

Press Release



**South African
Institute of
Race Relations**

South Africa's Leading Research and Policy Organisation

For immediate release

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ANC job figures don't add up

Many of the sectors the Government has recently marked out for massive job creation have been shedding jobs for years. This alone casts doubts on the feasibility of the State's projections for new jobs, according to the South African Institute of Race Relations.

Late last year the African National Congress (ANC) unveiled a "new growth path" intended to help generate five million jobs in a decade. In January 2011 ANC secretary general Gwede Mantashe gave flesh to these proposals by identifying various sectors in which job creation is supposed to accelerate.

Mining is one. According to Mantashe, 'mining output and beneficiation' are expected to generate 140 000 jobs by 2020. But mining has in fact shed 189 000 jobs over the past decade — and this despite a major commodities boom for much of that period.

Mantashe sees manufacturing as generating 350 000 jobs over the next ten years, but the sector has actually shed 135 000 jobs since 2001.

Mantashe also hopes for 250 000 new jobs in agriculture by 2020, but 319 000 jobs have been lost here in the past decade.

"These figures in themselves", says Dr Anthea Jeffery, Head of Special Research at the Institute, "are enough to cast doubt on the ANC's employment projections, for it will be difficult to reverse job-shedding trends which are already so entrenched."

Mantashe also envisages 500 000 new jobs in rural development, another 300 000 in the 'green economy', and 260 000 in the 'social economy', but he fails to explain what sort of jobs these will be. In addition, he posits 150 000 fresh jobs in 'African regional development', whatever that might entail.

Mantashe makes no reference to construction. Yet this sector has created some 380 000 new jobs in the past decade and could generate many more if the State's

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stalled infrastructure programme could be revived. Instead, the sector has recently held a crisis summit at which it lamented the lack of new state construction contracts — despite the Government's having allocated R850bn to infrastructure expansion — and warned that it would have to retrench workers if 'shovel-ready' state construction projects were not soon forthcoming.

"Add the Department of Labour's four new bills into the policy mix and the prospect of millions more new jobs becomes yet more remote," Jeffery said.

"Since rigid labour laws have contributed to a loss of permanent jobs in the past decade — and the bills are intended to tighten labour regulation very much further — the hope that the bills will generate many more permanent jobs is illusory at best," she added.

"At the same time, the bills seek to put an end to the temporary or atypical employment which is the only type of work which has been growing rapidly since 2000. According to the Government's own regulatory impact analysis of the four bills, atypical jobs have grown from 1.55m in 2000 to 3.89m in 2010, an increase of 151%.

"However, since these millions of atypical jobs undercut union power, the Department of Labour seems to have no qualms about adopting laws intended to bring them to an end."

The Government, says Jeffery, is thus demonstrating its capacity for what George Orwell so graphically called 'double think': the ability to hold two conflicting thoughts at the same time without recognising the contradiction. On no other basis could the State say it aims at 5m new jobs by 2020 while simultaneously unveiling a set of labour laws calculated to result in millions of job losses.