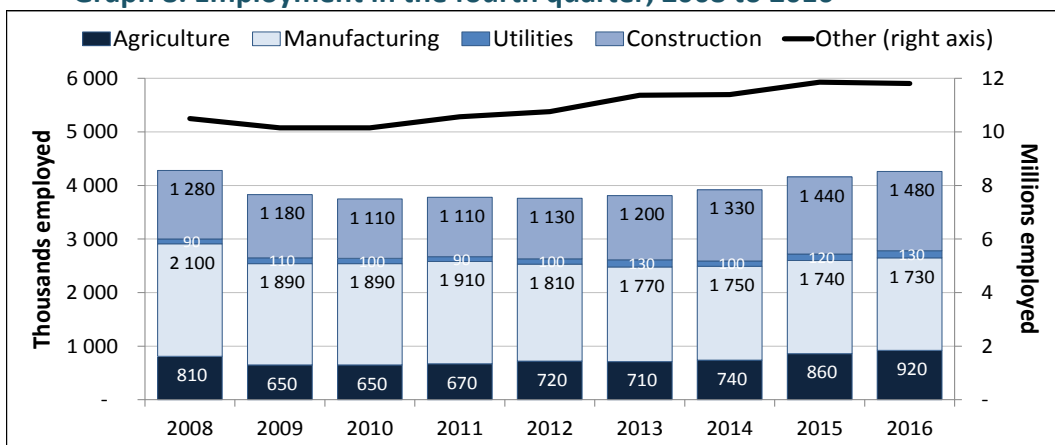


Employment

Employment showed the typical seasonal bump from the third to the fourth quarter, growing 250 000 overall. Year-on-year figures, which compensate for seasonal fluctuations, show more modest growth, at 50 000. That indicates that employment growth is slowing with the GDP, although it has levelled out in mining after substantial declines. Manufacturing employment has remained virtually unchanged since 2013, although the rest of the economy has seen significant jobs growth.

Agriculture and construction were the main drivers of job creation from the fourth quarter of 2015 to the fourth quarter of 2016 (see Graph 8). Figures for agriculture reflect in part the recovery from the drought, but they are also generally more variable than for other sectors. In contrast, manufacturing employment remained essentially stagnant while retail and government services declined.

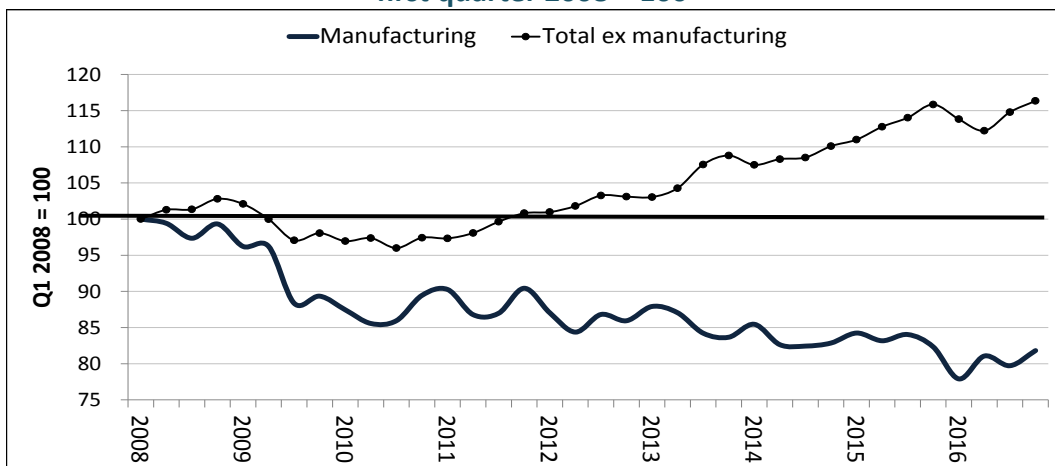
Graph 8. Employment in the fourth quarter, 2008 to 2016



Source: Statistics South Africa. Quarterly Labour Force Survey. Trends from 2008. Excel spreadsheet. Downloaded in February 2017.

Like the rest of the economy, manufacturing showed some improvement in employment from June through the end of 2016, after declining in the first half of the year (see Graph 9). Still, manufacturing employment in the fourth quarter of 2016 remained 370 000 lower than it was in 2008, representing a fall of almost 20%.

Graph 9. Index of manufacturing and other employment, first quarter 2008 = 100

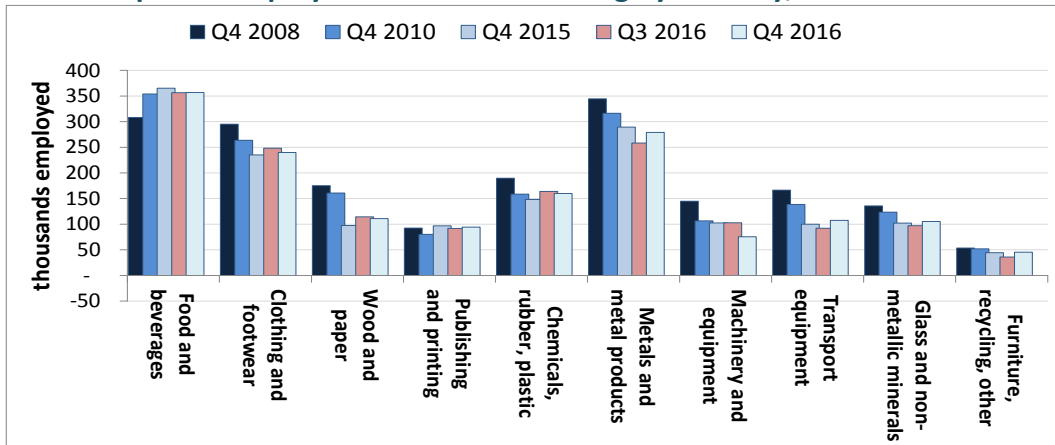


Source: Statistics South Africa. Quarterly Labour Force Survey. Trends from 2008. Excel spreadsheet. Downloaded in February 2017.

Data at the level of individual industries in manufacturing are not reliable in the short run because samples are relatively small, although long-term trends appear more meaningful. Moreover, the employment data are not seasonally adjusted, so quarter on quarter figures may be misleading.

Of the manufacturing industries, only food and beverages has seen significant growth since 2008, but it also levelled out as the drought cut into production in 2015/6. Most other industries saw little or no jobs growth over the past year. Machinery and equipment saw a fall in employment (see Graph 10).

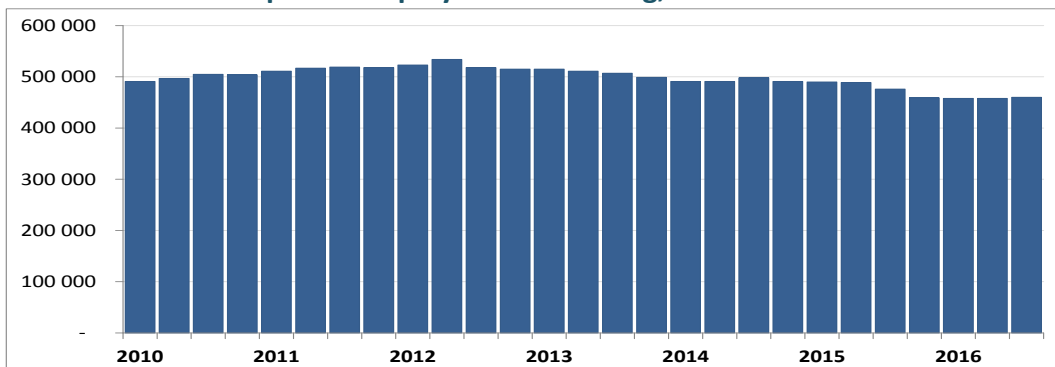
Graph 10. Employment in manufacturing by industry, 2008 to 2016



Note: Includes all reported employees, not just those aged 15 to 64. Source: Calculated from Statistics South Africa. Quarterly Labour Force Survey for relevant quarter. Electronic database. Series on industry.

Graph 11 shows mining employment as reported by the Chamber of Mines, which contributed to the employer-based Quarterly Employment Survey. Because of sampling issues, these figures are more reliable for the industry than the household-based data provided for other industries. The data are only available to the third quarter of 2016. They show that after a steady decline as metal prices fell from 2011 with the end of the commodity boom, employment in mining appears to have stabilised. It remains more than 50 000 lower than in 2012, however.

Graph 11. Employment in Mining, 2010 to 2016



Source: Statistics South Africa. Quarterly Employment Survey. February 2017.