



QUARTER 3 (2022/2023)

ECONOMIC AND LABOUR MARKET DASHBOARD

AN OUTLOOK ON SOUTH AFRICA'S ECONOMIC AND LABOUR DYNAMICS

REAL GROSS DOMESTIC PRODUCT:



SA REAL GROSS DOMESTIC PRODUCT BALLOONED IN Q3:

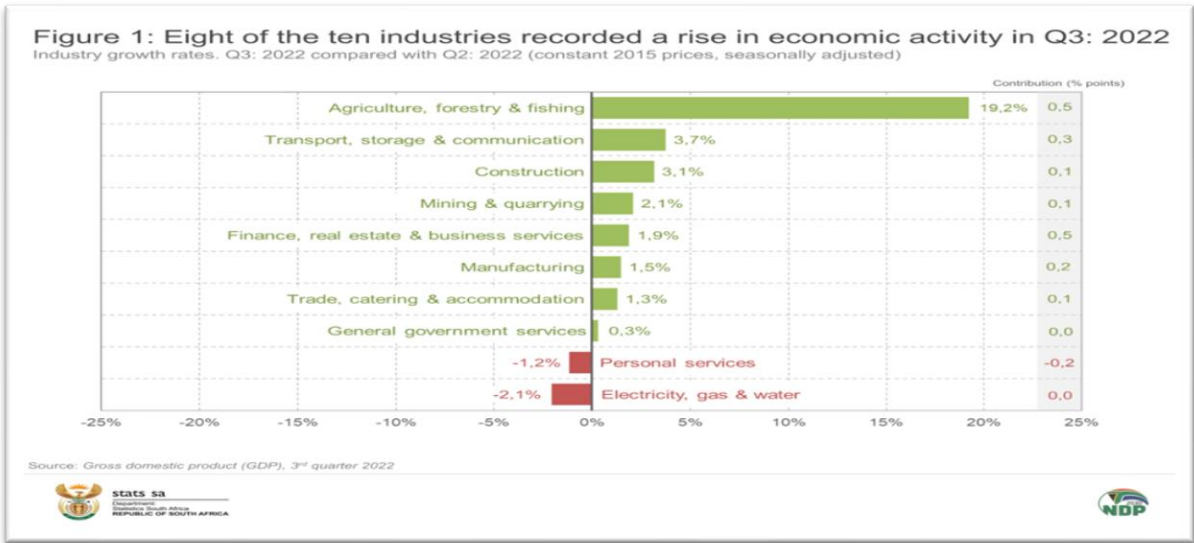


After contracting by 0,7% in the second quarter of 2022, the economy rallied in the third quarter, expanding by 1,6%. The agriculture, finance, transport and manufacturing industries were the main drivers of growth on the supply side of the economy. The demand side of the economy was lifted by a rise in exports and government consumption. The size of the economy now exceeds pre-pandemic levels. Real gross domestic product (GDP), measured by production, was R1 161 billion (constant 2015 prices) in the third quarter, which is above the previous peak of R1 152 billion recorded in the fourth quarter of 2018.



Agriculture, finance and transport help push GDP higher

Eight of the ten industries recorded an increase in economic output in the third quarter of 2022 (Figure below). Agriculture, forestry & fishing was the largest positive contributor, increasing by 19,2%. This was mainly associated with a rise in the production of field crops and horticulture products.



SA BLEAK ECONOMIC PREDICTION:



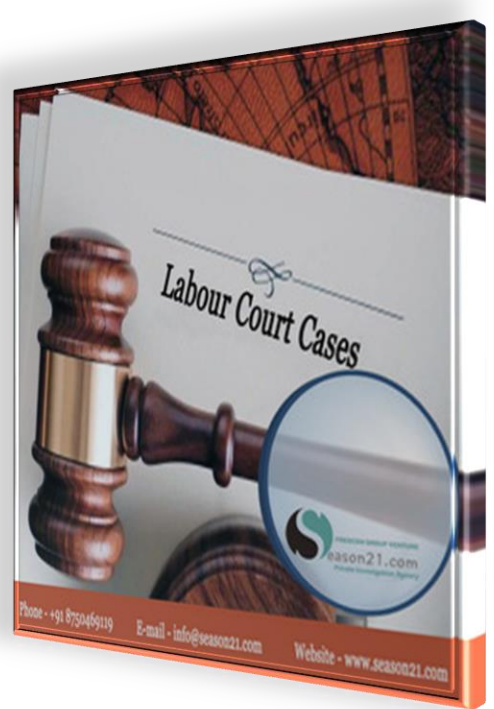
A consultancy firm based in the United Kingdom (UK), the Centre for Economic and Business Research (CEBR), said that South Africa is set to drop two spots on the World Economic League Table (WELT) in 2023. The country currently ranks number 36 on the table, which tracks the size of different economies across the globe and projects changes over the next 15 years, up to 2037. The report, released this week, predicted that South Africa would drop to position 38 out of 191 countries in 2023, following a weaker performance in 2022.

CEBR said that South Africa's annual growth of GDP is expected to average 1.3% between 2023 and 2027. The report predicted South Africa would drop another three spots to 41 in 2027. The report by the London-based firm comes amid economic uncertainty, with concerns that the global economy could be headed for a recession in 2023. Higher interest rates intended to curb rising inflation are also expected to continue to dominate the economic picture in 2023.





A recent judgment highlights the fact that the right to maternity leave is enshrined in our law. The applicant in *Brandt v Quoin Rock Wines* sought compensation for an alleged automatically unfair dismissal relating to her pregnancy. She had been a financial manager at Quoin Rock Wines since July 2013. When the applicant wished to come back to work, the CEO informed her that her position had been made redundant, and her services were no longer required. This was done without any consultations with the Human Resources Department or the applicant herself. The Labour Court found that, while the CEO did understand that the applicant was entitled to maternity leave, he had no proper understanding of what that leave actually entailed. He was angry that she was not available after her baby was born and this, the Court viewed, was a 'prime example' of his lack of understanding 'of the right to maternity leave enshrined in our law'.



His poor reactions and retaliations against the applicant for going on maternity leave were entirely inconsistent with the statutory obligations of employers in relation to maternity leave. The Court stated that her rights under our employment laws should have been upheld and protected by her employer and held that she was deserving of meaningful solatium. The respondent was ordered to pay the applicant compensation in the amount equivalent to 16 months' salary, being ZAR 800 000.

## SOURCES:

1. <https://ewn.co.za/2022/12/28/uk-consultancy-firm-predicts-that-sa-will-drop-2-spots-on-world-economic-table>
2. [New case dealing with maternity leave in South Africa \(businesstech.co.za\)](#)
3. <https://www.statssa.gov.za/?p=15991>