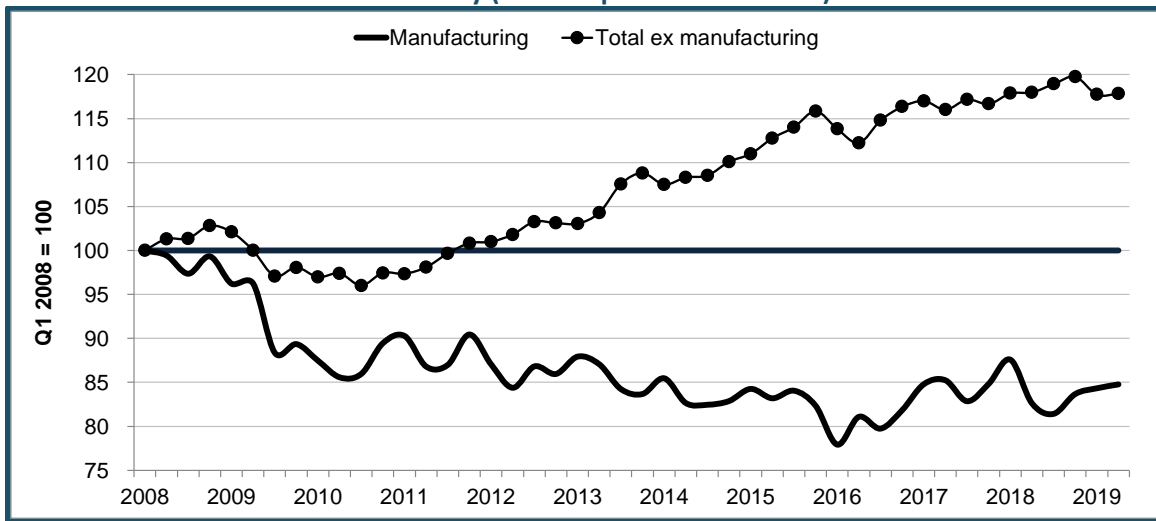


Source: StatsSA. QLFS –2008-2019 Q2. Electronic database. Downloaded from www.statssa.gov.za.

The increase in manufacturing jobs reflected the tendency to fluctuate between 1.7 million and 1.8 million since 2010, with no real growth over the period.

As Graph 8 shows, manufacturing employment remains below its levels in 2008, on the eve of the global financial crisis. In contrast, employment in the rest of the economy is more than 15% higher than it was in 2008.

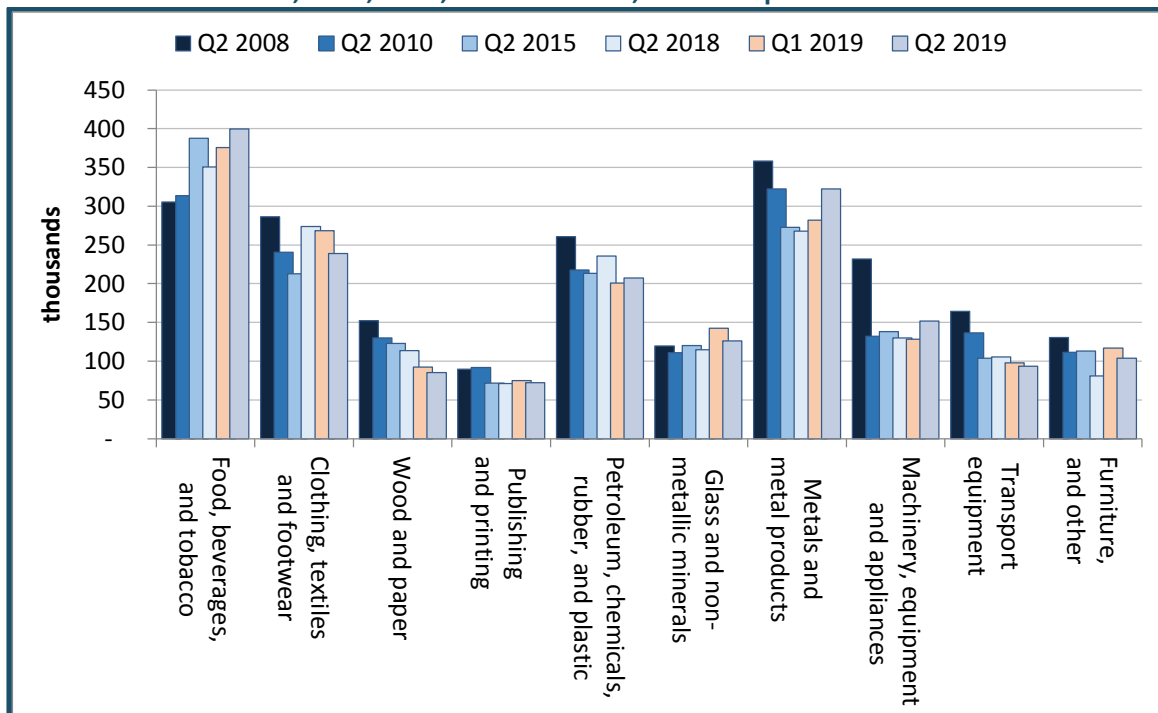
Graph 8. Indices of employment in manufacturing and the rest of the economy (second quarter 2008 = 100)



Source: StatsSA. QLFS –2008-2019 Q1. Electronic database. Downloaded from www.statssa.gov.za.

Within manufacturing, the largest job gains in the year to the second quarter 2019 were in the metals value chain – refineries, metal products and machinery. Food processing also continued its expansion, which has been fairly consistent for most of the past decade. In contrast, clothing, wood and paper, and chemicals saw significant job losses over the year.

Graph 9. Employment by manufacturing industry, second quarter of 2008, 2010, 2015, 2018 and 2019, and first quarter of 2019

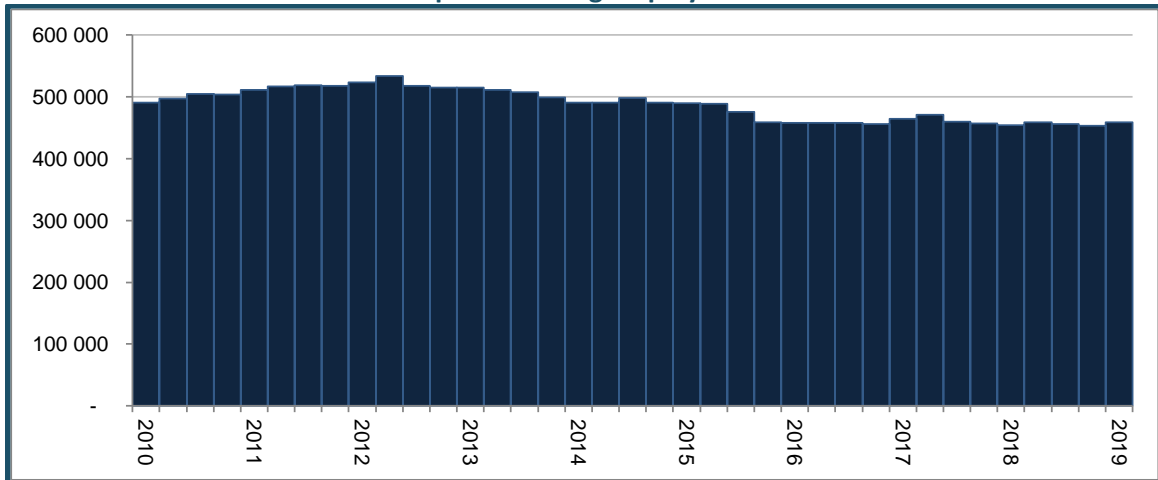


Source: StatsSA. QLFS –2008-2019 Q1. Electronic database. Downloaded from www.statssa.gov.za.

For mining employment, figures from the Statistics South Africa employer survey, the Quarterly Employment Statistics, are considered more reliable than those from the Quarterly Labour Force Survey. They are, however, available only through the first quarter of 2019. The sector was flat

compared to the first quarter of 2018. Since 2011, when the commodity boom ended, some 70 000 miners – around one in seven – have lost their jobs.

Graph 10. Mining Employment



Source: StatsSA. Quarterly Employment Statistics. December 2018.