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Department:  
Trade, Industry and Competition  
REPUBLIC OF SOUTH AFRICA

## THE NATIONAL ASSEMBLY

### QUESTION FOR WRITTEN REPLY

#### QUESTION NO: 2190

#### **Mr S Thambo (EFF) to ask the Minister of Trade, Industry and Competition:**

What total number of jobs have been lost in the steel industry since (a) the sharp decline in 2005 and (b) the recent pronouncements of retrenchments at ArcelorMittal South Africa? NO2213E

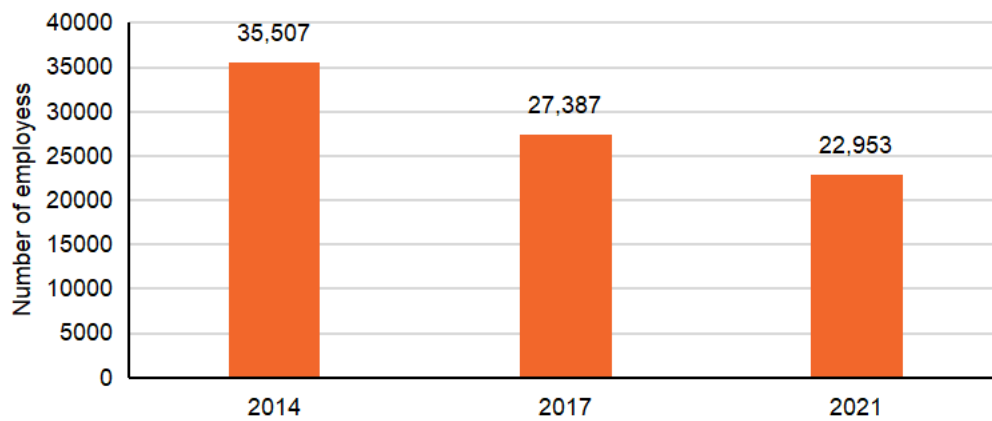
#### **REPLY:**

According to the Steel and Engineering Industries Federation of Southern Africa (SEIFSA), between 2008 and 2023, the Metals and Engineering Sector has shed about 214 636 jobs, representing a 37.2% decline.

- (a) Consistent with the SEIFSA report, we have in the past decade experienced job losses in the domestic steel industry as a consequence of a number of factors including - excess supply of global primary steel, low domestic demand, low sector profitability, higher electricity and logistic tariffs, increased capital intensity as well as an increase in imports that will account for 30% of domestic demand in 2024.

Data from Stats SA (*see fig 1*) depicts a decreasing trend in employment over time. It is estimated that between 2014 and 2017 employment declined by nearly 23% or approximately 8120 jobs. Between 2017 and 2021 employment declined further by approximately 16.2% or 4434 jobs.

Figure 1: Employment in the manufacturing of basic iron and steel sub-sector, 2014 - 2021



Source: Stats SA – Manufacturing financial detail.

- (b) Had the government not intervened in averting the closure of the AMSA's Newcastle longs steel plant, an estimated 3500 direct jobs and 80 000 indirect jobs across the value chain could have been affected.

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