

Retail sector 'likely to lift' SA's labour market

By [Ntsakisi Maswanganyi](#)

13 Nov 2012

SA's labour market is likely to experience "a strong seasonal peak" in employment between this month and February next year mainly due to a "resilient" retail sector, professional services group Adcorp's labour economist Loane Sharp said in an interview yesterday, 12 November.

The group's employment index released yesterday, showed that the economy added 41,971 jobs during September and last month, partly reversing the decline of 82,431 jobs observed in the four-month period to August.

The Adcorp index is regarded as the most representative monthly barometer of employment trends in the country.

"The retail sector is doing strikingly well and all of the sectors that are connected to consumer spending like transport and logistics, and food and clothing manufacturing should do very well this festive season," Sharp said.

Investment Solutions chief strategist Chris Hart also identified retail as the sector to boost employment in the month ahead.

"We will continue to see strong retail sales amid higher wage increases and growth in unsecured lending, which will support retail sector activity," Hart said.

While expectations for retail were positive, those for mining were gloomy. The index showed mining and manufacturing continued to shed jobs, losing 6,000 jobs between them during the month mainly because of ongoing strikes in the mining sector.

The strikes are among domestic factors that are expected to exacerbate SA's 25.5% unemployment rate, while the global economic slowdown is placing additional pressure on the manufacturing sector.

"All these factors have conspired to make the employment situation go sideways," said Sharp.

Adcorp's expectations for better employment prospects in the months ahead are more optimistic than those by a Manpower employment outlook survey, which forecasts SA's hiring pace to slow down noticeably in the last four months of the year.

The Adcorp employment index showed jobs growth was observed in all sectors, but that it was the informal sector that outperformed the rest, growing by 2.3% or 12,250 jobs during the month.

Source: *Business Day*

For more, visit: <https://www.bizcommunity.com>