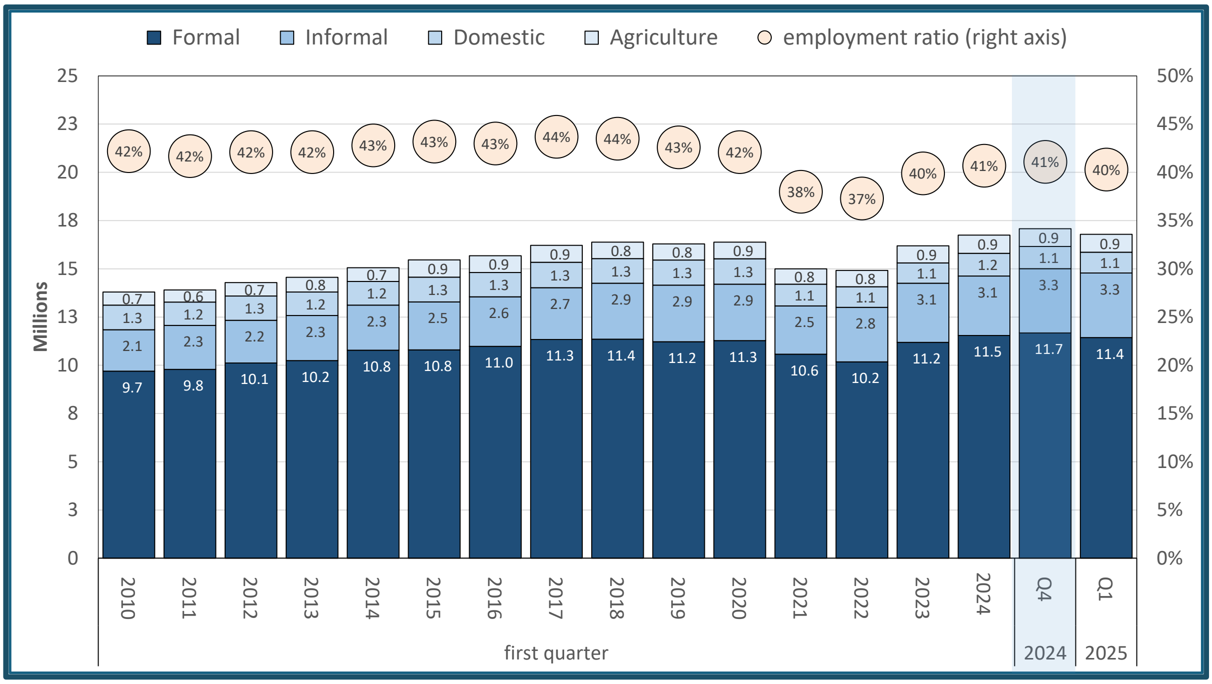
Employment

Employment grew in the year to March 2025, although it continued to lag expansion in the working-aged population. The formal sector as a whole lost jobs, however. Falling employment in domestic service and retail trade was reportedly offset by growth in manufacturing, which gained just over 70 000 new positions, as well as most other services. According to the Quarterly Labour Force Survey (QLFS), within manufacturing only the metals and clothing industries experienced substantial job losses. The survey found significant job gains in machinery and auto despite their falling sales.

Stagnant employment over the year to the first quarter of 2025 veiled significant shifts in the nature of employment. Formal and domestic employment dropped a quarter of a million jobs, while informal work expanded by around the same number. (Graph 5) The employment data are not seasonally adjusted, which makes it difficult to assess quarterly trends. Still, the decline in formal employment in the first quarter of 2025 exceeded the normal seasonal downturn.

The fall in domestic work continued a longer-term trend since the pandemic downturn. Compared to the first quarter of 2019, domestic employment is down by some 200 000, or 17%. In contrast, in March 2025 formal employment was 2% higher than it was before the pandemic. Both agricultural and informal jobs have climbed over 10% compared to 2019.

Graph 5. Employment by type of employer, and the employment ratio (a), for the first quarter from 2010 to 2025, and the fourth quarter of 2024



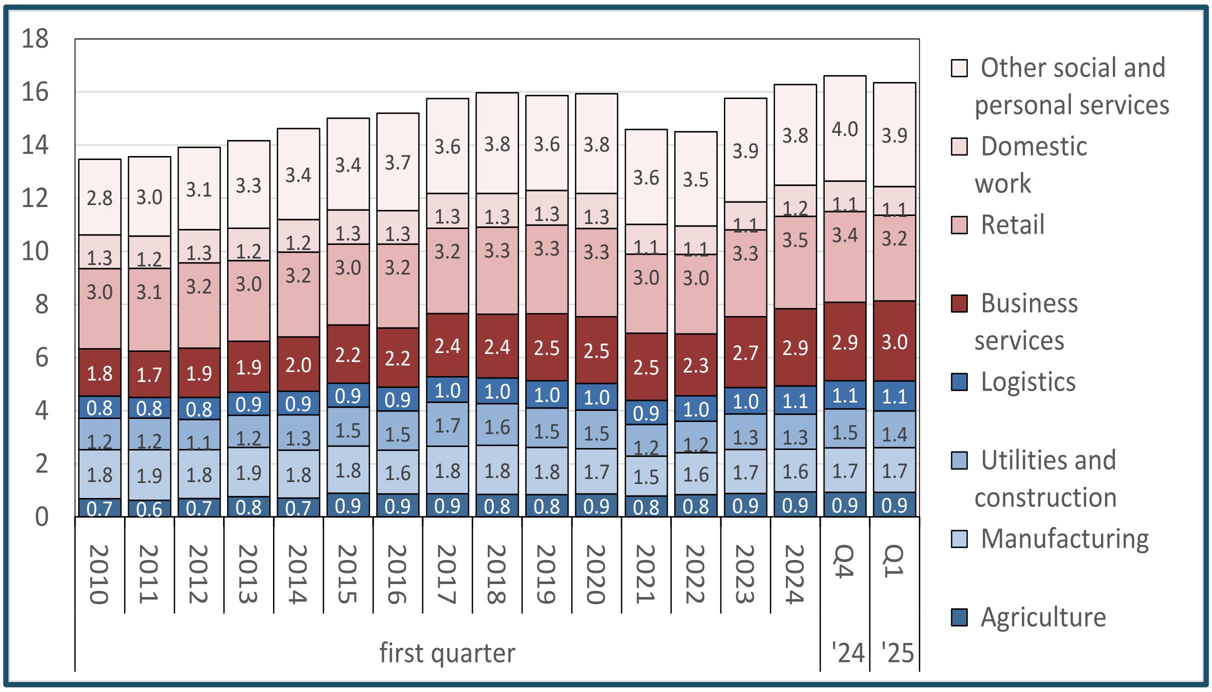
Note: (a) The employment ratio equals employed as a percentage of total the working-aged population.
Source: Calculated from Statistics South Africa. QLFS Trends 2008-2025Q1. Excel spreadsheet.

Total employment growth continues to lag the working-aged population. As a result, the share of the population with income-generating employment fell to 40% in 2025, back to levels last seen in 2022. Internationally, the ratio is around 60%.

Changes in net employment also varied by production sector. In the year to March 2025, construction and manufacturing gained employment, but agriculture shrank marginally, by 10 000 jobs. (Graph 6) Manufacturing added 70 000 jobs, a 4% increase. Still, employment in the sector remains lower than before the pandemic. Construction and utilities gained 65 000 jobs or 5%. The tertiary sector lost

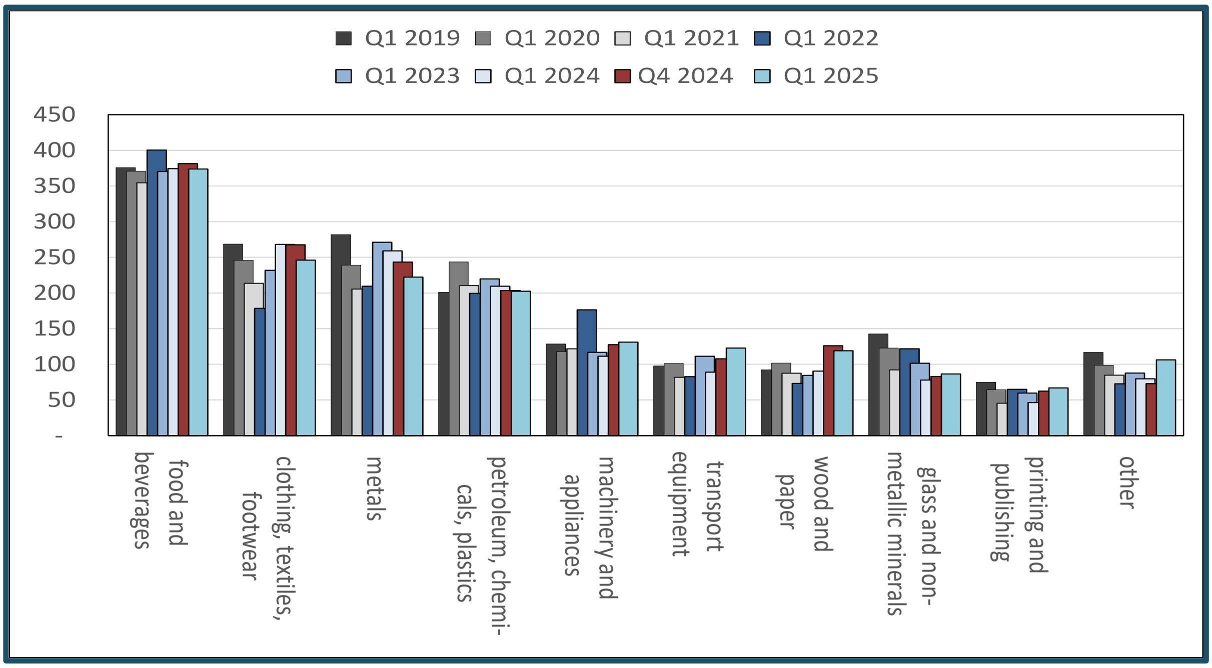
80 000 jobs. Retail and hospitality accounted for virtually all of the decline. They reportedly lost 245 000 jobs, or 10% of total employment in the sector. Domestic work shed another 100 000 positions. These losses were mostly offset by the gain of 285 000 positions in business and other services and in logistics (personal and freight transport plus communications).

Graph 6. Employment by sector (excluding mining), in thousands, first quarter 2010 to 2025 and fourth quarter of 2024



Source: Calculated from Statistics South Africa. QLFS Trends 2008-2025Q1. Excel spreadsheet.

Graph 7. Employment in manufacturing industries, in thousands, first quarter 2019 to first quarter 2025, and fourth quarter 2024

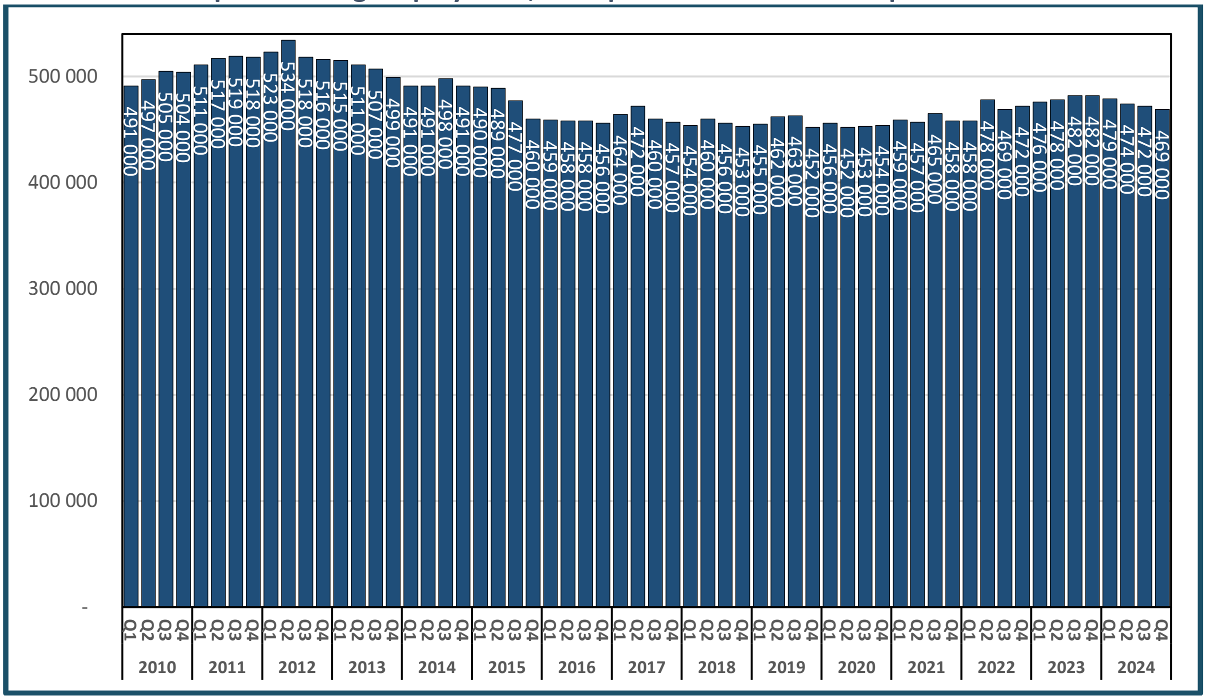


Source: Calculated from Statistics South Africa. Quarterly Labour Force Survey for relevant quarters. Electronic databases.

Within manufacturing, the QLFS found virtually all of the increase in manufacturing employment in transport equipment and machinery, despite their reportedly sharp fall in sales over the past year. Together, these industries reportedly added over 50 000 jobs. This figure may be inflated by very low figures reported for auto in the first quarter of 2024. The survey also found 40 000 net new jobs in the paper value chain, from wood to paper to paper products. In contrast, metals production shed 40 000 jobs, a 15% decline. Additional job losses occurred in clothing, textiles, and footwear, at 11%. (Graph 7).

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. The Quarterly Employment Survey is published a quarter behind the QLFS. According to the QES, in the final quarter of 2024, the mining sector lost 13 000 jobs compared to a year earlier. Overall, mining employment showed a steady decline through 2024, reflecting the decline in export revenues as international prices slumped.

Graph 8. Mining employment, first quarter 2010 to fourth quarter 2024



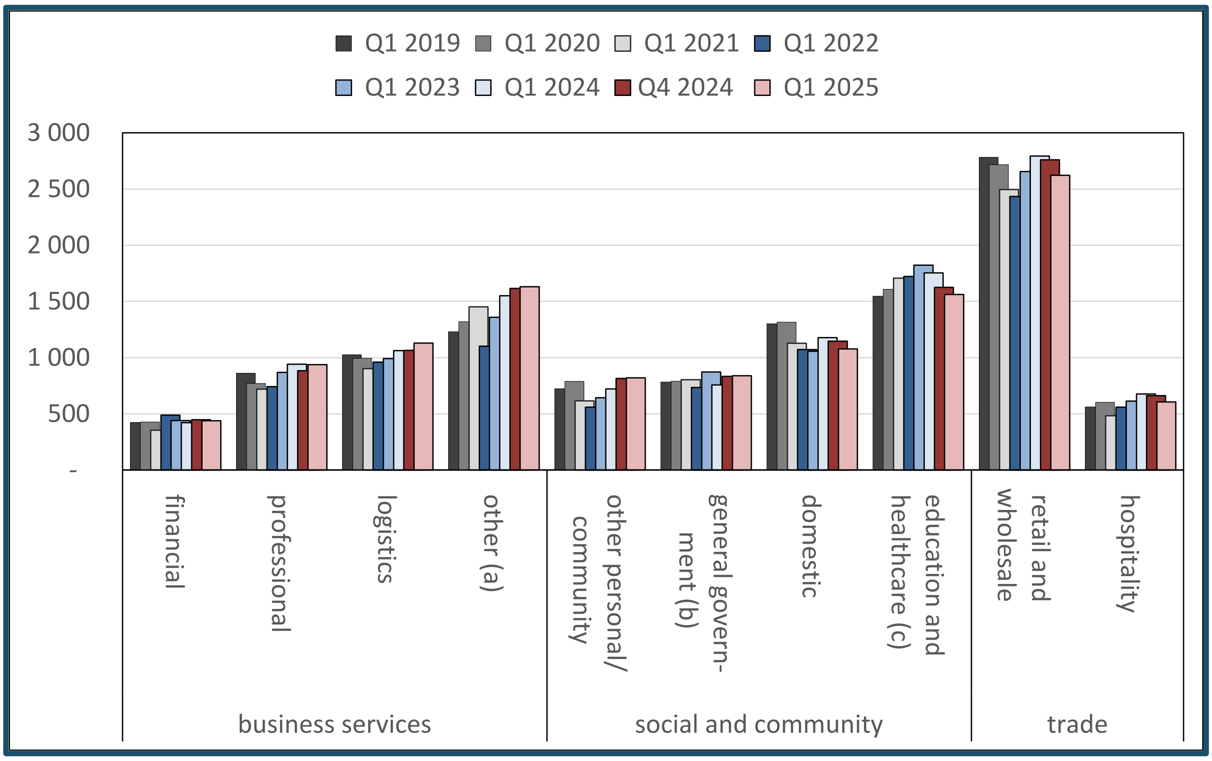
Source: Statistics South Africa. Quarterly Employment Statistics. Detailed breakdown. Third quarter 2024 Excel spreadsheet.

The QLFS found substantial divergence between the services industries, as noted above and shown in more detail in Graph 9. Other sources, however, contradict the job losses in education reported by the QLFS. In the labour force survey, a third of the combined decline in healthcare and education results from a 90 000 drop in public-sector educators. In contrast, the national Department of Basic Education reports a marginal increase in the number of teachers employed in government schools over the past year.[1] The discrepancy may be due in part to fluctuations in the number of teachers' assistants under the Presidential Employment System. The QLFS also found that public and private

[1] Calculated from Department of Basic Education. *School Realities* for December 2023 and 2024. Accessed at https://www.education.gov.za/Programmes/EMIS/StatisticalPublications.aspx in June 2025.

healthcare together lost 130 000 positions, but administrative figures on healthcare employment are not available to check this finding.

Graph 9. Employment in services by industry, in thousands, first quarter 2019 to 2025 and fourth quarter 2024.



Source: Calculated from Statistics South Africa. Quarterly Labour Force Survey for relevant quarters. Electronic databases