



## WESTERN CAPE AGRICULTURAL LABOUR MARKET PERFORMANCE IN THE THIRD QUARTER OF 2024

**IN THE THIRD QUARTER OF 2024, OVERALL EMPLOYMENT IN THE WESTERN CAPE INCREASED BY 3%. AGRICULTURAL JOBS IN PARTICULAR INCREASED BY 8%, ADDING 12 901 JOBS COMPARED TO THE PREVIOUS QUARTER. HOWEVER, WHEN COMPARED TO THE SAME QUARTER IN THE PREVIOUS YEAR, THE SECTOR STILL SHOWS SIGNS OF RECOVERING FROM THE VARIOUS SHOCKS IT EXPERIENCED PREVIOUSLY. DESPITE THESE DIFFICULTIES, THE WESTERN CAPE REMAINS A SIGNIFICANT CONTRIBUTOR WITH A SHARE OF 19% OF TOTAL NATIONAL PRIMARY AGRICULTURAL EMPLOYMENT. HIGHLIGHTING ITS PIVOTAL ROLE IN SOUTH AFRICA'S AGRICULTURE SECTOR.**

### 1. Introduction

The labour market plays an important role in supporting economic growth. The release of the third Quarterly Labour Force Survey (QLFS) (Q3\_2024) by Statistic South Africa (Stats SA ) revealed that national employment increased by 122 000 jobs in the formal sector and 165 000 in the informal sector (Stats SA, 2024). Positive employment growth was recorded in Community and social services, construction, trade and agriculture. In contrast finance, private households, manufacturing and transport experienced declines at the national level. The four provinces with the largest increases in job numbers were Eastern Cape (83 000), Western Cape (75 000), North West (69 000) and Mpumalanga (49 000). However, decreases in employment were reported for Gauteng (66 000) and Kwa-Zulu Natal (2 000) (Stats SA, 2024).

South Africa's National Development Plan (NDP) set ambitious numeric targets for sustainable and inclusive growth, which include reducing the unemployment rate, increasing the labour force participation rate to 65% and creating an additional 11 million jobs by 2030 (NPC, 2011). Chapter 6 of the NDP, which focuses on an Integrated and inclusive rural economy, identified agriculture as a sector with the potential to create 1 million jobs by 2030.

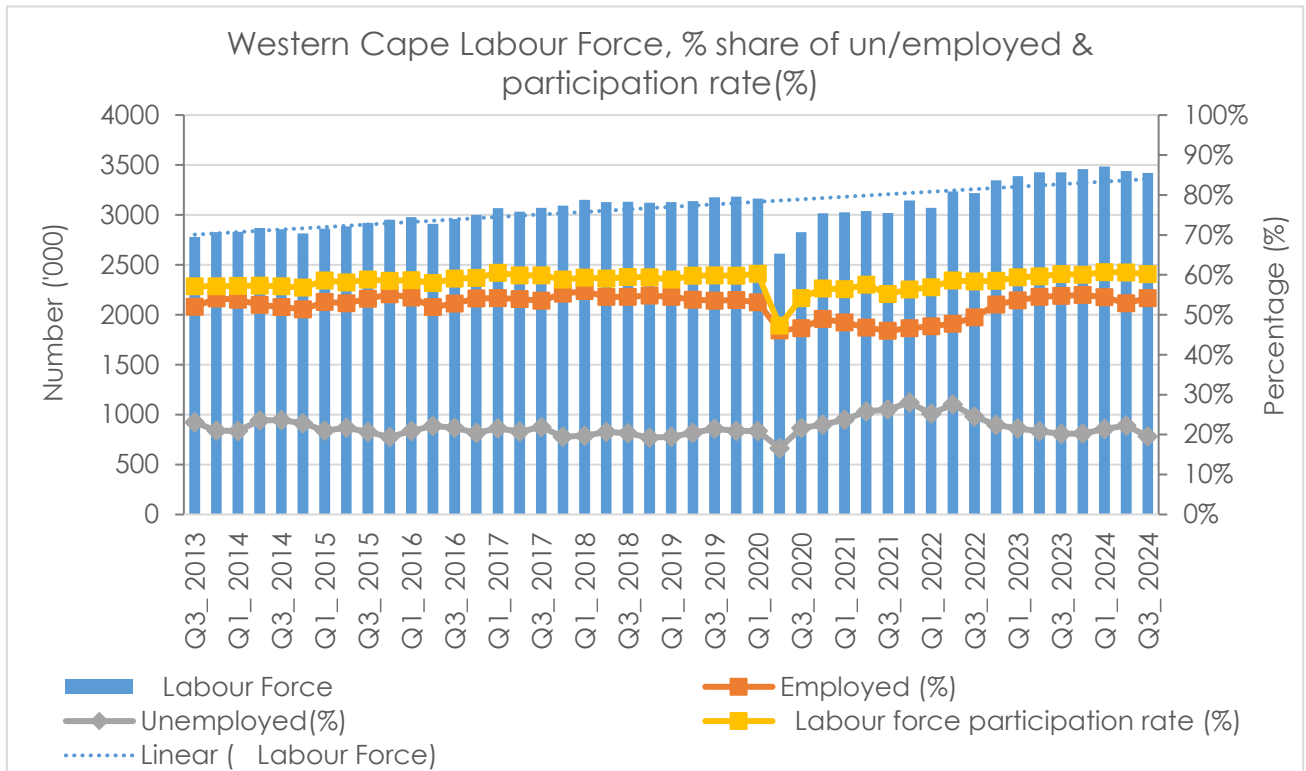
To achieve this, the plans point to investment in irrigated agriculture, expansion of area under production, and prioritised support of commercial agricultural sub-sectors that have the highest potential for growth. It also highlights the importance of creating jobs in both downstream and upstream industries.

In the Western Cape, the Growth for Jobs Strategy (G4JS) has identified seven key priority areas for achieving a one trillion rand economy by 2035 (WCG, 2023). To accomplish this goal, it is essential to regularly assess the labour market landscape for potential employment gains across various industries. Also to identify important structural, technological and other factors creating constraints to employment and economic growth. Hence, this report analyses the labour market dynamics in the Western Cape, focusing primarily on the agricultural sector.

The following section presents an overview of employment trends, characteristics, and performance in this quarter. It will be followed by a focused discussion of agriculture and agri-processing employment, before concluding with summary points.

## **2. Overview of employment**

The South African Quarterly Labour Force Survey is a household-based sample survey that gathers information on the labour market activities of individuals aged 15-64 years, who reside in the country and are not institutionalised (Stats SA, 2024b). According to this survey, the labour force population in Western Cape aged 15-64 is 3 418 834, with approximately 2 749 223 of those who are employed in Q3\_2024. Figure 1 below shows Western Cape labour force trends from Q3\_2013 to Q3\_2024. During this period, the labour force population increased by 23%, adding 640 588 individuals. Unemployment decreased by 3.5% from 23.1% to 19.6%, the employed to total provincial labour force ratio rose by 2% and the labour force participation rate fell slightly by 0.2%.



**Figure 1: Western Cape labour force trends, percentage share of employed, unemployed and labour force participation rate (%)**

Source: Own compilation-based Stats SA QLFS data (2024)

Table 1 presents employment numbers by sector in the province, including both absolute numbers and also quarterly and year-on-year growth rates for Q3\_2024. As previously discussed, there is a total of 2 749 223 employed individuals in the province, which is the sum of all ten sectors. In Q3\_2024, the sectors that employed the largest share of the labour force in the province included community and social services, finance, trade, manufacturing, construction, private household services and agriculture, among others. The data from the table indicates that when comparing Q3\_2024 to the previous quarter (Q2\_2024), overall employment in the Western Cape increased by 3% (75 000), and there was an improvement in job numbers across all sectors, except Financial Services. Notably, primary agriculture<sup>1</sup> employment increased by 8%, adding 12 901 jobs. However, compared to the same quarter in 2023 (Q3\_2023 versus Q3\_2024), the agricultural sector will need to increase by 27% of jobs to rebound to previous levels.

<sup>1</sup> Agriculture (incl. Forestry and Fisheries)

**Table 1: Western Cape third quarter 2024 labour market performance by sector**

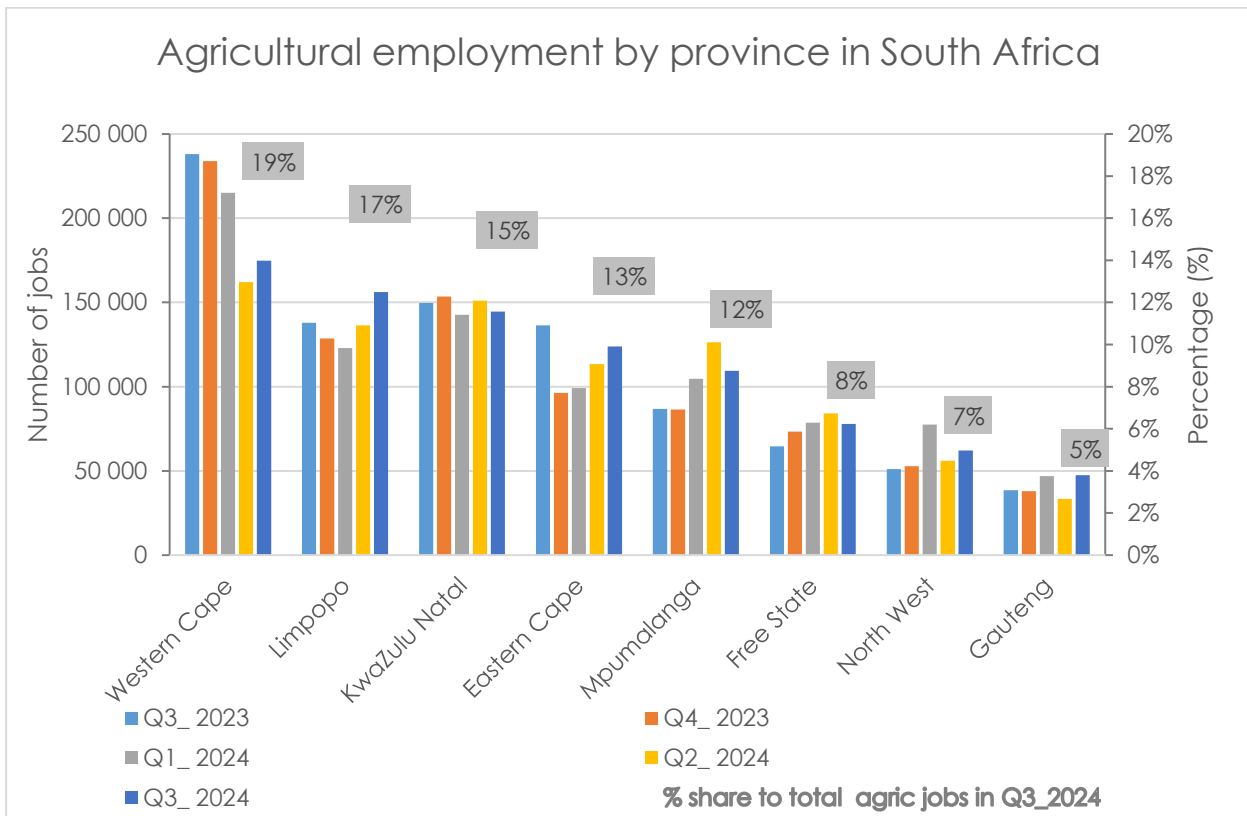
Province	Q3_2024 (Employed Numbers)	% change (Q2_2024 to Q3_2024)	% change (Q3_2023 to Q3_2024)
Agriculture	174 884	8%	-27%
Community & social services	572 631	4%	-5%
Construction	251 354	20%	-1%
Finance	529 635	-8%	12%
Manufacturing	320 631	2%	-5%
Mining	10 750	5%	99%
Private households	189 557	0%	16%
Trade	524 778	6%	9%
Transport	161 976	3%	-1%
Utilities	13 027	33%	-27%
<b>Total for WC</b>	<b>2 749 223</b>	<b>3%</b>	<b>1%</b>

Source: (Stats SA, 2024a)

### 3. Western Cape agricultural labour market performance

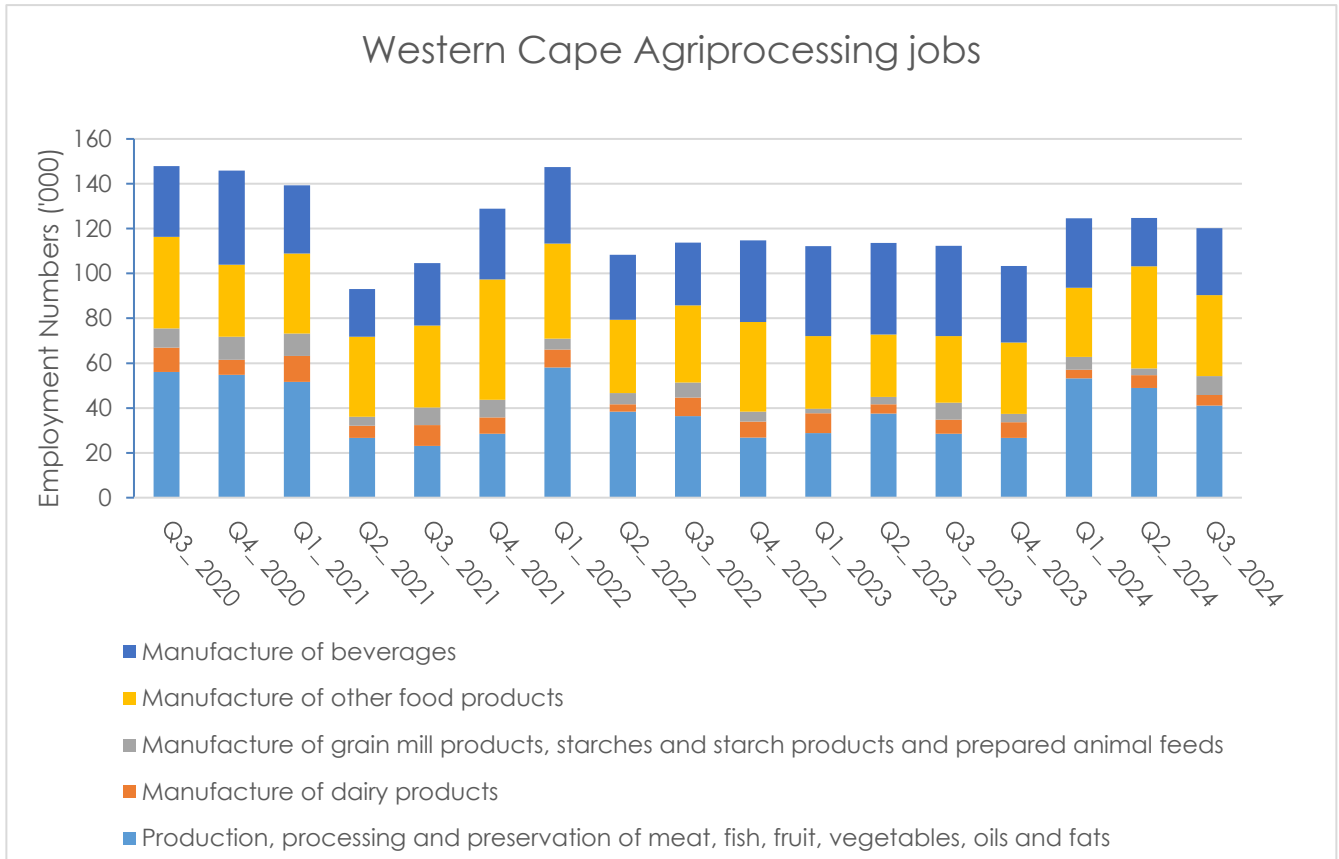
Figure 2 illustrates trends in agricultural employment across the nine provinces of South Africa from the third quarter to the same quarter in 2024. Additionally, it shows the relative contribution of each province to total agricultural employment in Q3\_2024.

The Western Cape leads in agricultural jobs, contributing 19% (174 884 jobs) of total agricultural employment in the country. It is followed by Limpopo at 17% (156 098 jobs), and Kwa-Zulu Natal ranks third with 15% (144 536 jobs). The Eastern Cape follows with 13% (113 482) and Mpumalanga contributes 12% (109 373) (Stats SA, 2024).



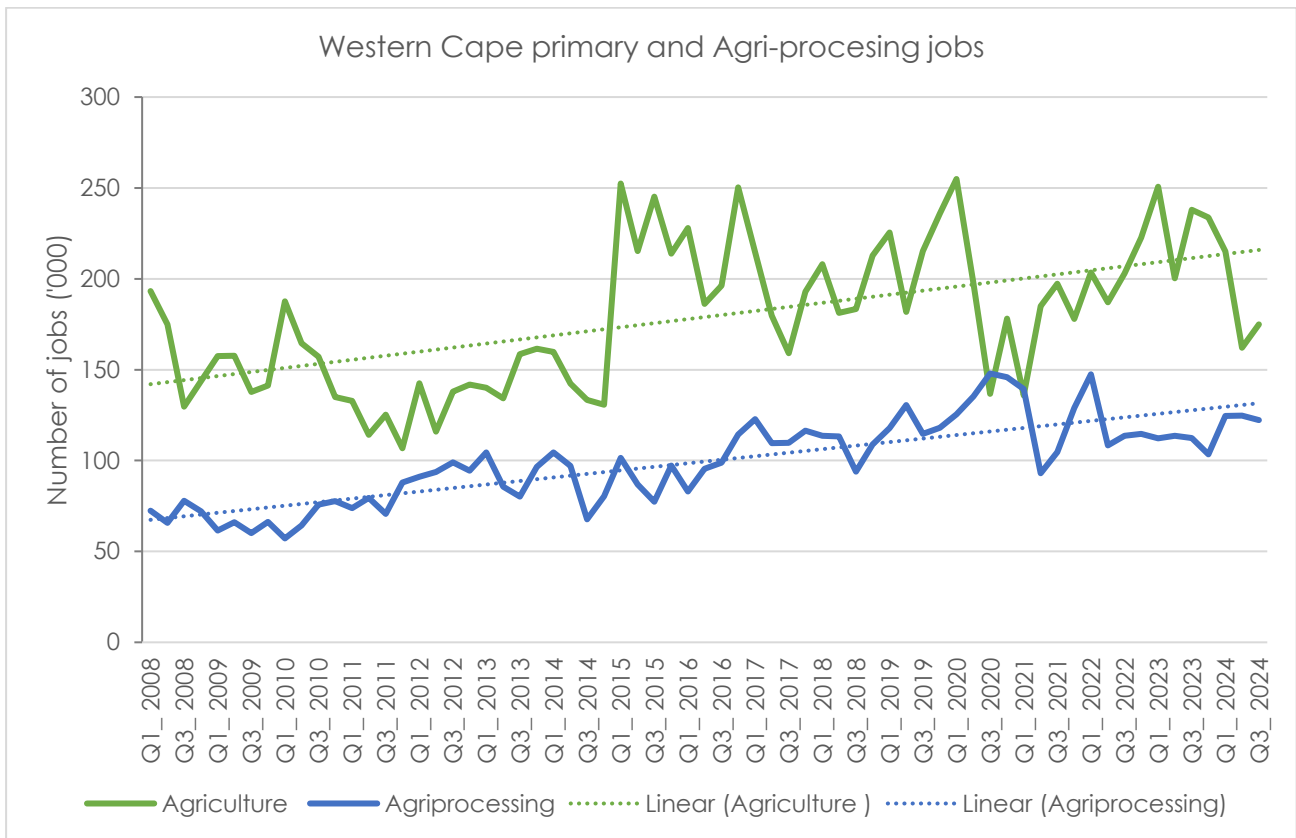
**Figure 2: Quarterly primary agricultural employment trends per province and share in Q3, 2024**  
 Source: (Stats SA, 2024a)

According to Stats SA data, in the Western Cape, there were 122 194 agri-processing jobs recorded in the third quarter of 2024, which is employment in the food, beverage, and tobacco industries. In this quarter, Agriprocessing jobs declined by 2% compared to the previous quarter. While there were substantial employment gains in the manufacture of grain, mill products (with an increase of 183%) and in the production of beverages (there was an increase of 38%), these job gains were sufficient to offset job losses in other agri-processing sectors (e.g. manufacturing of dairy product). The performance of the agri-processing sub-sector is also indicated in Figure 3 below, which trends from Q3\_2020 TO Q3\_2024.



**Figure 3: Western Cape quarterly food, beverages & tobacco jobs, Q3\_2020 to Q2\_2024**  
 Source: own compilation based on Stata SA micro-data files

In this quarter, the Western Cape agriculture and agri-processing sectors combined recorded 297 078 jobs, contributing 11% to total provincial employment. Within the primary agricultural sector, an estimated 79% of the jobs were in the crop-growing sub-sector, followed by livestock farming, which accounted for 5%. The remaining jobs were distributed among forestry and related services and other related agricultural activities. Figure 4 below illustrates employment trends in both sectors. Overall the agricultural value chain shows a consistent upward trend for employment (see trend line).



**Figure 4: Western Cape primary and agri-processing employment trends, Q1\_2008 TO Q3\_2024**  
 Source: Own compilation based on Stats SA microdata file

#### 4. Conclusion

The third quarter of 2024 has demonstrated significant employment growth in the Western Cape, particularly in the agricultural sector, which remains a cornerstone of the province's economy. Despite an 8% increase in agricultural jobs from the previous quarter, the sector still faces challenges in recovering to the employment levels of the previous year. The Western Cape's contribution of 19% to the national agricultural employment underscores its critical role in South Africa's agriculture industry.

To sustain and enhance this growth, continuous investment in agricultural infrastructure, technology, and skills development is paramount. The strategic focus outlined in the Growth for Jobs Strategy (G4JS) and the National Development Plan (NDP) provides a robust framework to drive further progress. By addressing both structural and technological challenges, the Western Cape can continue to build a resilient and dynamic labour market that supports sustainable economic growth and development. Looking forward, it is crucial to monitor employment trends and adapt policies to foster an inclusive and thriving agricultural sector that benefits all stakeholders. The data from this quarter serves as a valuable benchmark for future initiatives aimed at achieving long-term employment goals and economic prosperity in the Western Cape.

## 5. References

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