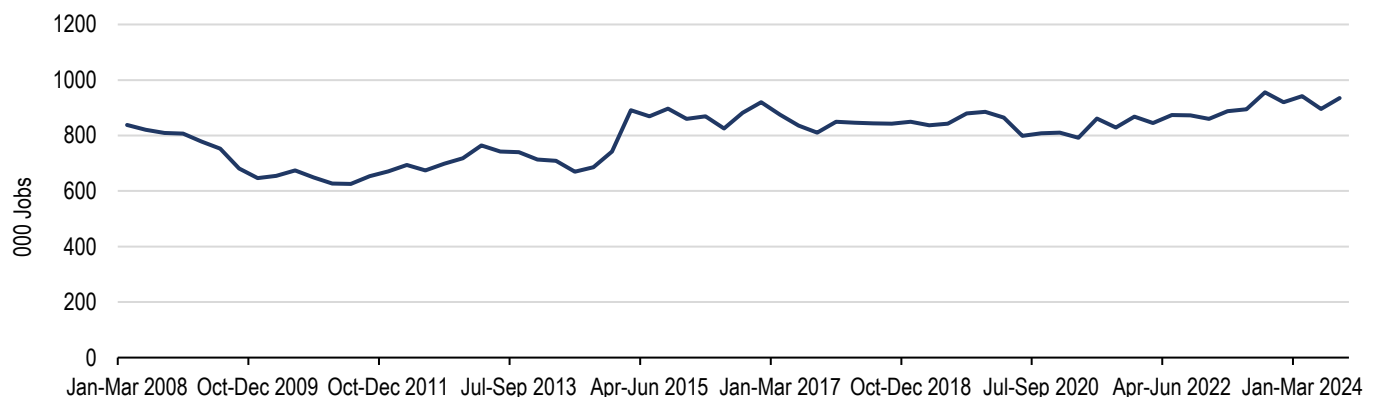


SA's primary agricultural employment improves in Q3, 2024

- While the 2023-24 mid-summer drought has been the central theme of the downbeat performance of South Africa's agriculture this year, we see a welcome positive change in the jobs data. Statistics South Africa data show that primary agriculture employment improved by 4% from the previous quarter to 935k jobs in the third quarter. However, from an annual perspective, the performance is weak, down 2% year-on-year. Still, the primary agricultural employment of 935k people is well above the long-term jobs of 799k. The poor annual performance mirrors the harsh summer season we are leaving behind.
- Some subsectors showing a quarterly increase in employment include livestock, horticulture, game hunting, and the production of organic fertilizers. Meanwhile, forestry and aquaculture recorded job losses from the year's second quarter.
- The Western Cape, Northern Cape, Eastern Cape, North West, Gauteng, and Limpopo showed significant quarterly job gains. The livestock and horticulture industry may have boosted the employment prospects in these provinces. Meanwhile, the Free State, KwaZulu-Natal and Mpumalanga showed job losses in the year's second quarter. The dominant types of agricultural activity in these provinces partly explain the job losses, especially in the Free State, primarily the grains and oilseed growing region.
- Overall, South Africa's agricultural sector remains crucial for employment creation in rural communities. However, the sector must be on a positive growth path to sustain the current jobs and create new job opportunities. In the near term, we see various constraining factors requiring policymakers' attention. These include resolving the port inefficiencies. The sector also struggles with poor rail and road infrastructure and worsening municipal service delivery. This must be an area of focus for the Government of National Unity, along with addressing rising crime incidents in some areas of the country.

Exhibit I: South Africa's agricultural jobs



Source: Statistics South Africa and Agbiz Research