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## South Africa's agricultural jobs up 10% y/y in Q3, 2023

- The solid production conditions in South Africa's agricultural sector continue to be reflected in the employment data. For example, the data released today by Statistics South Africa showed that in the third quarter of 2023, about 956 000 people were employed in primary agriculture, up 10% y/y (and 7% q/q). This is well above the long-term agricultural employment of 793 000. From a regional perspective, the Western Cape, Eastern Cape, Northern Cape, KwaZulu-Natal, North West and Gauteng significantly drove this uptick in sectoral employment. Meanwhile, the Free State, Mpumalanga and Limpopo saw declining jobs.
- As with the previous quarter, the robust production conditions of various field crops, forestry and aquaculture were behind the improvement in agricultural jobs in the third quarter. Meanwhile, the livestock industry registered a decline, which is unsurprising as the industry is confronted by various animal diseases such as foot-and-mouth, avian influenza and African swine fever. Moreover, we saw a notable decline in the game industry and production of organic fertilizer facilities.
- Overall, this notable improvement in employment in the third quarter is unsurprising as South Africa has a robust field crop and horticulture harvest following favourable rainfall and farmers' strategic interventions to adapt to load-shedding interruptions.
- Hence, the 2022/23 maize harvest is estimated at 16,4 million, 6% higher than the 2021/22 season's harvest and the second-largest harvest on record. Soybean harvest could reach a record 2,8 million tonnes. South Africa's sugar cane crop is forecasted to be 18,5 million tonnes in 2023/24, up 3% y/y. Other field crops and fruits (see [here](#)) also show prospects for decent harvests this season, which underpins these favourable job data.
- Beyond the current jobs data, the sector's broad challenges are inefficiencies at the ports, rising geopolitical tensions, deteriorating rail and road infrastructure, weakening municipalities, rising crime, and energy supply constraints. If not addressed, these challenges, particularly the ones within South African policymakers' reach, could negatively influence farm profitability and job prospects over the medium term. Therefore, the South African government and the private sector should address these issues to support long-term growth and job creation. The first step could be a revitalization of the Agriculture and Agro-processing Master Plan and placing it into the centre of development and growth interventions for the sector, which would be the plan's appropriate place.
- Also worth highlighting is the prospects of a relatively mild El Nino in the 2023/24 summer season, along with better soil moisture across the country, which are comforting and suggest that the sector could have another decent agricultural season and possibly sustain healthy employment conditions.