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SOUTH AFRICAN
INSTITUTE OF
RACE RELATIONS

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Long term job-loss trend for South African agriculture

An established long-term trend of declining employment in agriculture is revealed in the new *South Africa Survey* recently published by the South African Institute of Race Relations in Johannesburg.

According to data contained in the *Survey*, in 2001 there were 969 000 people employed in agriculture. However, by 2012 that figure had declined to 638 000. This is a loss of 331 000 jobs in the sector, or a decline of 34%. The data also showed that in 2001, 7.8% of South Africa's workforce was employed in agriculture, which by 2012 had declined to just 4.7%.

The Institute's agriculture researcher, Kerwin Lebone, said that, 'The data shows that agriculture has been shedding an average of 30 000 jobs a year for the past decade. Job losses are therefore a long-term and well-established trend in the sector.'

'In part this trend can be explained by the changing role of agriculture in the economy. The sector accounted for 16.6% of GDP in 1951, and now, sixty years later accounts for just over 2% of GDP. However, in the shorter term, job losses may also be explained by a range of factors, including rising minimum wages, land reform uncertainty, and land tenure rights given to farmworkers,' Mr Lebone said.

'It is therefore quite possible that this trend will be accelerated by the 50% minimum wage increase for farmworkers recently announced by the labour minister and set to come into operation in March. Should this be the case it will be a setback for rural development efforts. This could have a range of knock-on effects including increased demands for welfare support to rising levels of protest action in rural municipalities.'

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