



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 2024

EXECUTIVE SUMMARY

The Quarterly Labour Force Survey (QLFS) published by Statistics South Africa (Stats SA) provides an overview of the observed changes in key labour market indicators between the first quarter (January - March) of 2024 and the second quarter (April - June) of 2024. The results of the QLFS indicate that the number of employed persons decreased by 92 000 to 16.7 million in the second quarter of 2024 compared to the first quarter, while the number of unemployed persons increased by 158 000 to 8.4 million during the same quarter.

According to Stats SA (2024), the number of discouraged job seekers increased by 147 000 (up by 4.8%), while the number of persons who were not economically active for reasons other than discouragement decreased by 75 000 (down by 0.6%) between the two quarters, resulting in a net decrease of 215 000 in the not economically active population. Consequently, a decrease in employment and an increase in unemployment resulted in an increase of 0.6 of a percentage point in the unemployment rate to 33.5% in the second quarter of 2024.



The quarter-on-quarter (Q1-2024 and Q2-2024) comparison shows that employment decreased in five industries, with agricultural sector recording a decrease of 45 000 (4.8%) basis, reaching 896 000 people employed in the sector.

The provincial comparative analysis shows that Mpumalanga recorded the largest increase (20.7%) in agricultural employment in Q2:2024, followed by the Eastern Cape (14.4%) and Limpopo (11%), while Northern Cape, Gauteng, and North West recorded decreases of 38.9%, 28.5% and 27.7%, respectively. Overall, quarter-to-quarter (q/q) agricultural employment estimations suggest that employment decreased by 4.8% (45 000) in the second quarter of 2024. During the second quarter of 2024, the number of women employed in agriculture decreased by 26 000 (8.8%), while the number of men also decreased by 19 000 (3.0%) compared to the first quarter of 2024.

Introduction

The Macroeconomic Digest Labour Report of the second quarter of 2024 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 13 August 2024. The Stats SA report can be accessed online:

<https://www.statssa.gov.za/publications/P0211/P02112ndQuarter2024.pdf>

1. Employment by Industry

The Quarterly Labour Force Survey (QLFS) published by Stats SA provides an overview of the observed changes in key labour market indicators between the second quarter (April - June) of 2024 and the first quarter (January - March) of 2024. The number of employed persons decreased by 92 000 to 16.7 million in the second quarter of 2024, while the number of unemployed persons increased by 158 000 to 8.4 million compared to the first quarter of 2024, resulting in an increase of 66 000 (up by 0.3%) in the labour force. According to Stats SA (2024), the number of discouraged work-seekers increased by 147 000 (up by 4.8%), and the number of people who were not economically active for reasons other than discouragement decreased by 75 000 (down by 0.6%) between the two quarters, resulting in a net increase of 72 000 in the not economically active population. Consequently, a decrease in employment and an increase in unemployment resulted in an increase of 0.6 of a percentage point in the unemployment rate to 33.5% in the second quarter of 2024.

Table 1 shows employment by industry between the first quarter of 2024 and the second quarter of 2024. Five out of the ten industries experienced a decrease in the number of employed persons. The largest decreases in employment were recorded in Trade (111 000), followed by Agriculture (45 000), Private households (18 000) and Construction (11 000). However, the manufacturing industry recorded the largest increase (49 000), followed by community and social services (36 000), utilities (9 000), transport (3 000) and mining (2 000) industries, respectively. Overall, employment in South Africa increased by 306 000 across the ten observed industries compared with the same period last year.

The notable decrease in employment within the agricultural sector on a q/q basis may be attributed to the dry season, which greatly affected farming activities in rain fed agricultural areas, particularly in Northern Cape, Gauteng and North West. Longer dry spells and depletion of water availability in most parts of the country result in major decreases in crops and livestock productivity, potentially driving away employment.

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

Industry	Apr-Jun 2023	Jan-Mar 2024	Apr-Jun 2024	Qtr.-to-qtr. change	Year-on-year change	Qtr.-to-qtr.	Year-on-year change
	Thousand					Percentage (%)	
Total*	16 346	16 745	16 652	-92	306	-0.6%	1.9%
Agriculture	894	941	896	-45	1	-4.8%	0.2%
Mining	444	454	457	2	13	0.5%	3.0%
Manufacturing	1 558	1 606	1 655	49	97	3.0%	6.2%
Utilities	129	105	114	9	-15	8.4%	-11.6%
Construction	1 304	1 215	1 204	-11	-100	-0.9%	-7.7%
Trade	3 361	3 471	3 360	-111	-1	-3.2%	0.0%
Transport	986	1 062	1 064	3	79	0.3%	8.0%
Finance	2 599	2 914	2 905	-9	306	-0.3%	11.8%
Community and social services	3 965	3 791	3 827	36	-138	1.0%	-3.5%
Private households	1 093	1 178	1 160	-18	67	-1.5%	6.1%

*Note: Total includes "other" industry. Due to rounding, numbers do not necessarily add up to totals.

Source: Stats SA, 2024

Table 2 illustrates employment trends in agriculture per province. Five provinces recorded increases in employment in the agricultural sector, while each of the other four recorded a decrease between the first quarter of 2024 and the second quarter of 2024. Mpumalanga recorded the largest increase of 20.7% in agricultural employment during Q2:2024, followed by Eastern Cape (14.4%) and Limpopo (11%) while Northern Cape, Gauteng, and North West recorded decreases at 38.9%, 28.5% and 27.7%, respectively. Generally, quarter-to-quarter agricultural employment estimations suggest that employment decrease by 4.8% (45 000) in the second quarter of 2024. Rain fed agriculture suffered significantly throughout the period under review, which resulted in a fall in farming operations and a drop in agricultural employment.

The year-on-year comparison shows that that employment in agriculture increased by 1 000, translating to an estimated 0.2% increase. This increase during this period could be ascribed to the assistant agricultural practitioner (AAP) Programme, which was designed to give much-needed assistance to farmers by increasing the capacity of extension and advisory services.

Table 2: Agricultural employment by province

Employment by Agriculture per province	Apr-Jun 2023	Jan-Mar 2024	Apr-Jun 2024	Qtr.-to-qtr. Change	Year-on-year change	Qtr.-to-qtr. change	Year-on-year change
	Thousand					Percentage (%)	
Total Agriculture	894	941	896	-45	1	-4.8	0.2%
Western Cape	200	215	162	-53	-38	-24.7%	-19.1%
Eastern Cape	121	99	113	14	-7	14.4%	-6.1%
Northern Cape	38	54	33	-21	-5	-38.9%	-12.2%
Free State	71	79	84	6	13	7.1%	18.2%
KwaZulu-Natal	148	143	151	8	3	5.9%	1.9%
North West	39	77	56	-21	17	-27.7%	45.0%
Gauteng	28	47	33	-13	5	-28.5%	18.2%
Mpumalanga	101	105	126	22	26	20.7%	25.5%
Limpopo	149	123	136	14	-12	11.0%	-8.3%

Source: Stats SA, 2024

2. Gender composition of employment in the agricultural sector

The agricultural sector is an important component of many economies globally, but it has historically had a significant gender imbalance in its employment. This is evidenced by the significant disparity in the number of women employed in agriculture compared to their male counterparts. The gender makeup of employment in the agricultural sector is critical in understanding the dynamics of labour distribution and its consequences on food security, poverty reduction and general development.

Figure 1 provides an overview of the employment situation and gender distribution in the agricultural sector. Data from Stats SA (2024) shows that men have been key players in the agriculture sector from the second quarter of 2012 to the second quarter of 2024. In the second quarter of 2024, the number of men and women actively involved in agriculture was 622 000 and 274 000, respectively. During the second quarter of 2024, the number of women decreased by 26 000 (8.8%), while the number of men decreased by 19 000 (3.0%) compared to the previous quarter. When combining both genders, the number of people employed in agriculture decreased by 45 000 (4.8%) for the second quarter of 2024.

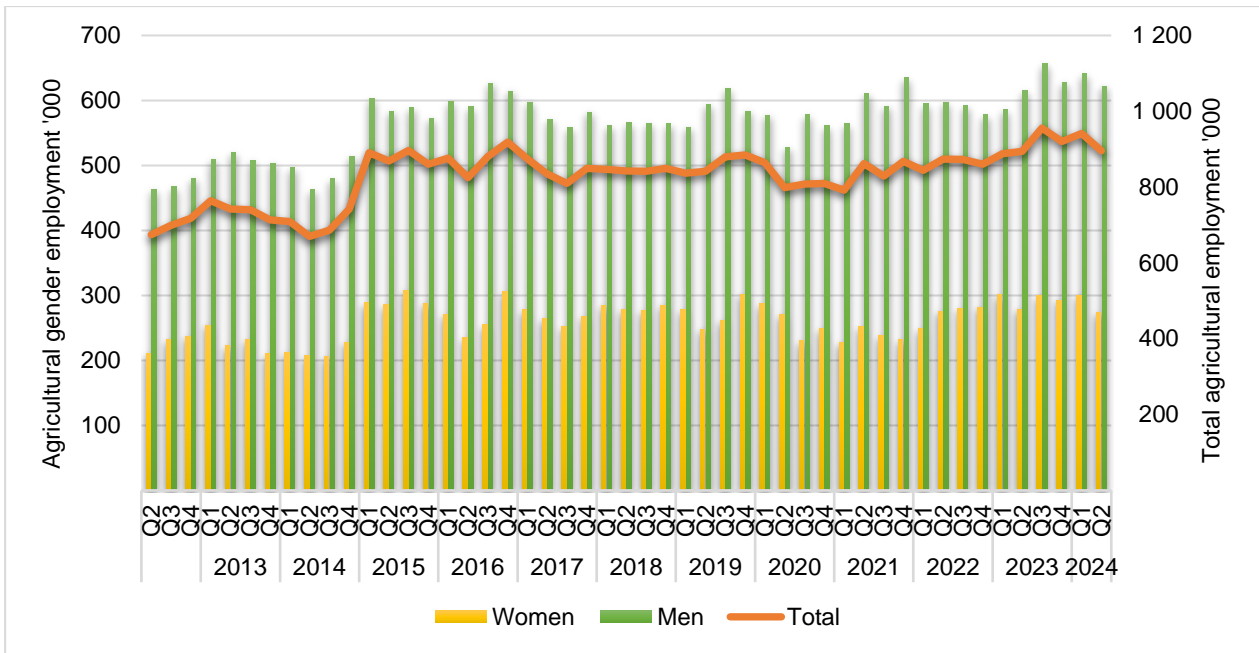


Figure 1: Gender distribution in agriculture

Source: Stats SA, 2024

Figure 2 illustrates the long-term trends of employment in the agricultural sector quarterly since 2011. Long-term trends reveal a substantial increase in agricultural employment; however, there are periods when agricultural employment declined. These periodic decreases can be attributed to seasonal employment, longer dry spells and unfavourable farming seasons as farmers tend to hire more workers during specific periods of a particular marketing season. On a long-term basis, employment increased by 43.2%, from 626 000 jobs in the second quarter of 2011 to 896 000 in the second quarter of 2024. When comparing agricultural employment to overall employment in South Africa in quarter 2, agriculture employed about 3.6% of the employed pool, making the sector essential in the employment of South African citizens.

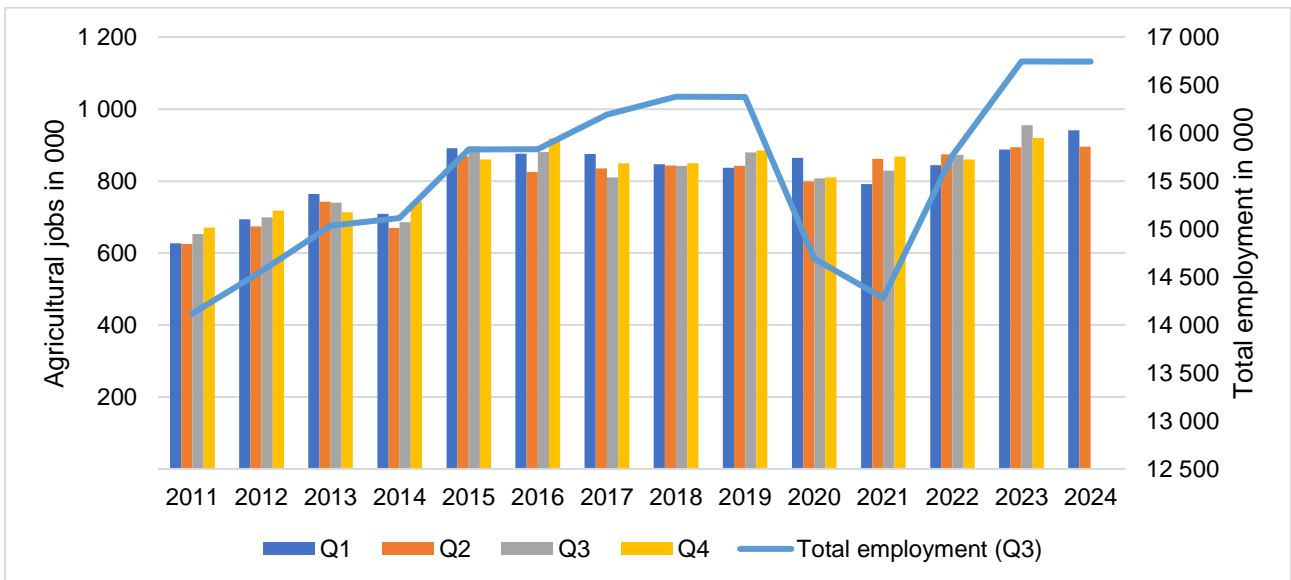


Figure 2: Employment trends in the agricultural sector

Source: Stats SA, 2024

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