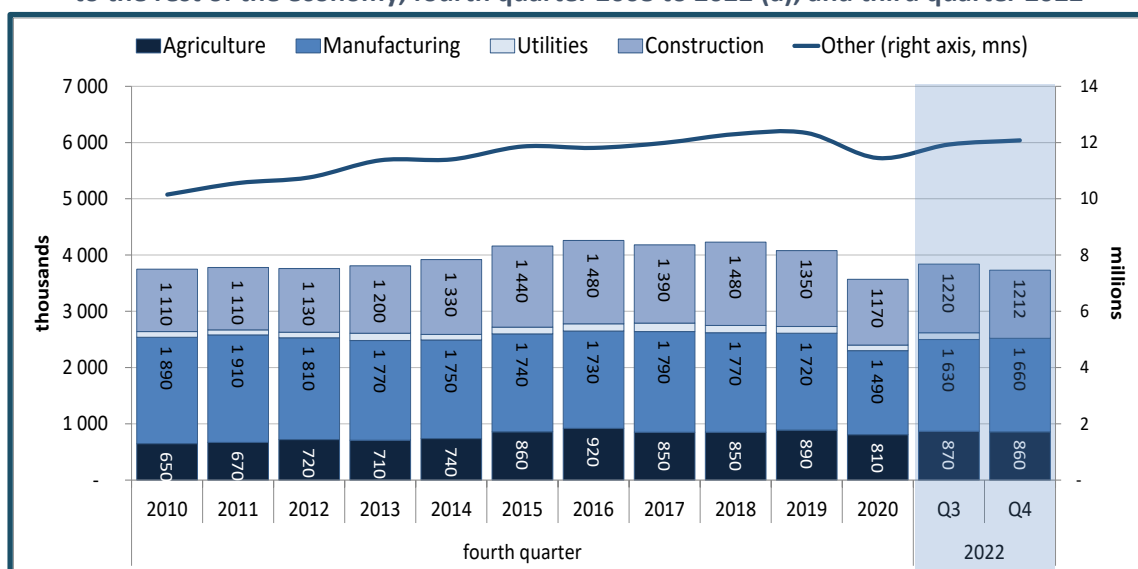


Employment

Despite the decline in the GDP, total employment climbed by almost 160 000 in the fourth quarter of 2022, for a net gain of 900 000 compared to the same quarter in 2020. Still, the economy remained 500 000 jobs short of its pre-pandemic total. Most of the job losses affected clerical and skilled production workers, while highly qualified people gained over 2019. Manufacturing saw a second quarter of modest growth, although not enough to catch up with its pre-pandemic levels.

Graph 10. Employment in agriculture, manufacturing, utilities and construction compared to the rest of the economy, fourth quarter 2008 to 2022 (a), and third quarter 2022



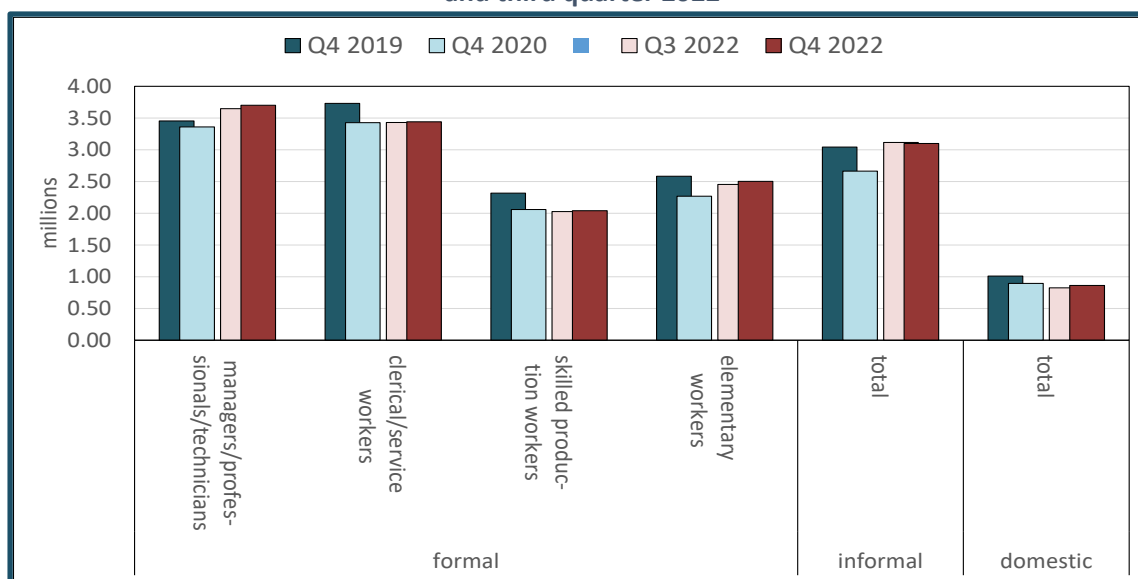
Source: Calculated from Statistics South Africa. QLFS Trends 2008-2022Q4. Excel spreadsheet.

Employment in agriculture, manufacturing, construction and utilities, taken together, climbed compared to the fourth quarter 2020, although not as fast as the rest of the economy. (Graph 10) Manufacturing alone saw net gains of 170 000 jobs over the past two years. A comparison to 2021 is not possible because the labour force surveys had an extremely low response rate in the second half of the year, making them unreliable.

The job losses during the pandemic have a highly uneven impact by class. More professionals and managers are now employed than in 2019. In contrast, clerical, skilled production and to a lesser extent elementary and domestic workers continue to face lower employment levels. This trend deepens South Africa's already sharp economic inequalities. (Graph 11)

The slow recovery in lower-level formal employment encouraged a sharp increase in informal activities, which now exceeds pre-pandemic levels. In addition, the jobs recovery since 2020 has been associated with a jump in qualification levels. It appears that when employers laid off workers during the pandemic downturn, they often replaced them with more qualified people, even in the informal sector. (See the Briefing Note on [Small business and the REB](#) and the forthcoming REB Edition on the State of Small Business for more detail.)

Graph 11. Employment by occupation, fourth quarter 2019, 2020 and 2022 (a) and third quarter 2022

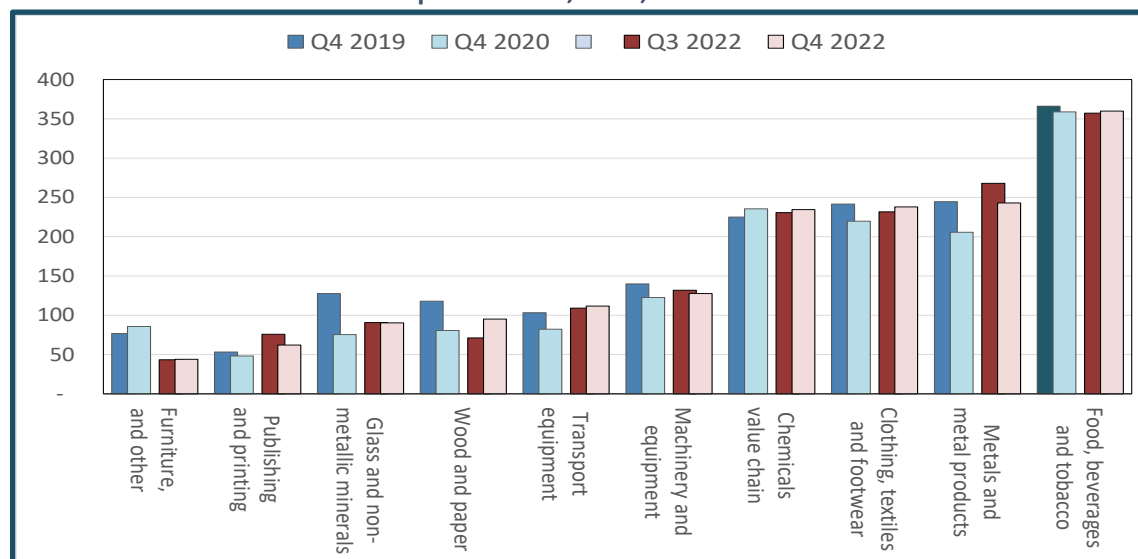


Note: (a) Excludes findings for fourth quarter 2021 due to the very low response rate.

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

Within manufacturing, employment in printing, transport equipment and the chemicals industry now exceed pre-pandemic levels. Food, clothing and metals jobs have made significant progress since the pandemic downturn, but employment remains respectively 2%, 1% and 1% lower than in the fourth quarter of 2019. The jobs deficits are much larger, however, in wood and paper, glass and non-metallic minerals, machinery and equipment, and furniture and other industries.

Graph 12. Employment in manufacturing industries, fourth quarter 2019, 2000, 2021 and 2022

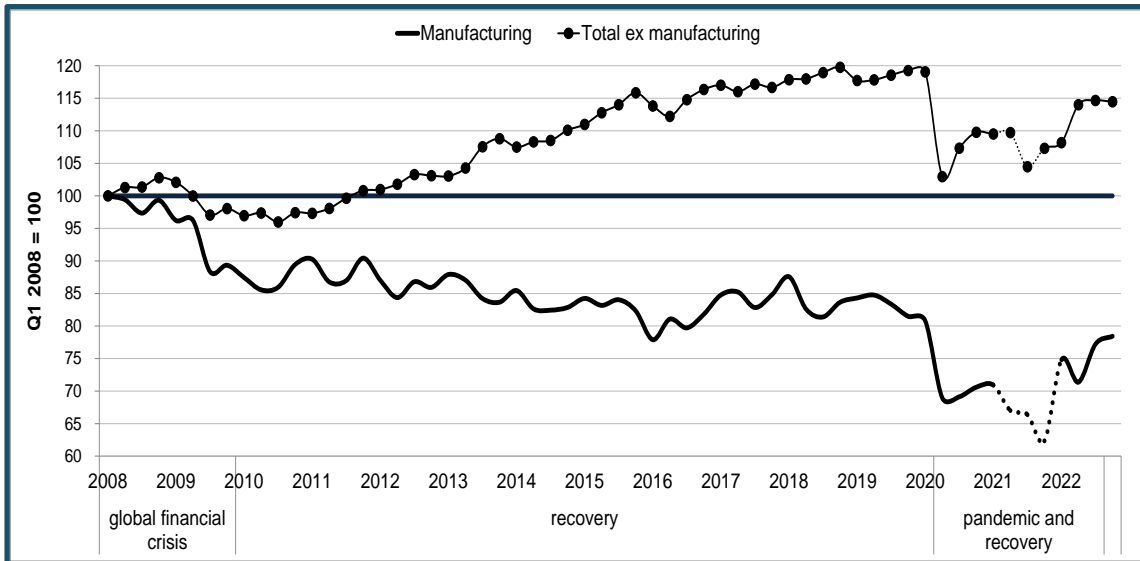


Source: Calculated from Statistics South Africa. QLFS for relevant quarters. Electronic databases.

Trends in manufacturing and non-manufacturing employment from 2008 are depicted in Graph 13. It provides a long-term view of the decline of manufacturing employment relative to other sectors, and a sense of the scale of the COVID-19 shock to employment. As of the fourth

quarter of 2022, manufacturing employment was 4% lower than before the pandemic, around the same as for the rest of the economy.

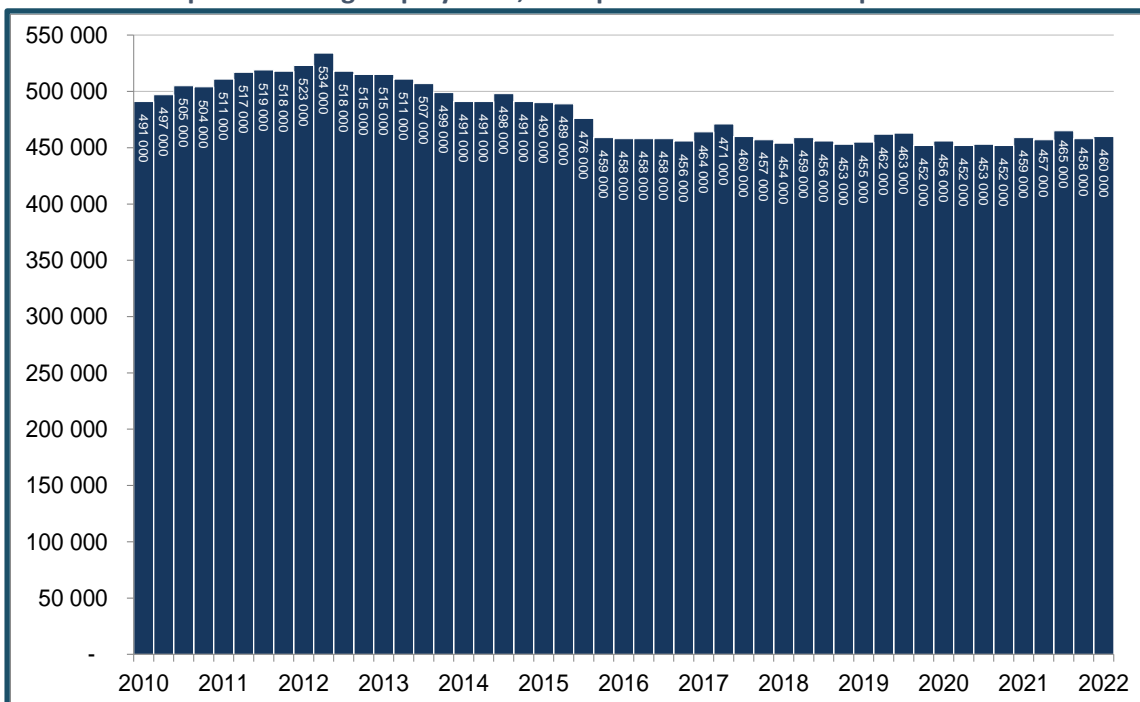
Graph 13. Indices of employment in manufacturing and the rest of the economy, first quarter 2008 to the fourth quarter 2022 (a) (first quarter of 2008 = 100)



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

For mining, Statistics South Africa recommends the use of the Quarterly Employment Survey, which covers formal employers. Its latest report goes up to the third quarter of 2022. It found that mining added 5 000 jobs in that quarter. As a result, mining had 20 000 more jobs than in the same quarter in 2019. Generally, mining employment remained much lower than during the prolonged boom in international metals prices that ended in 2011.

Graph 14. Mining employment, first quarter 2010 to third quarter 2022



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