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Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 4564

Mr S I Gama (MK) to ask the Minister of Trade, Industry and Competition:

With reference to the continuing deindustrialisation and manufacturing job losses in the Republic, (a) what has he found is the total number of manufacturing jobs have been lost in the past three financial years, (b) which major industrial sectors have experienced the largest declines and (c) what measurable interventions has his department implemented to reignite the manufacturing sector and thereby reverse the trend? NW4910E

REPLY:

(a) Number of jobs lost in manufacturing

According to the Quarterly Employment Survey data from Statistics South Africa, manufacturing employment increased by 11,103 jobs in 2023–2024 compared to the previous financial year, reaching a peak of 1.31 million workers. This positive performance was subsequently reversed, with the sector recording consecutive employment losses of 23,201 jobs (-1.77%) in 2024–2025 and a further 22,794 jobs (-1.77%) lost in 2025–2026. Over the three years from 2023–2024 to 2025–2026, manufacturing employment declined by a net 34,892 jobs, reflecting a 2.69% contraction from the baseline.

Manufacturing employment

Financial Year (Q4 March)	2022-2023	2023-2024	2024-2025	2025-2026
Total employment	1 298 165	1 309 268	1 286 067	1 263 273
Annual employment gains or losses		11 103	-23 201	-22 794
Annual Variance (%)		0.86	-1.77%	-1.77%

Source: Stats SA



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(b) Industrial Sectors experiencing major declines

Industries	Number of Jobs lost (2023/24-2025/26)
Wood and products of wood and cork,	-10 487
Coke, refined petroleum products and nuclear fuel; chemicals and chemical products; rubber and plastic	-8 011
Furniture, manufacturing n.e.c.; recycling	-7 677
Textiles, clothing and leather	-5 254
Non-metallic mineral products	-4 279
Electrical machinery and apparatus n.e.c.	-2 809
Basic metals, fabricated metal products, machinery and equipment and office, accounting and computing machinery	-2 796

The data points to a structural and uneven contraction in manufacturing employment. While the manufacturing sector as a whole recorded a net loss of 34,892 jobs, the losses were highly concentrated in a number of industries. In particular, the wood and paper-related industries, chemicals and plastics, furniture, and textiles/clothing/leather together account for 31,429 jobs lost, or approximately 90% of the total net manufacturing employment decline.

The Metals and Engineering sector increased employment by 0,2% (701 jobs added) between 2023 and 2025; 360 371 jobs to 361 072 jobs during the period. The contraction has been most severe in long steel production, particularly following the closure of Newcastle steelworks. This resulted in the loss of approximately 3,500 direct jobs, with additional impacts across the supply chains. However, early indications suggest that some downstream firms are increasingly turning to imports, resulting in longer lead times and greater exposure to exchange rate risks that were previously less pronounced.

(c) Interventions to reignite manufacturing

The Department of Trade, Industry and Competition (**the dtic**) continues to implement a range of trade and industrial policy measures to support industrialisation, safeguard productive capacity, and create employment. However, the Department recognises that industrialisation is a shared responsibility requiring stronger collaboration between government, business, labour, educational institutions, and civil society.



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A key pillar of this effort is the implementation of nine Sector Master Plans covering the automotive, clothing and textiles, leather and footwear, sugar, poultry, steel and metal fabrication, medical devices, global business services, and furniture, hemp and cannabis sectors. These Master Plans provide established platforms for cooperation between government, business and labour, supporting investment, localisation, competitiveness, industrial expansion, and job creation.

The recently approved Industrial Development Strategy (IDS) places manufacturing at the centre of South Africa's industrialisation agenda and focuses on strengthening domestic productive capacity through dynamic and competitive firms and sectors. Complementing this strategy, Special Economic Zones (SEZs) continue to attract domestic and foreign investment, support specialised industrial clusters, drive infrastructure development, promote technology transfer, and strengthen export performance.

Trade Measures implemented and under consideration: to date, a number of trade measures reports ranging from safeguards, tariff investigations, rebates and anti-dumping have been processed, some in implementation and others are under consideration. It must also be noted that competition in the steel industry continues to suffer from a lack of a level playing field, hence the need for **the dtic** to collaborate with National Treasury and SARS to identify additional measures that can be provided to reduce price distortions.

Enhancing Trade Remedies and Addressing Circumvention Weaknesses: the dtic, in collaboration with the International Trade Administration Commission (ITAC), will expedite the implementation of the Global Steel Tariff review, including the introduction of an import surveillance system for high-risk products already identified, as well as the application of import controls under Section 6 of the ITA Act. Implementation will be on an accelerated basis consistent with the country's international trade obligations.

Strengthening Localisation through the Procurement of Public Infrastructure: the dtic continues to collaborate with procuring entities to intensify the use of public procurement to reinforce and sustain domestic steel production. Working jointly with National Treasury and relevant departments, efforts will be directed towards improving compliance with existing



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localisation and designation requirements while also evaluating the introduction of binding minimum local content thresholds within key infrastructure programmes.

Coordinated Industrial Support and Enhancing Cost Competitiveness: the dtic continues to participate in various forums with stakeholders, including the Industrial Development Corporation (IDC), Department of Electricity and Energy, Eskom, Department of Transport and Transnet, to address the structural cost challenges confronting the sector. These interventions encompass energy security and pricing, improvements in logistics performance and efficiency, as well as targeted industrial financing support.

the dtic is also leveraging strategic partnerships and trade agreements, including the South Africa-EU Clean Trade and Investment Partnership (CTIP), the African Continental Free Trade Area (AfCFTA), the China-Africa Economic Partnership Agreement (CAEPA), and collaboration with Afreximbank, to expand market access, attract investment, support exports, and integrate South African firms into regional and global value chains.

Green industrialisation remains a major priority. Positioning the Steel Industry for the Green Industrial Transition: Government is actively working to position the domestic steel sector within the evolving global low-carbon industrial economy. This includes pursuing opportunities associated with green steel production, leveraging South Africa's mineral resource advantages and aligning domestic capabilities with international industrial transition initiatives. In this context, **the dtic** will collaborate closely with industry stakeholders to identify and advance priority investment projects that can anchor a future competitive, low-carbon steel value chain. Through initiatives such as the Automotive Master Plan, South Africa is positioning itself as a manufacturing hub for New Energy Vehicles (NEVs), while the Steel Master Plan is exploring opportunities in green steel production. Government is also advancing critical mineral beneficiation to increase local value addition and support the production of battery materials, fuel cell components, renewable energy technologies, and other advanced industrial products.

the dtic acknowledges that manufacturing faces structural constraints, including challenges related to energy supply, logistics, transport infrastructure, digital connectivity, skills



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development, and regulatory inefficiencies. Addressing these challenges requires coordinated action across government. Accordingly, the IDS emphasises closer collaboration with key departments, state-owned entities, and stakeholders responsible for critical network industries and enabling infrastructure.

Recognising that industrialisation requires sustainable financing, **the dtic** is engaging with National Treasury, Development Finance Institutions, commercial financiers, and international partners to mobilise additional resources and crowd in private investment for priority sectors.

Collectively, these interventions are aimed at strengthening productive capacity, deepening industrialisation, diversifying exports, attracting investment, and enhancing South Africa's competitiveness. However, the success of the Industrial Development Strategy will depend on a whole-of-government and whole-of-society approach, with active participation from business, labour, DFIs, state-owned entities, and civil society to drive sustained industrial growth and job creation.

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