

Press Release



SOUTH AFRICAN
INSTITUTE OF
RACE RELATIONS

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South Africa way off its employment targets

The rate of job creation will need to increase by nearly ten times if it is to meet the Government's job creation targets, according to the latest *South Africa Survey*, published by the South African Institute of Race Relations this week.

Over the last decade total employment increased by only 624 000. The Government has set a target of creating 5 million new jobs between 2010 and 2020.

The data, which is sourced from Statistics South Africa, shows that total employment has increased by an average of only 0.5% a year since 2001. The working age population has been increasing at more than three times that rate over the same period.

Since 1994 the most jobs in any single year were created between 1997 and 1998, when total employment increased by 1.8 million. The year 2010 saw the biggest job losses under democracy, when employment contracted by 833 000 compared to 2009.

Ms Lucy Holborn, research manager at the Institute, said that the data showed how challenging it would be to meet the 2020 target, given the trend over the past decade. 'However, in just two years between 1997 and 1999, 3.7 million jobs were created.'

'External economic factors, labour regulation, and policies affecting investor sentiment will all play a role in determining how much employment will increase over the next decade. The Government has control over two of these three influences and it will need decisive action on its part to create the conditions necessary for so many jobs to be created over a relatively short space of time.'

Over the last decade the community and social services sector (which includes the public sector) has gained the most jobs, with employment in that sector increasing by 726 000. The trade sector has seen the biggest contraction, with 401 000 job losses over the last ten years.

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