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## Agriculture still employs a significant number of South Africans

- After a notable jump in the third quarter of 2023 to 956,000, South Africa's primary agricultural employment fell by 4% quarter-on-quarter to 920,000 in the last quarter of 2023. Jobs declined mainly in the Eastern Cape, Western Cape, Gauteng, Mpumalanga and Limpopo.
- Still, when we view the agricultural jobs annually, these provinces employ many people. The last quarter of 2023 was still well above 2022 levels, except for Mpumalanga, where we saw a marginal decline in primary agricultural jobs. Notably, the 920,000 jobs in primary agriculture in the last quarter of 2023 is 7% up year-on-year and well above the long-term agricultural employment of 793,000.
- The general annual improvement in jobs mirrors the robust agricultural season of 2022/23 across most subsectors of agriculture. More specifically, the excellent production conditions of various field crops, forestry and aquaculture were behind the improvement of farm jobs in the last quarter of 2023. Meanwhile, the livestock industry registered a slight decline, which is unsurprising as the industry was confronted by various animal diseases such as foot-and-mouth, avian influenza and African swine fever in 2023. The tail-end of these challenges continues to weigh on the industry. The production of organic fertilizer facilities also registered an annual decline in employment.
- Beyond this quarterly jobs data, the primary agricultural sector's broad challenges, such as the inefficiencies at the ports, rising geopolitical tensions, deteriorating rail and road infrastructure, weakening municipalities, rising crime, and energy supply constraints, are the significant constraints to long-term growth and employment prospects in the sector.
- Therefore, the South African government and the private sector should work collectively to address these issues, particularly the ones on the domestic policymakers' reach, to support long-term growth. The first step could be a clear roadmap of the implementation of the Agriculture and Agro-processing Master Plan, with the government leading the way in easing up the regulatory matters that the industry has raised, such as the need for modernization of Act 36, addressing cost challenges associated with government utilization of assignees, capacitating the Registre's offices, amongst other aspects.
- A clear focus on the above regulatory matters would help revive the confidence of stakeholders and ease any doubts about the government's commitment to the sector. Launching the Land Reform Agency and policy pronouncement on releasing state land to beneficiaries with title deeds would also profoundly boost sentiment on aspects of inclusive growth in the sector. Overall, these interventions would all be positive for medium to long-term employment. For the near term, the negative impact of scant rains on the harvest of various crops is worth monitoring as the outcome would have near-term implications for jobs, particularly in 2024.