

SA agricultural jobs decline by 5% year-on-year in Q2

By Wandile Sihlobo 2 Oct 2020

The Quarterly Labour Force Survey data for the second quarter of 2020 showed that South Africa's primary agricultural employment declined by 5% (or 43,029 jobs) from the corresponding period last year to 799,033. This is unsurprising as the social-distancing regulations introduced at the end of March 2020, to prevent the spread of the coronavirus, meant that farmers and agribusiness were not able to increase employment, especially of seasonal labour in the same way they would have in the absence of the pandemic, in years of an agricultural bumper harvest as in 2019/20 season.



Image source: Gallo/Getty

Also, the mild decline in employment confirms our anticipation that farmers might have kept most of the labour force that was already on farms in the first quarter to assist with the harvesting process of horticulture and field crops.

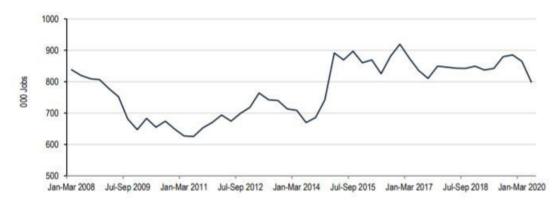
To zoom into the figures, the decline in employment was in most provinces except for the Western Cape, Mpumalanga and Limpopo. We find the job gains in the Western Cape surprising as the province's agriculture sector has probably been one of the most affected by the lockdown regulations, particularly the ban on the sale of alcohol during various stages of the lockdown.

Perhaps, the sharp impact of these regulations will show in the third-quarter numbers. For Mpumalanga and Limpopo, the job gains might have been linked with increased activity during harvesting. With that said, we still think the job gains could have been much larger during a normal year as there was a large horticulture and field crop harvest during the second quarter in both provinces.

The decline in employment is spread mainly across all subsectors; primarily in the livestock, mixed farming, game and hunting industry, forestry and fisheries. Meanwhile, the animal husbandry, field crop and horticulture subsectors showed a mild improvement in jobs. Nevertheless, these were overshadowed by the decline in other sectors, hence net basis agricultural jobs declined.

Importantly, Statistics South Africa noted that these numbers need to be handled with a caution against making strict comparisons to previous quarters because of data collection limitations during the pandemic.

Exhibit 1: South Africa's agricultural jobs



Source: Stats SA, Agbiz Research

Source: Agbiz

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