



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 1493

Mr M Manyi (MK) to ask the Minister of Trade, Industry and Competition:

- (1) What (a) specific industrial sectors have been successfully expanded and/or established since 1 January 2019 due to direct government intervention and (b) are the relevant details of the quantifiable economic outcomes such as (i) gross domestic product contribution, (ii) job creation figures and (iii) sectoral growth rates;
 - (2) what (a) total number of South African-manufactured goods have increased their market share in global trade due to government-led industrial policies and (b) are the relevant details on the (i) export growth data per sector and (ii) comparative trade statistics?
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REPLY:

- (1) (a) In 2019 the Presidency tasked the Economic Cluster to come up with a plan to re-ignite the economy given low economic growth rates. In response to that, the Re-imagined Industrial Strategy (RIS) was developed to boost private sector investment and economic inclusion. Central to the RIS is the development of Master Plans across National Departments of the Economic Sectors, Investment, Employment and Infrastructure Development (ESIEID) Cluster.

Since 2019, **the dtic** has developed and implemented 8 Master Plans in the following sectors: Automotives, Clothing & Textiles, Leather and Footwear, Poultry, Sugar, Steel & Metal Fabrication, Furniture, Global Business Services and Medical devices. The Department is currently developing the Cannabis & Hemp Master Plan, which was previously led by the Department of Agriculture, Land Reform and Rural Development.

The primary objectives of the Master Plans are, in addition to the above-mentioned economic objectives, to bring about economic and racial transformation, expand the level

of local output, both to secure part of the local market lost to imports, boost value-added exports and sustain and create jobs.

(b) It should be noted that economic growth is not guaranteed purely based on direct government intervention, but is dependent on a variety of factors such as global and domestic economic environments, structural challenges (electricity, water, ports and logistics, telecommunication challenges), geo-political developments, competitiveness of industries in other jurisdictions, availability and access to industrial financing, trade protectionist measures deployed by other countries etc.

For example, the unprecedented global COVID-19 shock in 2020 brought a 17% fall in South Africa's GDP. While the recovery began almost immediately, production only returned to pre-pandemic levels in 2022; and employment only in mid-2023 – a recovery pathway that was further complicated by serious civil unrest in July 2021, the war in Ukraine, serious flooding in Durban in 2022, intensified load-shedding from 2022, and an increasing number of rail bottlenecks in 2023.

The tables below indicate which sectors have expanded since 2019 although it is not possible to isolate the portion of growth solely attributable to direct government intervention:

(i) Share of manufacturing value-add to GDP contribution (%), based on constant 2015 prices

Sector	2019	2020	2021	2022	2023	2024
Manufacturing	13,5	12,6	12,9	12,6	12,5	12

Source: Quantec database based on Stats SA data and SARB Quarterly Bulletin March 2025

Manufacturing value-add as a share of GDP at constant 2015 prices has declined over the period 2019 to 2024, in part due to the impact of COVID-19 on the global and domestic economy, effects of de-industrialisation and challenges experienced in network industries.

(ii) Number of people employed in manufacturing

Sector	2019	2020	2021	2022	2023	2024
Manufacturing	1 176 325	1 101 378	1 218 017	1 281 261	1 300 492	1 282 162

Source: Stats SA Quarterly Employment Statistics December 2024, released 25 March 2025

Despite manufacturing as a share of GDP declining, employment in the manufacturing sector increased broadly over the time period expect for a decrease in 2024 compared to 2023.

(iii) Sectoral growth rates (growth in manufacturing value-add %)

Sector	2019	2020	2021	2022	2023
Manufacturing	-0,7	-12,1	6,9	-0,4	0,3
Automotives	-2,8	-22,6	38,2	-20	3,8
Petroleum, chemicals, rubber and plastics	-1,2	-11,4	-11,1	19,8	1,7
Metals, machinery & equipment	-1,8	-10	9,5	-1,9	1,8

Source: Quantec database based on Stats SA data

This table refers to the growth in manufacturing value add on an annual basis. Only a few manufacturing sub-sectors showed some growth in certain years during this period. In general, the majority of the manufacturing sectors declined in 2023 compared to growth levels in the preceding time period.

- (2) This information will require considerable analysis in order to pronounce on the causal link required by the Honourable Member. The Department will provide further response in due course.

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