Highlights of 2012

- The agro-processing industry accounted for 30,0% and 28,4% of the total real output and real value added (GDP), respectively, of the manufacturing sector during 2012. Furthermore, it contributed 40,3% to the total employment in the manufacturing sector during the same period.
- The real output of the agro-processing industry rebounded by 4,8% in 2012, following a 2,1% contraction in 2011. Similarly, the real value added (GDP) of the agro-processing industry increased by 3,5% in 2012 after a 2,6% contraction in 2011.
- The real gross domestic fixed investment in the agro-processing industry moderated from 5,9% in 2011 to 1,4% in 2012.
- Following a contraction of 3,0% in the previous year, the real export of all agro-processing products rebounded by 6,7% in 2012. The real import of all agro-processing products, however, moderated from 10,2% in 2011 to 8,7% in 2012. As a result, the trade deficit of agro-processing products widened from R31 074 million in 2011 to R34 403 million in 2012.
- The total employment in the agro-processing industry increased marginally by 0,6% in 2012, after a 2,6% contraction in 2011. During the period, the agro-processing industry created 4 049 informal jobs and shed 760 formal jobs. As a result, the total number of employment in 2012 was 575 811.

Real output

The real output of agro-processing products rebounded by 4,8% in 2012 following a contraction of 2,1% in 2011. Divisions that showed growth were furniture (10,7%), leather and leather products (8,1%), food products (7,3%), tobacco (6,5%), paper and paper products (3,8%), rubber products (2,9%), beverages (2,3%), footwear (2,3%), wearing apparel (2,3%) and wood and wood products (0,2%). The textile division, however, showed a contraction of 3,1% during the period.

Real domestic fixed investment

The real domestic fixed investment in the agro-processing industry moderated from 5,9% in 2011 to 1,4% in 2012.
Real domestic fixed investment in the agro-processing industry slowed down from 5.9% in 2011 to 1.4% in 2012. The divisions that showed growth were furniture (40.4%), wearing apparel (16.9%), paper and paper products (16.5%), footwear (12.3%) and food products (6.8%). The real domestic fixed investment dropped in the leather and leather products (34.3%), tobacco (32.4%), rubber products (20.6%), textiles (15.6%), wood and wood products (7.2%) and beverages (3.9%).

**Trade**

Real exports of agro-processing products rebounded by 6.7% in 2012 following a contraction of 1.8% and 3.0% in 2010 and 2011, respectively. The growth was driven by a remarkable increase in exports of tobacco (45.6%), food products (21.6%), footwear (18.5%), beverages (15.2%) and wearing apparel (6.6%). The divisions whose real exports subsided were furniture (17.2%), textiles (11.3%), paper and paper products (10.2%), wood and wood products (8.4%), leather and leather products (5.4%) and rubber products (0.3%).

Real imports of agro-processing products moderated to 8.7% in 2012 from 10.2% in the previous year. Among other agro-processing products whose real imports grew were tobacco (30.4%), food products (15.2%), beverages (11.8%), rubber products (10.9%), wearing apparel (9.8%), furniture (9.3%), footwear (5.2%), paper and paper products (3.0%) and wood and wood products (2.6%). Real imports decreased by 6.3% and 0.5% for leather products and textiles, respectively. As a result of higher growth in real imports compared to exports, the trade deficit of the agro-processing industry increased from R31 074 million in 2011 to R34 403 million in 2012. The only divisions that maintained a trade surplus were beverages (R 3 493 million) and tobacco (R417 million). The trade deficit widened for wearing apparel (R9 835 million), food products (R7 451 million), textiles (R5 926 million), footwear (R5 669 million), furniture (R2 443 million), paper and paper products (R1 145 million), leather and leather products (R507 million) and wood and wood products (R169 million).

**Employment**

After declining by 3.3% and 2.6% in 2010 and 2011, respectively, the total employment in the agro-processing industry rebounded by 0.6% in 2012. During the same period, formal employment contracted by 0.2%. The divisions that recorded a growth in formal employment were furniture (8.3%: 2 734), beverages (3.0%: 1 005), footwear (1.2%: 102), rubber and rubber products (3.8%: 489) and tobacco (3.4%: 89). Formal jobs were shed in textiles (5.8%: 1 986), paper and paper products (3.9%: 1 236), food (0.6%: 955), wearing apparel (1.7%: 879) and leather and leather products (12.2%: 652). Formal employment remained unchanged for the wood and wood products division.

Informal employment in the agro-processing industry increased by 2.4% in 2012. The divisions that created informal employment were beverages (6.8%: 2 222), wearing apparel (8.3%: 999), furniture (12.2%: 873), food products (3.1%: 533) and footwear (4.9%: 115). Informal employment was contracted in the leather and leather products (9.0%: 52), textiles (2.4%: 551) and wood and wood products (0.0%: 10) division.

**Trade balance**

Source: Quantec EasyData

**Change in formal employment**

Source: Statistics SA

**Change in informal employment**

Source: Statistics SA

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