

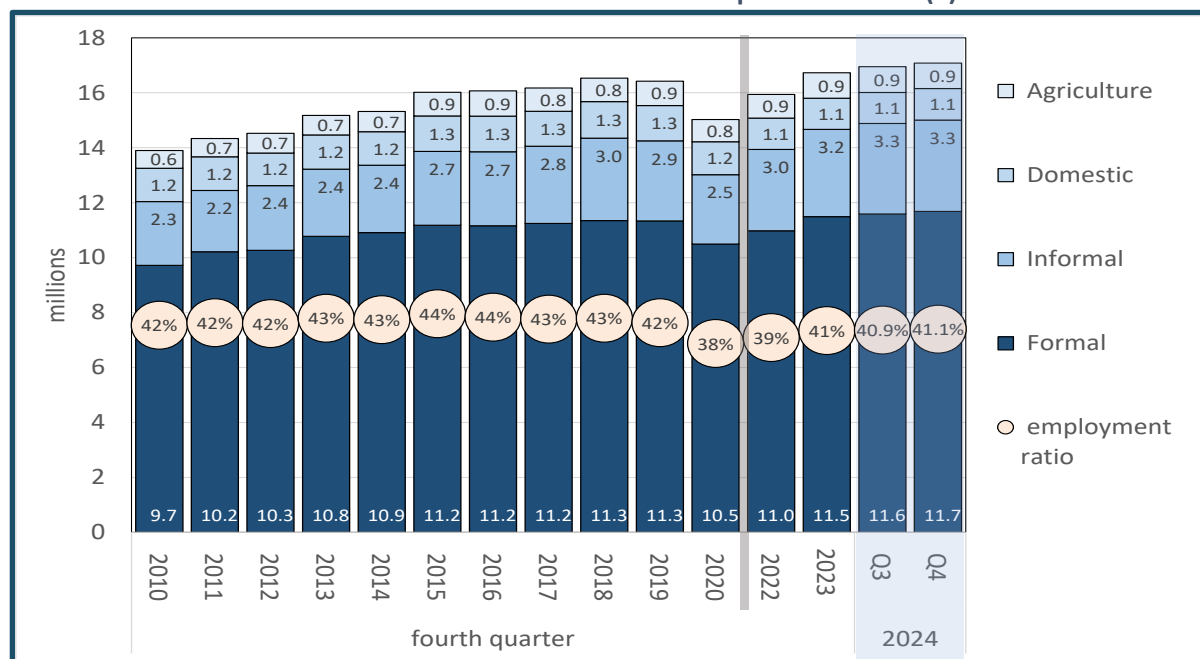
Employment

Total employment increased by 2.1% in the year to the fourth quarter of 2024, much faster than GDP growth. Unusually large gains were reported for informal employment in particular. The official employment survey also found that manufacturing employment expanded more than 10% during the year, although it remains lower than before the 2020 COVID-19 downturn.

Total employment climbed by 350 000 or 2.1% in the year to the fourth quarter of 2024. (Graph 7) It is now 14% above pre-pandemic levels. Reported growth rates for formal, informal and domestic work diverged significantly, however. Informal employment reportedly jumped 4.6% in the year to the fourth quarter of 2024. That was more than twice as fast as the rate for formal employment, at 1.7%. Both agriculture and domestic work grew much more slowly, by 1.1% for agriculture and 0.4% for domestic work. There are still more than 10% fewer domestic workers than before the pandemic downturn in 2020. In contrast, 3% more people work in the formal sector than in 2019, and some 14% more in informal work. The quarterly employment data are not seasonally adjusted, so quarter-on-quarter changes are not very meaningful.

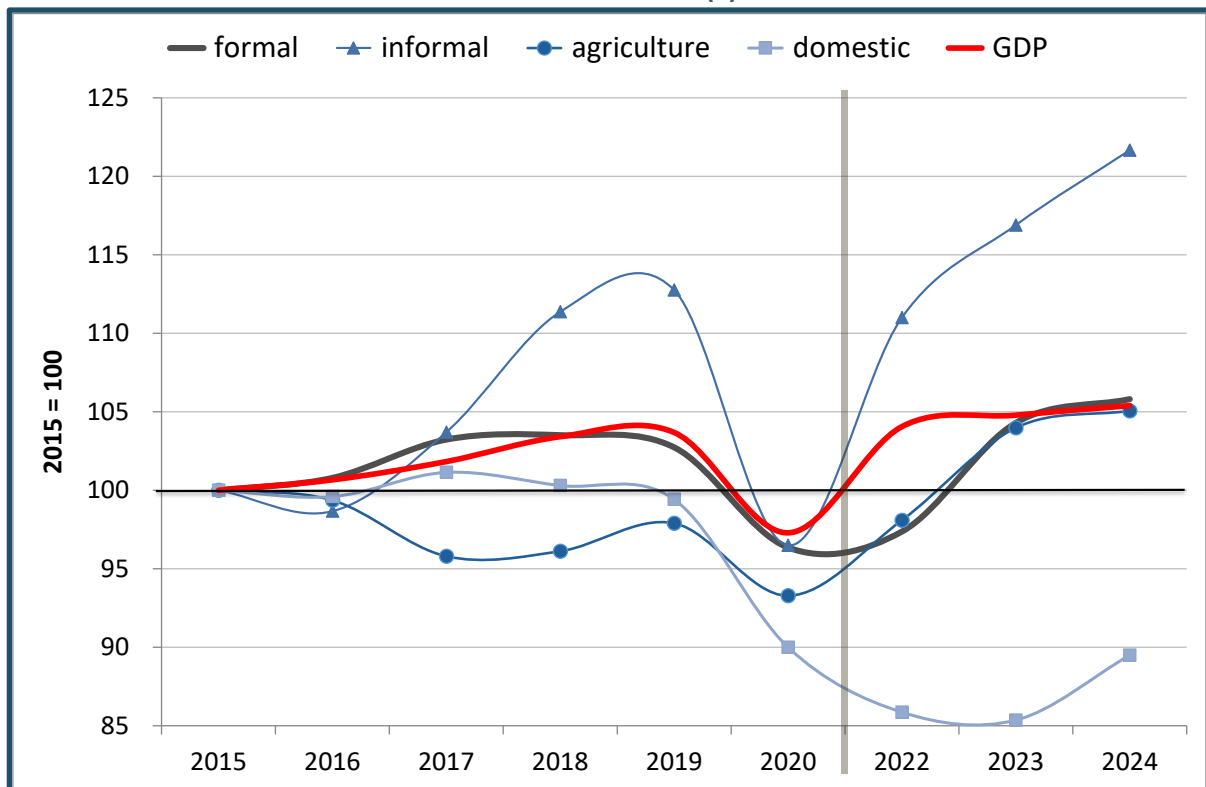
The share of adults with employment has stabilised at 41% over the past year. That represents a modest recovery from the pandemic downturn, when it dropped to 38%. Still, it remains lower than in 2019. Since the 1980s, the ratio has hovered between 40% and 45%, far behind the international norm of 60%.

Graph 7. Employment by type of employer, and the employment ratio, for the fourth quarter from 2010 to 2023 and the third and fourth quarter of 2024 (a)



Note: (a) The employment ratio equals employed as percentage of total working aged population. 2021 is excluded because of very low response rates in the second half of the year. Source: Calculated from Statistics South Africa. QLFS Trends 2008-2024Q4. Excel spreadsheet.

Graph 8. Indices of the change in the GDP and in employment by type of employer from 2010 to 2024 (a)

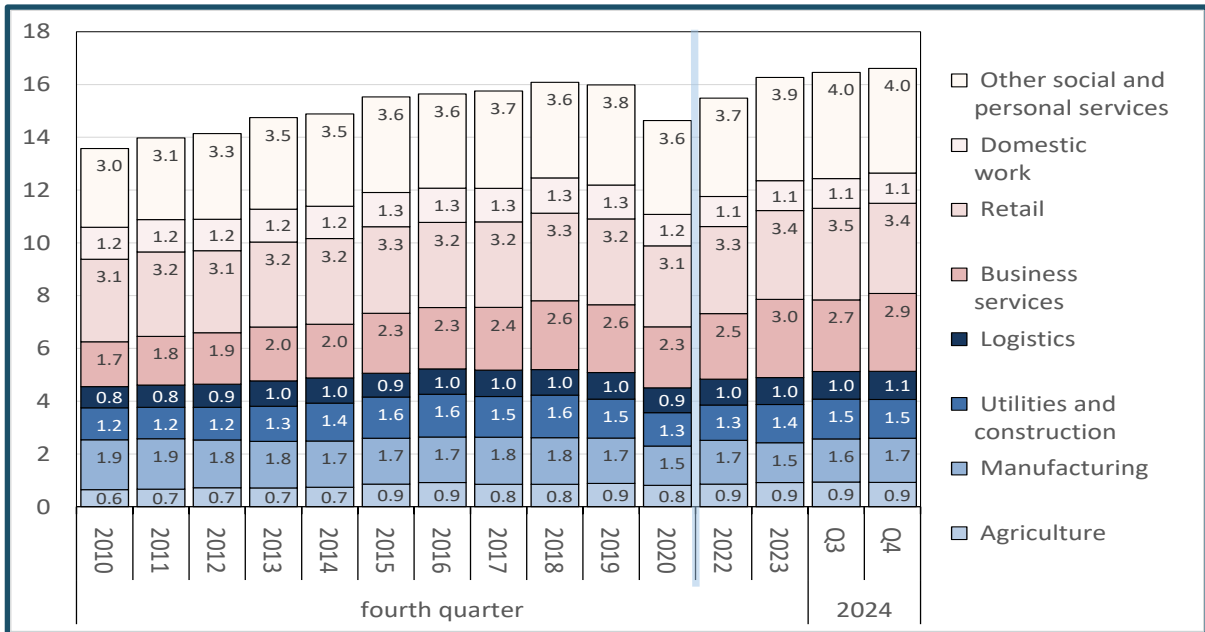


Note: (a) Figures for employment are average of the four quarters for each year. 2021 is excluded because of very low response rates in the second half of the year. Source: Calculated from Statistics South Africa. QLFS Trends 2008-2024Q4. Excel spreadsheet; and GDP P0441- Q4 2024. Excel spreadsheet. Accessed at www.statssa.gov.za in March 2025.

The Quarterly Labour Force Survey (QLFS) found a much faster increase in employment than in the GDP in 2024. That represents a step change, since employment has mostly tracked the GDP over the past 15 years. The reported rapid growth in informal employment over the past year is particularly hard to parse. On the one hand, this kind of work is volatile and difficult to measure, making survey findings less reliable. On the other, its relatively fast growth since the pandemic downturn may reflect the slow recovery in formal and domestic jobs. In contrast to informal work, formal employment growth remains closely linked to changes in the GDP. Nonetheless, in late 2024 it still accounted for 68.4% of total employment, down from 70% in the early 2010s. (Graph 8)

The QLFS reported that, despite stagnant manufacturing sales, employment in the sector climbed an extraordinary 11%, adding 168 000 jobs, in the year to the fourth quarter of 2024. Still, overall the manufacturing workforce was 20% below its 2008 peak, just before the global financial crisis, and 12% lower than in 2012, the high point of the recovery after the global financial crisis. In the fourth quarter of 2024, 1.7 million people worked in manufacturing. In 2008, before the global financial crisis, the figure was 2.1 million. In contrast, agriculture gained virtually no jobs in the year to the fourth quarter of 2024; utilities climbed by 2%; and logistics by 4%. Employment in business services, which expanded almost 75% from 2008 to 2023, reportedly shrank by 1% in the past year. Only manufacturing and domestic services reported falling employment from 2010, with a 0.7% fall in manufacturing and 0.3% in domestic work. (Graph 9)

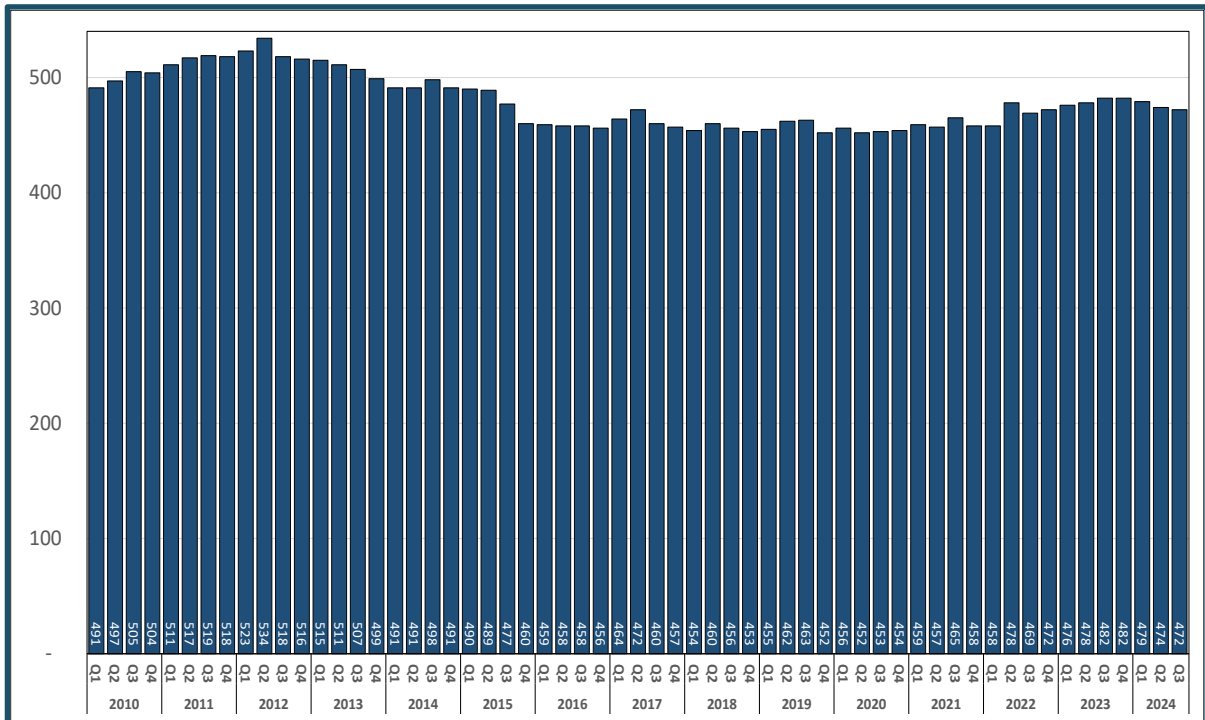
Graph 9. Employment by sector, in thousands, fourth quarter of 2010 to 2024 (a) and third quarter of 2024



Note: (a) 2021 is excluded because of very low response rates in the second half of the year. Source: Calculated from Statistics South Africa. QLFS Trends 2008-2024Q4. Excel spreadsheet.

For data on mining employment, Statistics South Africa recommends the survey of formal businesses, the Quarterly Employment Survey (QES), rather than the QLFS, which samples households. It publishes the QES three months after the QLFS. The figures show a 2% fall in mining employment in the first three quarters of 2024, presumably in large part due to the decline in world metals and coal prices over the past two years. (Graph 10)

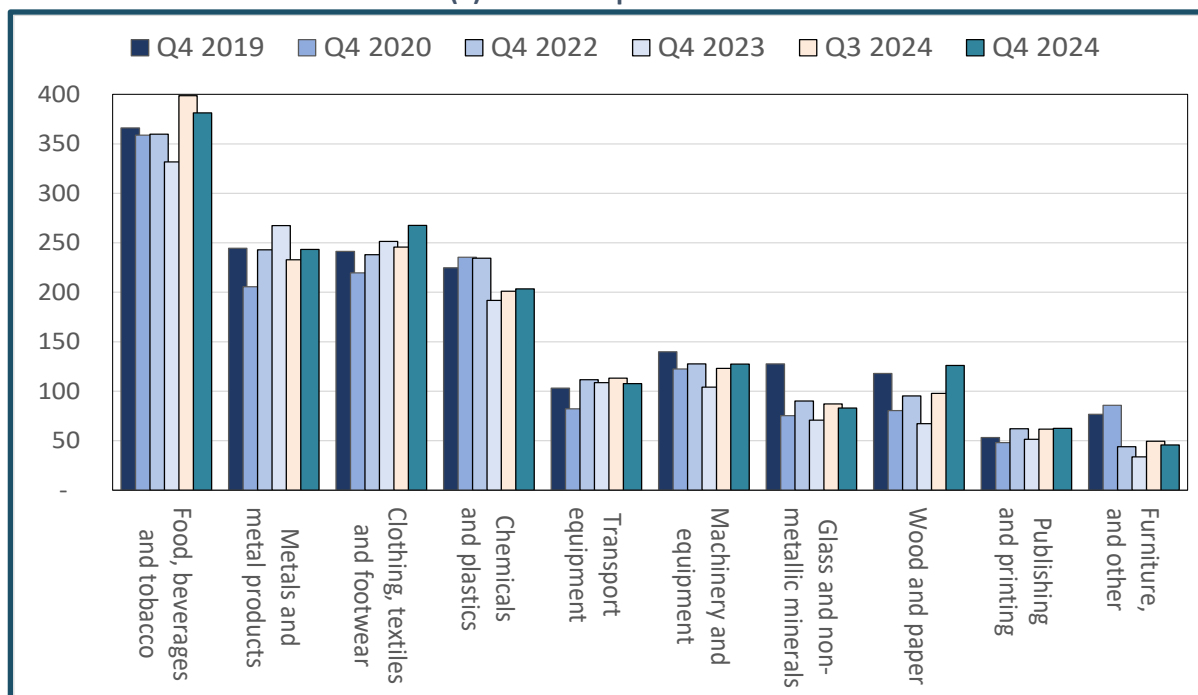
Graph 10. Mining employment, first quarter 2010 to third quarter 2024, in thousands



Source: Statistics South Africa. Quarterly Employment Statistics. Detailed breakdown. Third quarter 2024 Excel spreadsheet.

Every manufacturing industry except metals and transport showed some growth in employment in the year to the fourth quarter 2024. Jobs in wood and paper reportedly almost doubled. In machinery and equipment, they climbed by a fifth, and in food processing by a seventh. In contrast, employment in production of metal and basic metal products dropped by 10%, and in auto by 1%. (Graph 11)

Graph 11. Employment in manufacturing by industry, in thousands, fourth quarter 2019 to 2024 (a) and third quarter 2024

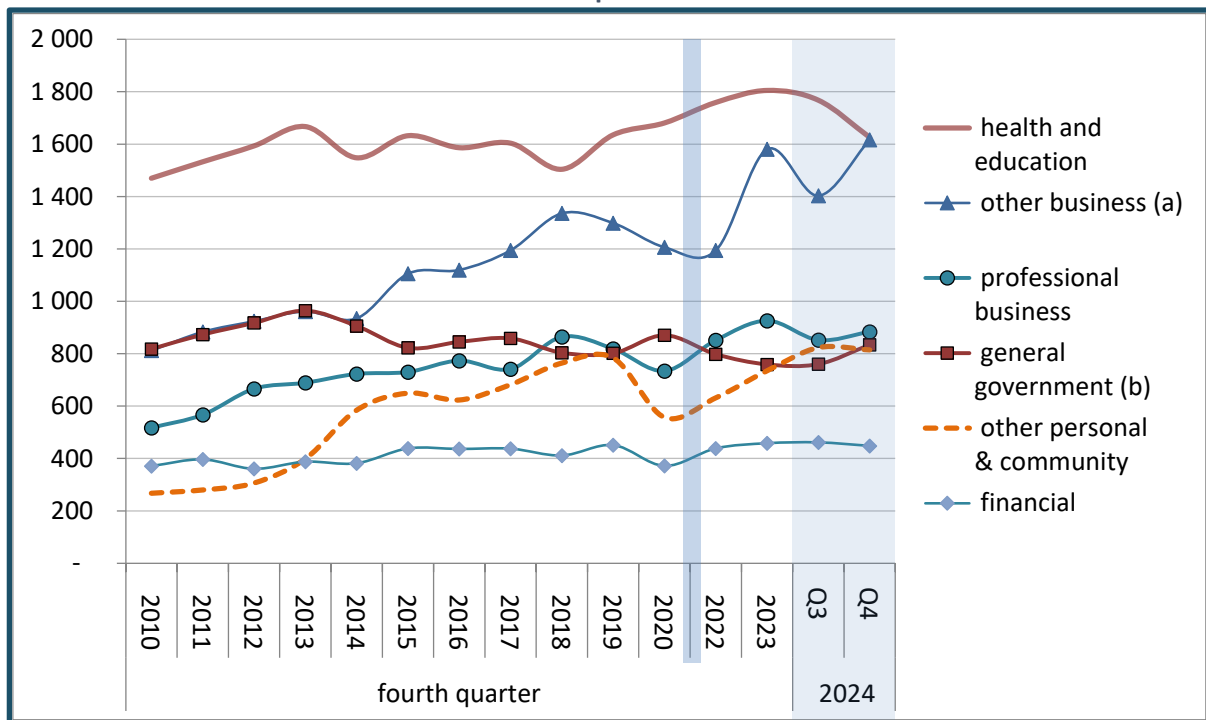


Note: (a) The response rate in the second half of 2021 was extremely low, so the data for that year are excluded. Source: Calculated from Statistics South Africa. Quarterly Labour Force Survey for relevant quarters. Electronic databases.

In the services sector, employment growth varied sharply by industry. In the year to the fourth quarter of 2024, job gains in social services and other business services – mostly security and cleaning – were offset by losses in health and education, and to a lesser extent professional business services. Health and education shed 200 000 positions, returning to pre-pandemic employment levels.

Over the longer run, security and cleaning (which constitute most of “other business services” in the data) and private personal and community services contributed disproportionately to jobs growth. Professional business services, which combines legal, computer, real estate and advertising, also grew relatively quickly, despite a fall in employment in the year to December 2024. (Graph 12) The financial services alone have been flat, fluctuating around 400 000 since 2010. Personal and community services contributed over a third of total growth in employment over the past 15 years, and business services as a whole another third.

Graph 12. Employment in services by industry, in thousands, fourth quarter 2019 to 2024 (a) and third quarter 2024

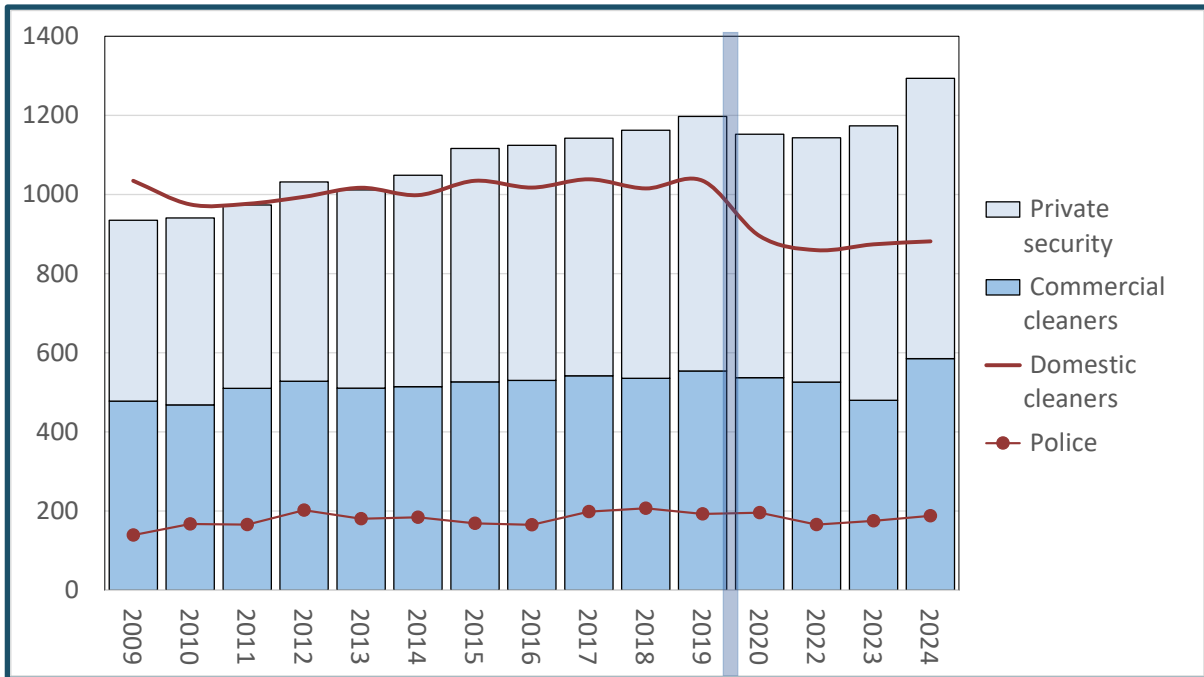


Note: Note: (a) The response rate in the second half of 2021 was extremely low, so the third quarter data for that year are excluded. Source: Calculated from Statistics South Africa. Quarterly Labour Force Survey for relevant quarters. Electronic databases.

The importance of private security for job creation over the past 15 years emerges from Graph 13.¹ From 2009 to 2024, the number of private security employees climbed over 50%, and commercial cleaners by over 20%. The growth in private security workers accounted for 9% of all net new employment over the past 15 years, and contract cleaners for another 4%. However, the number of paid household cleaners (which is only part of the domestic worker total) plummeted in the pandemic downturn. As of 2024, it was still 15% below 2019 levels. The resulting loss of 150 000 positions cut net growth in total jobs by 6%.

¹ The figures in the graph are for occupations, including both contract workers and those directly employed in other industries, for instance health. In particular, the number of cleaners is higher than when counting only those employed by dedicated firms.

Graph 13. Employment in domestic and commercial cleaning, private security and policing (a), annually, in thousands, 2009 to 2024



Note: (a) Data are by occupation, so they include cleaners and private security workers in industries outside of the services as long as they are directly employed. Figures are annual averages of quarterly data, in line with the methodology in Statistics South Africa's Labour Market Dynamics databases. The response rate in the second half of 2021 was extremely low, so data for the year are excluded. Commercial cleaners include only building cleaners; domestic cleaners are only paid cleaners employed directly by households, excluding other paid household workers. Source: Calculated from Statistics South Africa. Quarterly Labour Force Survey for relevant quarters. Electronic databases.