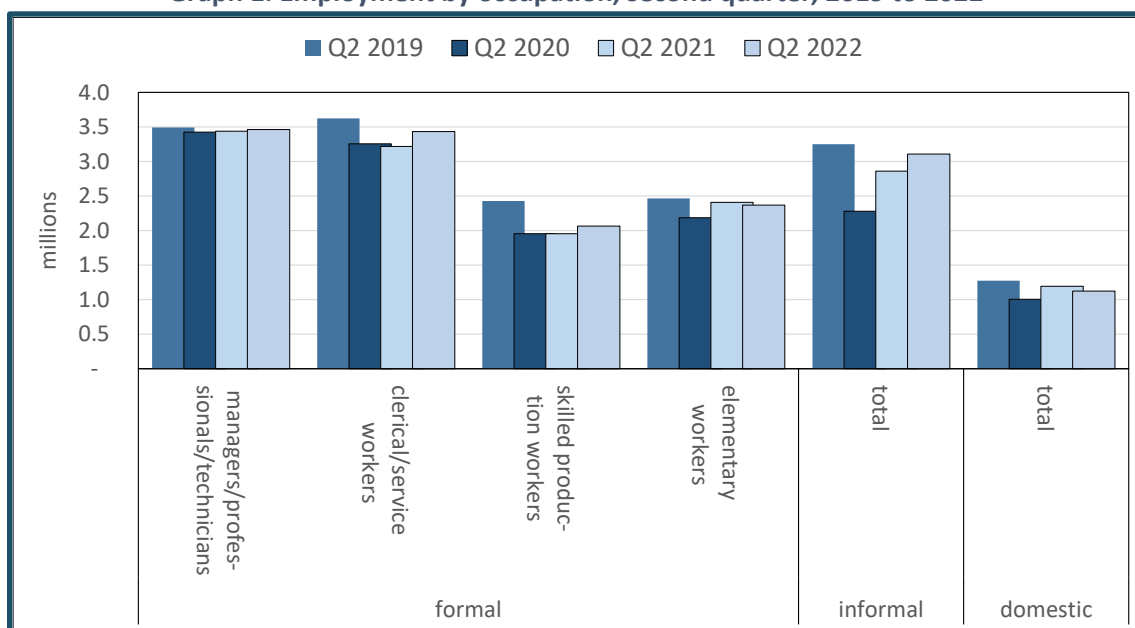


## Employment

According to the Quarterly Labour Force Survey (QLFS), in the second quarter of 2022 the formal sector still employed 600 000 fewer people than before the pandemic, or 5.5% less. Informal and agricultural employment, in contrast, were down by only 1%, but there were still more than 10% fewer domestic workers. Manufacturing employment appeared to have stabilised at a lower level than before the pandemic, with employment particularly depressed in metals and food processing compared to 2019.

According to the QLFS, in the second quarter of 2022 a total of 15.5 million South Africans had income-generating employment, compared to 16.3 million in the second quarter of 2019. When the pandemic cut into economic activity in the second quarter of 2020, employment dropped by 2.2 million. Two years later, the economy had only regained 1.4 million positions. In the formal sector, relatively skilled workers – managers, professionals and technicians – were the least affected, while the most impacted were skilled and semi-skilled production workers. Informal workers saw the steepest losses from the pandemic, but also experienced a rapid recovery. In part, the sharp rise in informal employment resulted because retrenched formal employees sought opportunities there, despite worse conditions and pay. There were around 200 000 fewer people employed as domestic workers in mid-2022 than before the pandemic. (Graph 1)

**Graph 1. Employment by occupation, second quarter, 2019 to 2022**

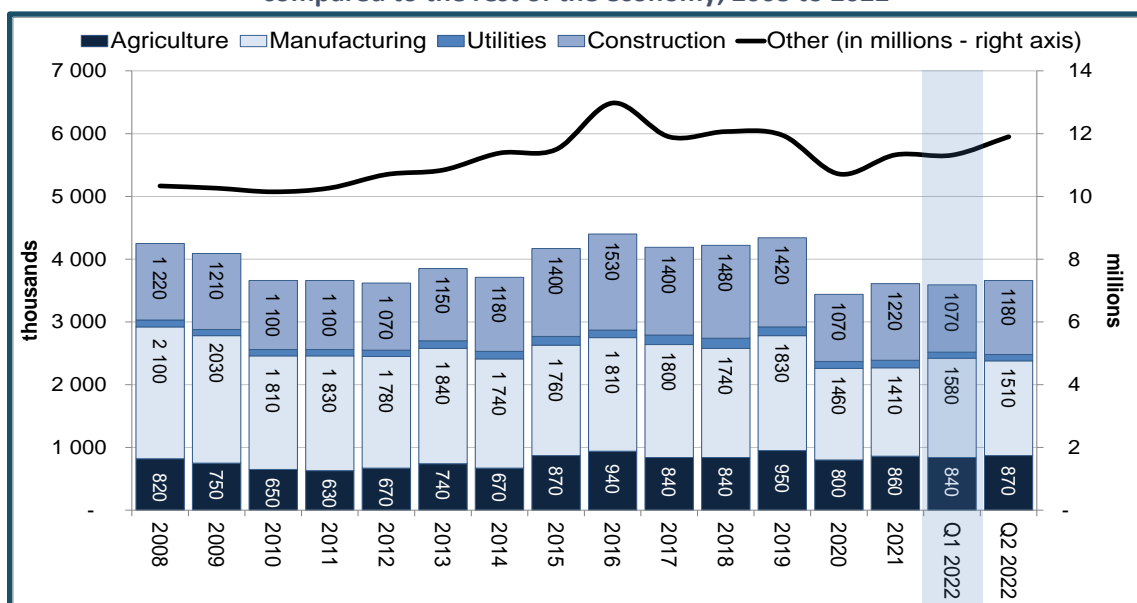


Source: Calculated from Statistics South Africa. QLFS for relevant quarters. Electronic databases.

For most of the two years since the initial COVID-19 lockdown, the QLFS relied on telephonic surveys, which led to depressed response rates. It has now returned to in-person interviews. As a result, the response rate climbed from a low of 45% at the end of 2021 to 79% in the second quarter of 2022. While that is still below the pre-pandemic rate of almost 90%, the findings for the second quarter of 2022 appear fairly reliable.

The jobs recovery in the real economy continues to lag behind the services, as Graph 2 shows. Employment growth in the services accounted for 85% of all jobs regained since the lockdown two years ago.

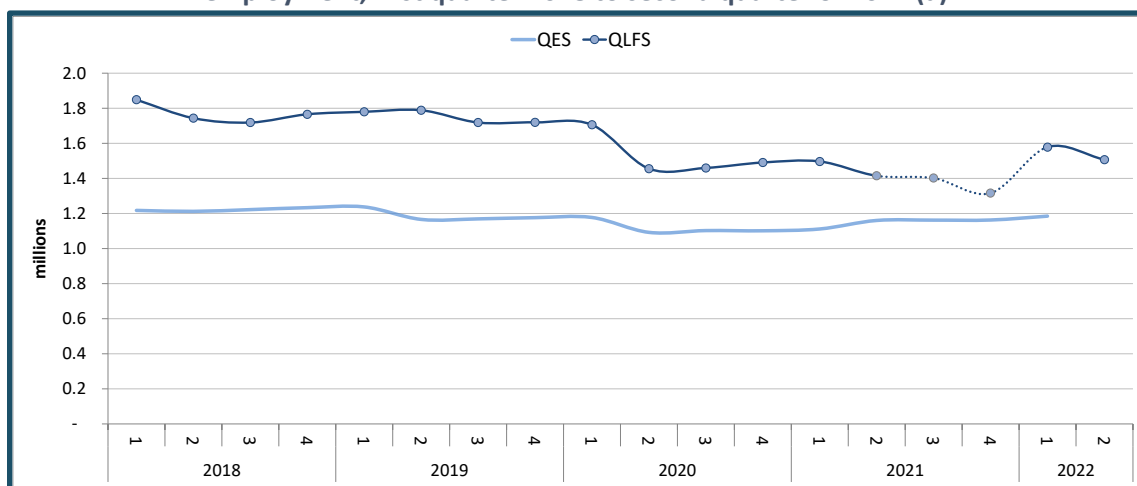
**Graph 2. Second-quarter employment in agriculture, manufacturing, utilities and construction compared to the rest of the economy, 2008 to 2022**



Source: Calculated from Statistics South Africa. QLFS Trends 2008-2022Q2. Excel spreadsheet.

The QLFS finds a decline in formal plus informal manufacturing employment from the first to the second quarter of 2022. The data are not seasonally adjusted, however, so quarter-on-quarter figures are not always meaningful. In the longer run, the figures still suggest a significant recovery over the past two years. The Quarterly Employment Statistics, which cover only the formal sector and provide information only through the first quarter of 2022, show steadier but gradual gains since the lockdown. Still, this source also finds that manufacturing employment is lower than it was before the pandemic. (Graph 3.)

**Graph 3. Quarterly Employment Survey and QLFS findings on formal manufacturing employment, first quarter 2018 to second quarter of 2022 (a)**

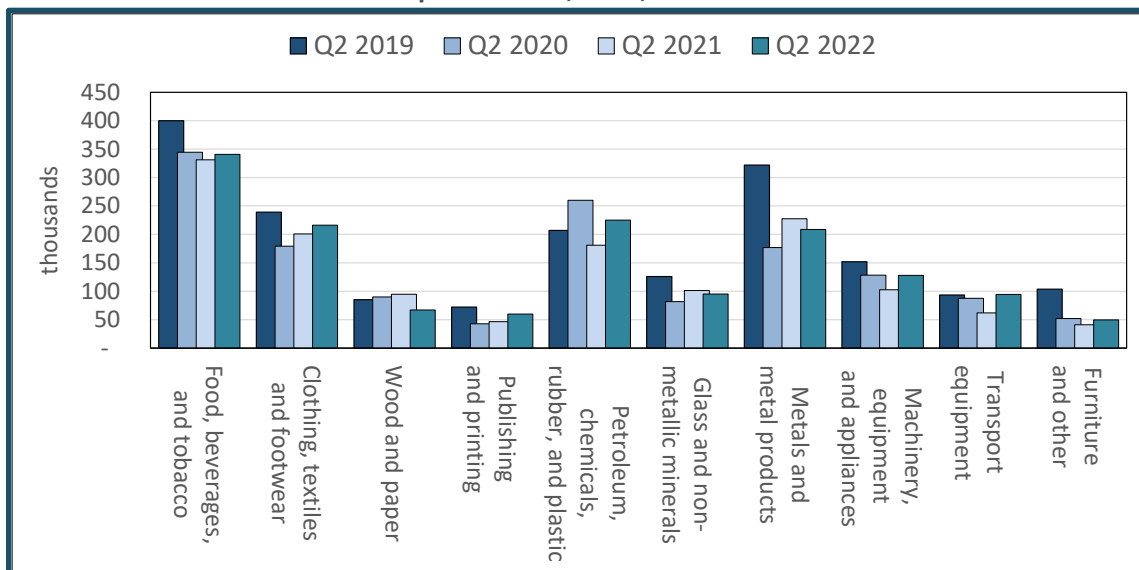


Note: (a) The third and fourth quarter 2021 QLFS reflect very low response rates and are therefore considered unreliable. Source: Calculated from Statistics South Africa. QES details breakdown and QLFS Trends 2008-2022Q2. Excel spreadsheets.

At the industry level, clothing and metals have contributed most to the recovery of manufacturing jobs since 2020, although they remain behind pre-pandemic levels. Food processing, now South Africa’s largest manufacturing industry, continues to lag behind despite

gains over the second quarter of 2021. Jobs also expanded in machinery and transport equipment in the year to June 2022.

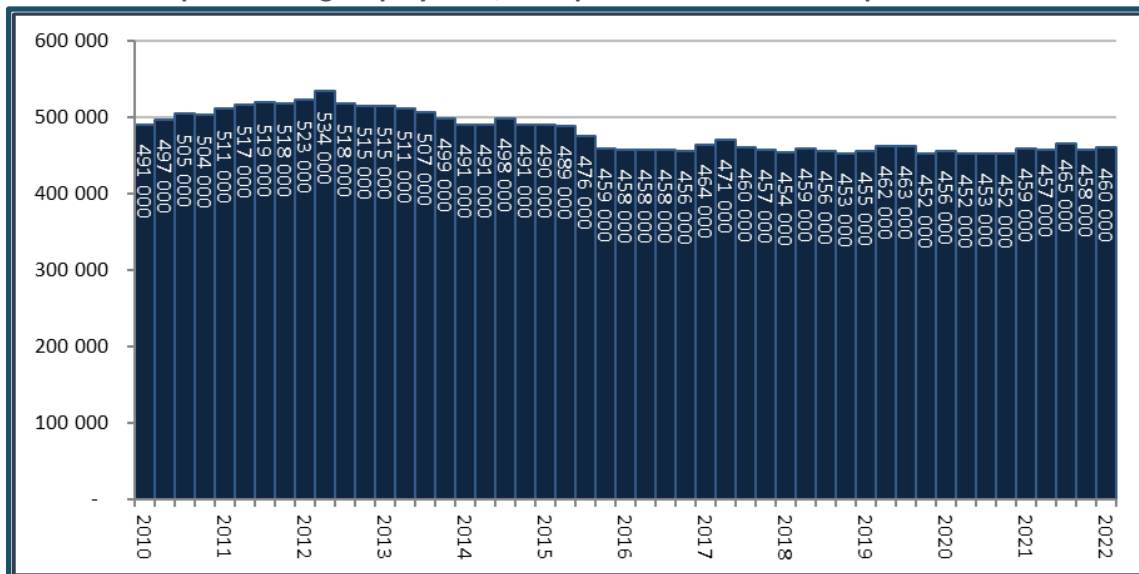
**Graph 4. Employment in manufacturing industries, second quarter 2019, 2020, 2021 and 2022**



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

In the second quarter of 2022, mining employment recorded a marginal increase of 2 000 jobs from the previous quarter. Mining employment has not seen a substantial increase since 2020 despite the rise in mineral prices since the start of the pandemic.

**Graph 5. Mining employment, first quarter 2010 to second quarter 2022**



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