



**JOB OPPORTUNITY INDEX**  
**REPORT**

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August 2011

**JOB OPPORTUNITIES IN THE WHOLESALE AND RETAIL SECTOR**  
**in the South African Labour Market**

Head office, Technopark  
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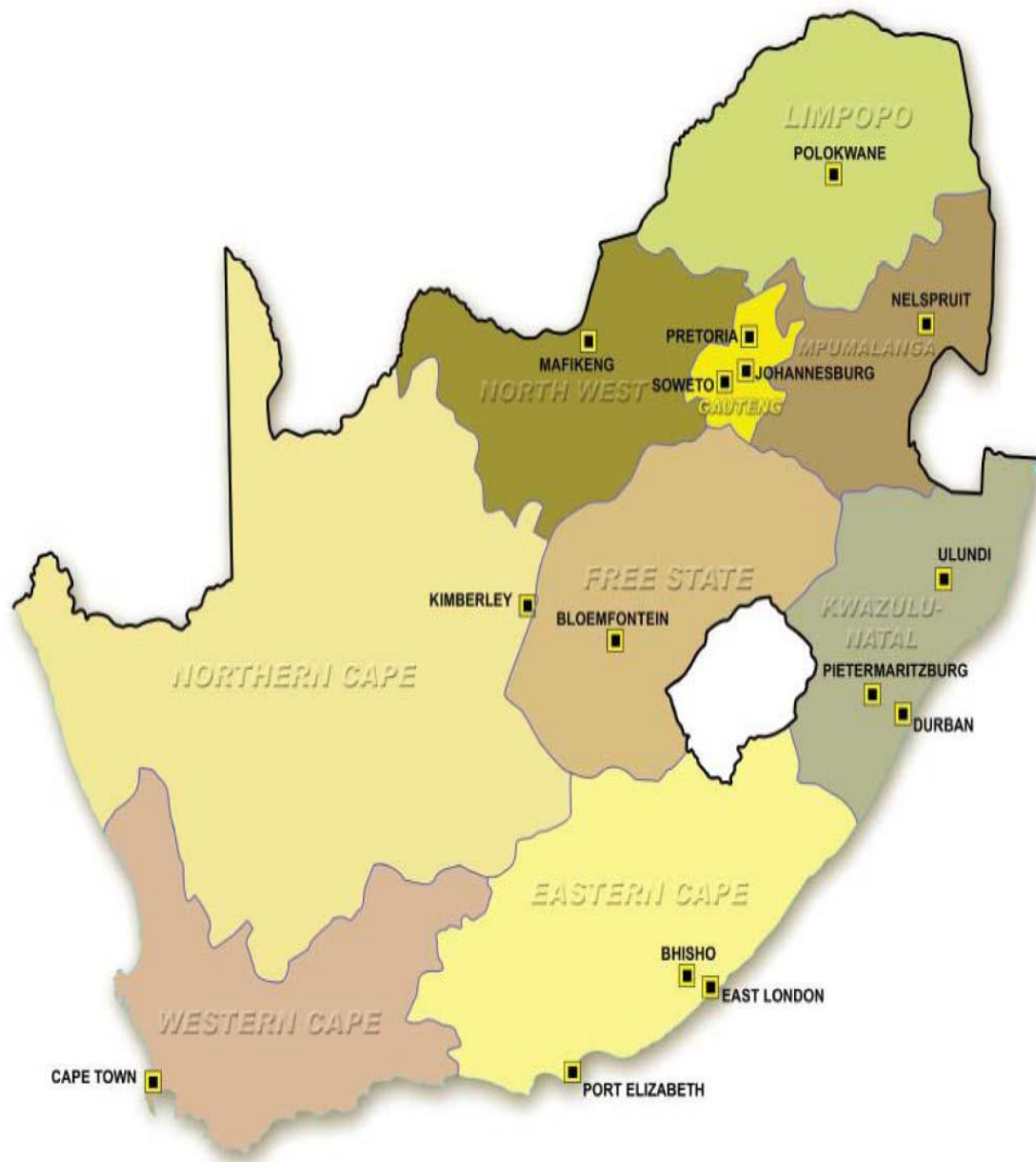
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Map of South Africa and its Provinces

## Executive summary

Business needs and environment are changing fast and makes for an uncertain future. It demands talent and vision at the top – but skills shortages means it is not always easy to recruit externally. In this climate, it is vital for businesses to nurture and develop existing talent. A “grow your own” approach, identifying and developing talent can reduce time spent trying to fill positions. It also creates a pool of capable, motivated employees, cuts the risk of failing at new venture while providing stability and continuity across your organisation.

It is evident, despite the lack of scientific data that many young people in South Africa are suffering from higher unemployment and underemployment due to nature of their circumstances. The high and growing burden of unemployment on young people poses risks to social cohesion and nation building. It also erodes the stability of communities and encourages crime and other antisocial behaviour and attitudes. The youth must be given more choices, more opportunities for education, and skills training to empower them.

The legacy of apartheid has left South Africa polarized along the lines of skin color. This is quite evident in the labour market – designated group (blacks & women) and people with disabilities are still marginalised and this is disturbing when looking their participation in the labour market according to population size or EAP in the workplace especially in the middle-to-upper occupation level positions.

The Fast Moving Consumer Goods (FMCG), Wholesale & Retail (W&R) sector is undergoing massive change: boundaries between wholesale and retail are blurring. Change is being driven by the internationalisation, regionalisation, consolidation and intense price competition, regulation policies, e-commerce, heterogeneous consumer and product trends.

The W&RSETA has demonstrated its commitment to South Africa’s national skills agenda by focusing on skills development initiatives and building the skills base of both employed and unemployed learners in its sector. Most importantly, the W&RSETA has also identified scarce and critical skills within the framework of National Skills Development Strategy (NSDS) in the sector. The focus of this report is on the job opportunities available in the W & R sector in South Africa. The report looks at vacancies, scarce skills, regional trends in terms of job opportunities, and most in demand occupational fields.

**List of acronyms**

CJI	CareerJunction Index
CPI	Consumer Price Index
DoE	Department of Education
DoL	Department of Labour
DWA	Decent Work Agenda
EAP	Economically Active Population
ESDS	Employment and Skills Development Service
ETD	Education, Training and Development
FMCG	Fast Moving Consumer Goods
GDP	Gross Domestic Product
GET	Global Employment Trends
KILM	Key Indicators of the Labour Market
MDG	Millennium Development Goals
NSA	National Skills Authority
NSDS	National Skills Development Strategy
SD	Skills Development
SDA	Skills Development Act
SSP	Sector Skills Plan
W&R	Wholesale and Retail
W&ESETA	Wholesale and Retail Sector Education and Training Authority
WSP	Workplace Skills Plan

## 1. Introduction

Business needs and environment are changing fast and makes for an uncertain future. It demands talent and vision at the top – but skills shortages means it is not always easy to recruit externally. In this climate, it is vital for businesses to nurture and develop existing talent. A “grow your own” approach, identifying and developing talent can reduce time spent trying to fill positions. It also creates a pool of capable, motivated employees, cuts the risk of failing at new venture while providing stability and continuity across your organisation.

Lack of training and development is often cited as a key reason for people leaving organisations – yet too few approach training and development in a targeted and inspiring way. In short, employees’ development is critical for retention and success. When a vacancy arises, it can be easy to identify the right person for the role very quickly hence save time and money. Searching for a talent can be very risky, difficult and expensive. Training is often a reaction to poor performance as oppose to maximising potential and boost retention.

**Buying a talent a can be risky, difficult and expensive: keeping good people is good business. Training is too often a reaction to poor performance; it can and should be a way to maximise potential and boost retention.**

Good planning not only relies on the corporate goals, but it also means spotting and nurturing the people with the potential to excel in their assigned roles. We cannot continue doing the same thing and expect different outcomes. This is a high time for government, businesses, trade unions and all relevant stakeholders to invest differently in transformation to reduce the unemployment rate especially in the youth.

It is evident, despite the lack of scientific data that many young people in South Africa are suffering from higher unemployment and underemployment due to nature of their circumstances and something must be done urgently, as we cannot remain in wait-and-see mode. The high and growing burden of unemployment on young people poses risks to social cohesion and nation building. Casse argues that the “social and economic costs of long-term unemployment, joblessness and poverty are not only measured in terms of income support. They include loss of output, erosion of skills, reduced

levels of activity, and increased social divisions.”<sup>1</sup> Furthermore, unemployment erodes the stability of communities and encourages crime and other antisocial behaviour and attitudes. The youth must be given more choices, more opportunities for education, and skills training to empower them.

The current government resources allocated for hiring incentives could be used to augment training measures and skills upgrading. Second, the suite of training programmes needs to be tailored to match the needs of both employers and participants. With respect to the latter, the programmes need to tackle underlying employability challenges and skills deficiencies of participants with a view to improving outcomes over the medium term. However, training programmes must be relevant to employers and match, to the extent possible, the skills in demand. In this respect, efforts to leverage better private– public partnerships could help to improve the overall effectiveness of training delivery.

This report focuses on job opportunities in September 2011 in the W & R sector in South Africa. The report looks at vacancies, scarce skills, regional trends in terms of job opportunities, and most in demand occupational fields. This is done by tracking newspapers such as The Jobmail, The Sunday Times, The Citizen, The Star, The Business Day, The Pretoria News, The Cape Times, The Herald, The Volksblad, The New Age and The Mail and Guardian. Internet-based research was also conducted, and research bases such as the Career Junction Index were used.

The absence of a national labour market information system (LMIS) is a major impediment when conducting labour market analysis/research in South Africa. In the absence of such a database, researchers are compelled to rely on macro analysis of labour market information, diagnostic analysis, prediction trends, inferences and extrapolated data formulate normative judgement on the basis of the weighted market evidence.

## 2. An overview of the W & R sector

The W&R sector is changing rapidly worldwide: boundaries between wholesale and retail are blurring. Changes in the sector are driven by internationalisation, regionalisation, consolidation and intense price competition, regulation policies, e-commerce, and heterogeneous consumer and product trends. Some of these changes have altered the way in which business operates and the types of jobs for which there is a demand.

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<sup>1</sup> Cass, B.1989: “Solving poverty requires a total community response”, in *Impact*, Vol. 20, No. 1, pp. 11-14.

The W&R sector is one of the most important sectors in terms of value-added and employment in South Africa, and contributes 15% (2010) to the country's GDP, and more than 22% of the employees in South Africa work in the sector.<sup>2</sup> Growth in South Africa's retail sector remains slow and employment opportunities are limited.

Notwithstanding, the W & R sector is one of the sectors in South Africa that is lagging behind when it comes to transformation. The lack of transformation has been recently shown and acknowledged by the commission employment equity (CEE) report. The lack of transformation in the W&R sector is very clear when it's viewed in relation to the economically active population (EAP) in South Africa as it summarised in **Table 1**. The EAP includes people from 15 to 64 years of age who are either employed or unemployed and seeking employment.

**Table 1: EAP by race and gender**

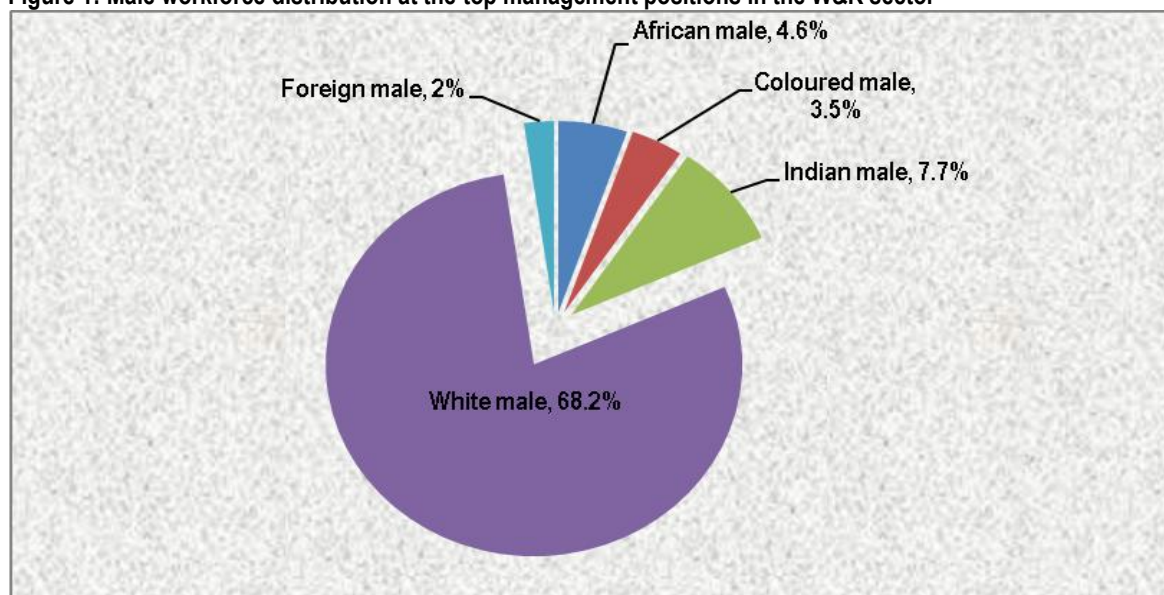
Economically Active Population			
Male		Female	
African male	39.2%	African female	34.2%
Coloured male	6.1%	Coloured female	5.2%
Indian male	1.9%	Indian female	1.1%
White male	6.7%	White female	5.5%
Foreign male	0%	Foreign female	0%

Source: CCE Report (2009-2010)

These figures are clear and do not need further interpretation. According to the CEE report, only 4.6% African male, 68.2% White male, 7.7% Indian and 3.5% Coloured at a top management level in W & R sector respectively. The graphs below further illustrate the sector workforce profile population distribution at the top management by race and gender.

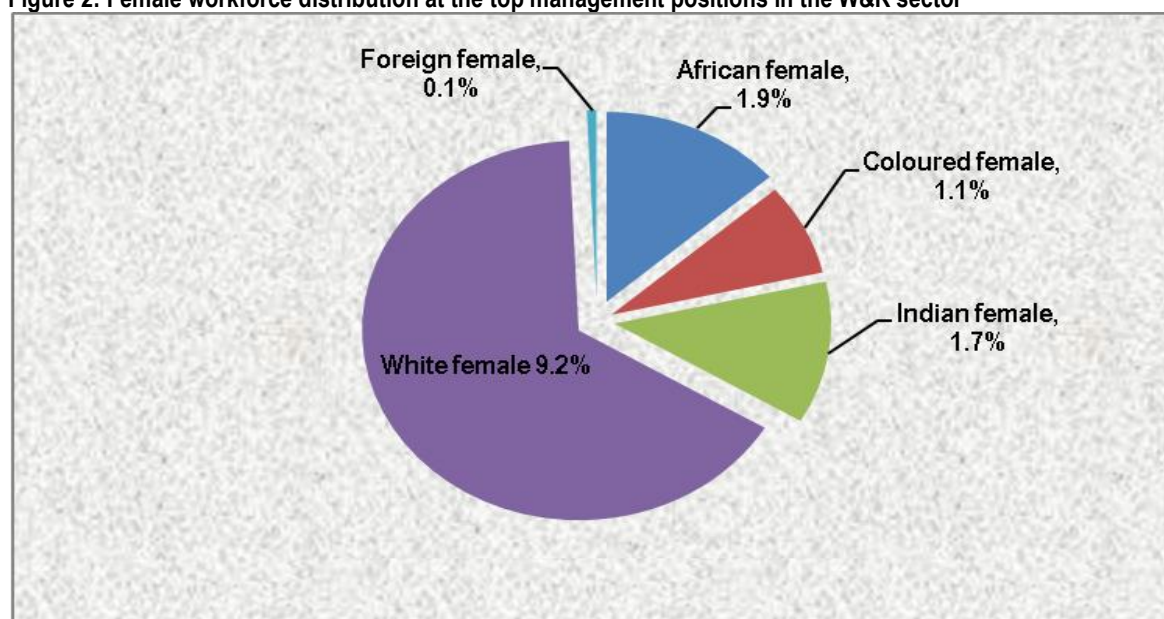
<sup>2</sup> Sector Skills Plan, 2011. Wholesale and Retail Sector: Skills Development for Economic Growth: Pretoria, Centurion. Republic of South Africa, pp6



**Figure 1: Male workforce distribution at the top management positions in the W&R sector**

Source: Own Calculations from the CEE Report (2009-2010)

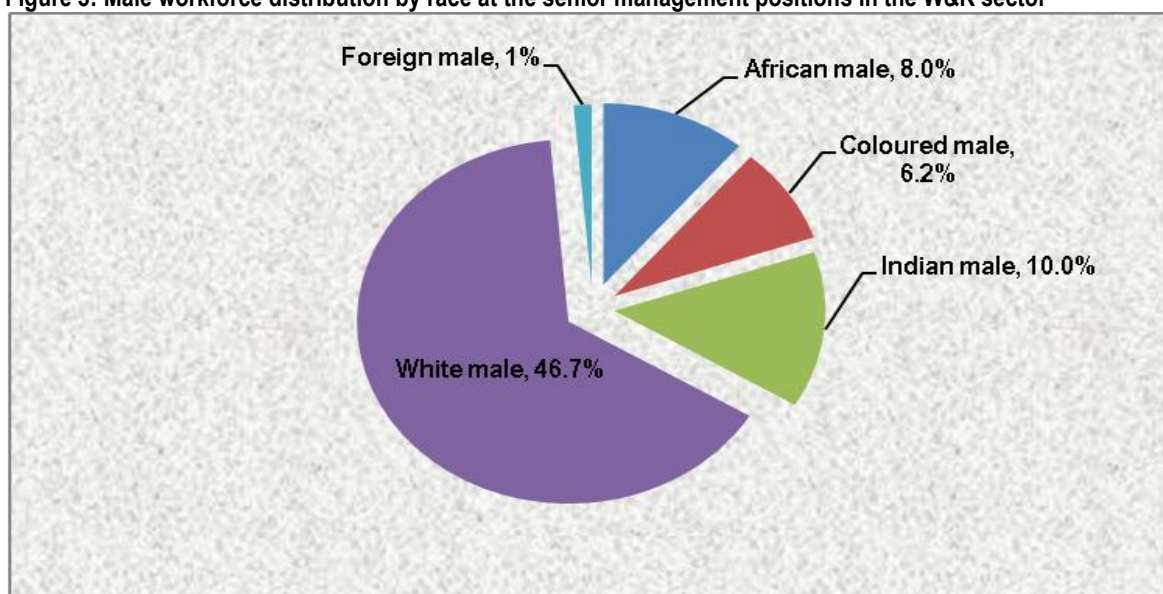
The above figure clearly indicates that the W & R sector is one of the least transformed sectors in the economy. This has serious implications for skill development. It is imperative that the skills development institutions put measures to address the representivity of black people in both top and senior management positions. W&RSETA needs to incentives the skills development of black top and senior management positions. Figure 2 below illustrates the female workforce profile distribution at the top management positions in the sector.

**Figure 2: Female workforce distribution at the top management positions in the W&R sector**

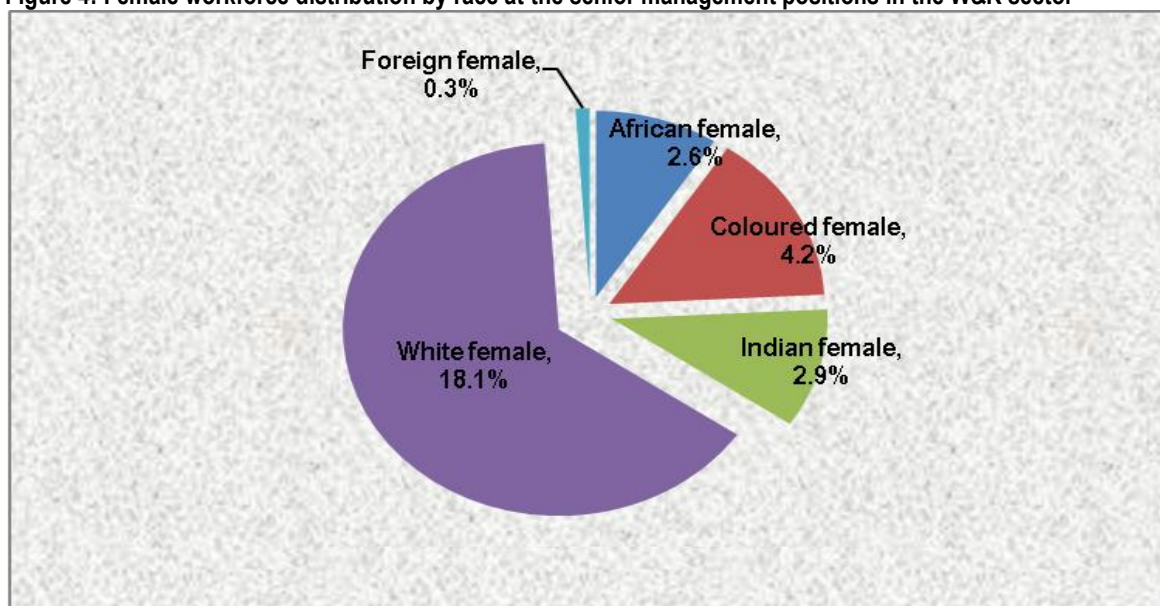
Source: Own Calculations from the CEE Report (2009-2010)

Figure 3 and 4 give an indication of workforce profile population distribution by race and gender at the senior management level positions. It is clear from **figure 3 and 4** that black South African are still seriously and highly under-represented at the senior management level positions. Less than 10% of white South African male economically active population but are occupying 48% of the senior management positions compared to 39.2% black South African male economically active population which are only occupying 8% of the senior management level positions. It is clear that the white basically dominate the middle and upper management positions in the sector. In other words, the sector is performing terribly in terms of employment equity (EE) in these occupational categories.

**Figure 3: Male workforce distribution by race at the senior management positions in the W&R sector**

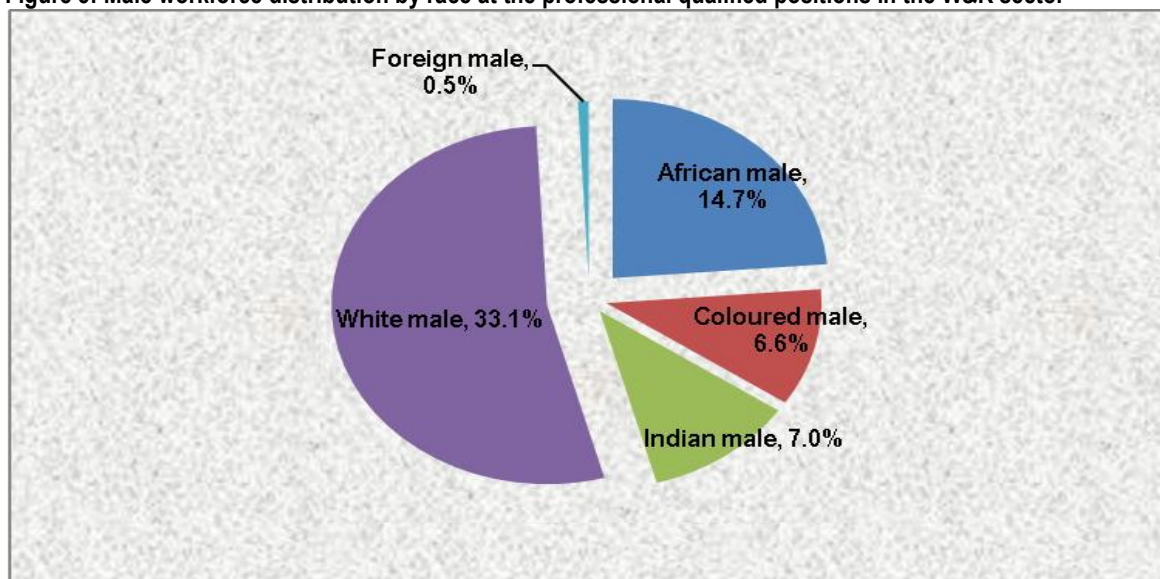


Source: Own Calculations from the CEE Report (2009-2010)

**Figure 4: Female workforce distribution by race at the senior management positions in the W&R sector**

Source: Own Calculations from the CEE Report (2009-2010)

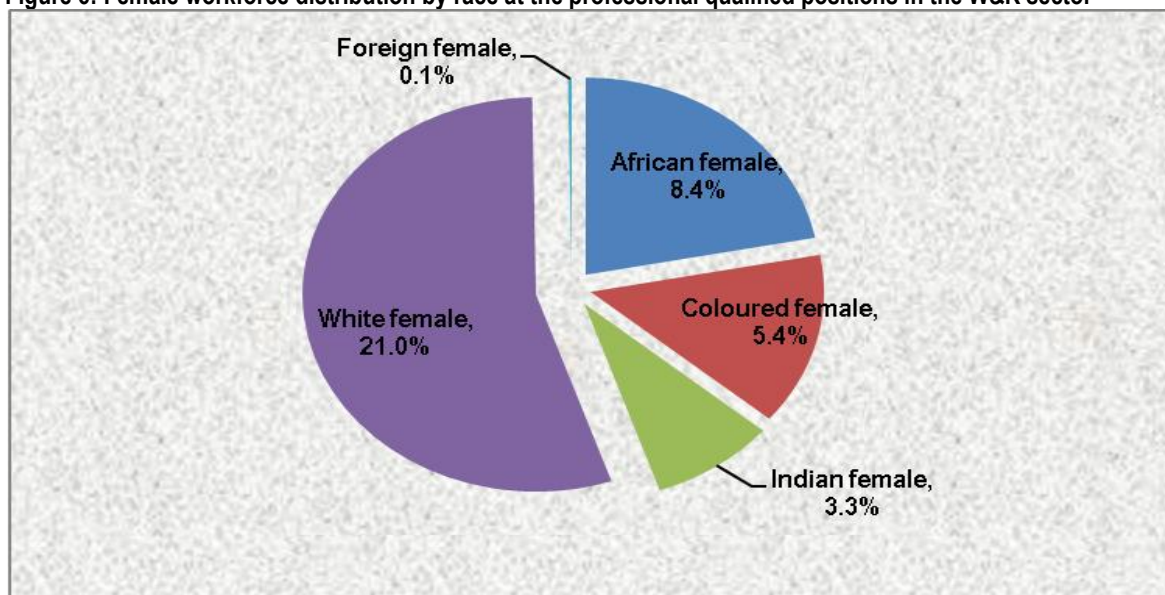
Figure 5 and 6 give an indication of workforce profile population distribution by race and gender for professional qualified. It is clear that Whites dominate across gender in this category. The most under-represented group in this category is Africans. White males and females are occupying 33.1% and 21% of the occupations in this category respectively. The progress for Africans from this category appears to be slow than their White counterparts, in spite of the skills development intervention programmes that seek to upskilled and empower designated group.

**Figure 5: Male workforce distribution by race at the professional qualified positions in the W&R sector**

Source: Own Calculations from the CEE Report (2009-2010)



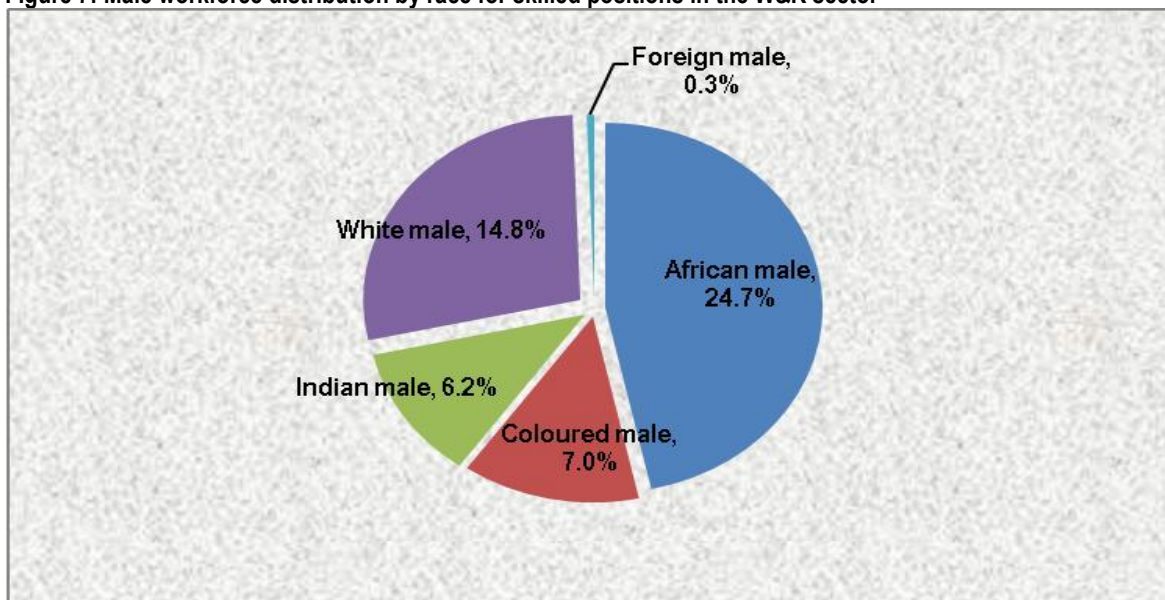
**Figure 6: Female workforce distribution by race at the professional qualified positions in the W&R sector**



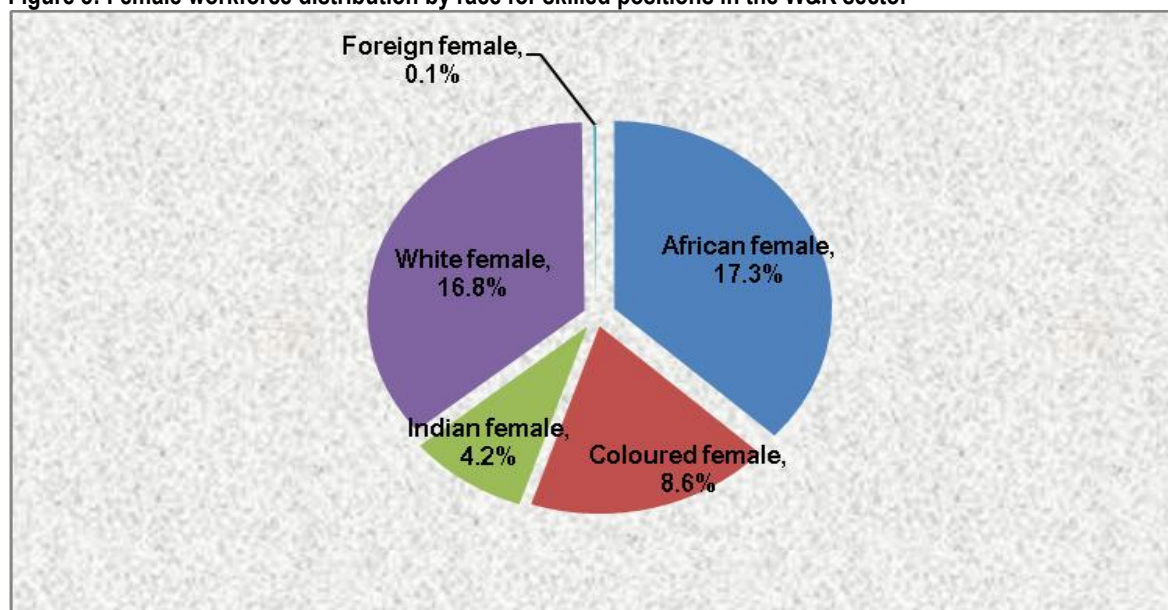
Source: Own Calculations from the CEE Report (2009-2010)

Figure 7 and 8 give an indication of workforce profile population distribution by race and gender for skilled positions. It is clear from figure 7 and 8 that there is a pool of suitable and skilled African, both males and females with 24.7% and 17.3% respectively but it appears that are not advancing in the higher levels in organisations in South Africa.

**Figure 7: Male workforce distribution by race for skilled positions in the W&R sector**



Source: Own Calculations from the CEE Report (2009-2010)

**Figure 8: Female workforce distribution by race for skilled positions in the W&R sector**

Source: Own Calculations from the CEE Report (2009-2010)

Overall, the W & R sector is among the worst performing sectors in this category. Black South Africans and women are still seriously under-represented in top and senior management posts. The dominance of Whites males is still evident across all occupational categories. The CEE Report also reveals that the majority of promotions favour White across occupational categories in the sector, which does not bode well with employment equity.<sup>3</sup> In this mix of progress and paralysis bears a deeper look. Reviewing the totality of transformation in W & R sector, it shows that the sector is one of the sectors that have not yet seen transformation. This has serious implications for skill development within the sector. Education and target training intervention will be important components in addressing these occupational inequalities by race and gender. .

### 3. Sector skills plan

The W&RSETA has been pursuing various skills development programmes in an attempt to improve the current skills crisis within the sector. A closer analysis of all occupational fields within the FMCG, W&R sector; reveals major skills shortages. As work in the FMCG, W & R sector becomes more knowledge-intensive, advanced skilling for senior-level labour such as managers, technicians, procurement, supply chain management and logistics and merchandiser/sale representatives has become of paramount importance.

<sup>3</sup> Department of Labour. Commission for Employment Equity. 10th CEE Annual Report 2009/2010, pp 22-23.

It is imperative that businesses invest in strategic long-term planning in order to combat a possible skills crisis and to maintain their competitiveness and profitability of their businesses. The skills deficit within the sector places a heavy burden on skills facilitation institutions such as the W&RSETA, which is tasked with ensuring that there is an appropriately-skilled skills pool as well as sufficient numbers of new entrants, wanting to pursue a career path within the W & R sector.

The FMCG, W & R sector plays a critical role in the South African economy. Scarce and critical skills needs need to be addressed as a matter of urgency, not only to ensure the sector's competitiveness, but to enable the sector to contribute to South Africa's economic growth. The following is the list of scarce skills in the sector<sup>4</sup>:

- retail manager
- retail assistant/buyers
- office cashier
- merchandisers – preferred visual merchandisers\*
- sellers – salesperson/representative\*<sup>5</sup>
- training & development professionals – assessors
- sales & marketing manager
- Industrial designer
- Electricians
- Human Resource Advisor
- supply & distribution managers

#### 4. Employment outlook in the W & R sector (August 2011)

In August 2011, there were approximately **636 jobs opportunities** in the FMCG, Wholesale & Retail sector<sup>6</sup>. This gives credence to the fact that the industry is still suffering from the effects of the economic downturn, and as a consequence, businesses are reluctant to expand their workforce. Recruiters are finding it difficult to source suitable candidates. Job opportunities have decreased by 2.8% from the previous month.

<sup>4</sup> W&R Seta, 2011. Sector Skills Plan (SSP) Report 2011/16. pp132

<sup>5</sup> Note that the star (\*) occupations are not absolute scarce occupations as per the definition, but they are the core to the retail industry and the effective & efficient operation of the business.

<sup>6</sup> CareerJunction & Careerjet, 2011. Online jobs Index. Available at: <http://www.careerjunction.co.za/search/results/?sort=1&Industry=287>. [Accessed on 31 August 2011].

Permanent employment is the preferred type of employment among businesses, which employ within the FMCG, W & R sector, followed by contract and part-time employment. Recruiters presently face challenging conditions for the recruitment of permanent staff and contract staff, due to the limited pool of career seekers available for these types of positions. Table 2 provides a summary of the contract type of job opportunities available in the FMCG, W & R sector.

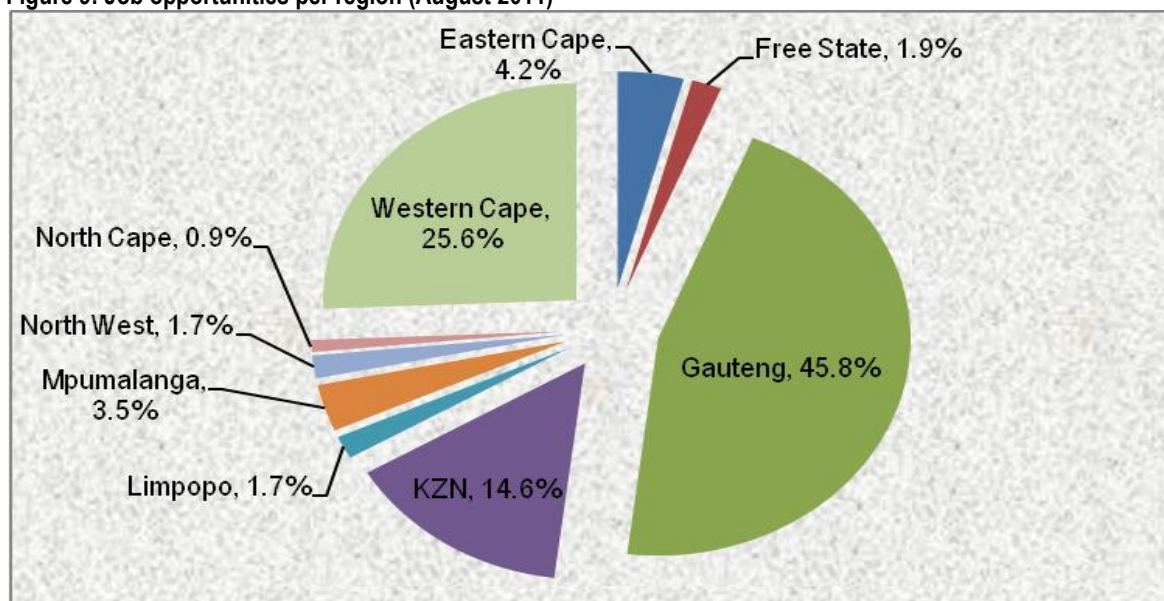
**Table 2: Employment trends (August 2011)**

Contract Type	Number of jobs
Permanent	594
Contract	31
Part- time	11
Temporary	0
Total	636

The 93.4% of the jobs opportunities are on permanent contract, followed by contract and part-time jobs with 4.9% and 1.7% respectively. Gauteng, Western Cape and KwaZulu-Natal are the leading provinces. These are also the provinces where the majority of FMCG, W & R businesses are located. Most provinces are currently experiencing a challenging recruitment environment.

However, Gauteng is leading with 46% of job opportunities, followed by Western Cape and KwaZulu-Natal with 26% and 15% respectively. The pie chart below reflects regional percentage of job distribution opportunities.

Figure 9: Job opportunities per region (August 2011)



Source: Own calculations from CJI & Careerjet Index (2011)

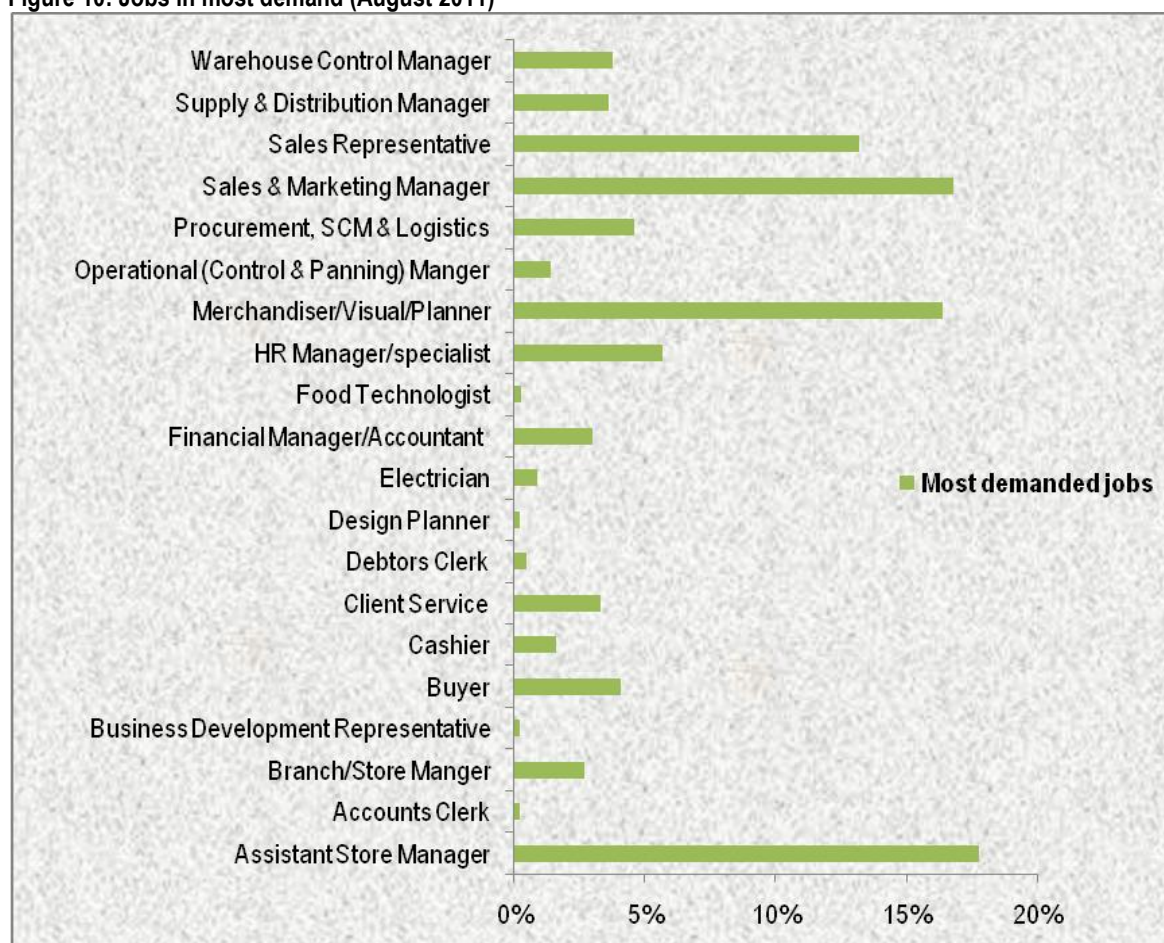
### 5. Most in demand occupational fields

The Career Job Index (CJI) for the FMCG, W & R in July is sitting below 100 index points. This means that there are more job opportunities for potential career seekers, but fewer potential career seekers per job advert. This makes recruitment more difficult, due to less potential career seekers.

Gauteng, Western Cape and KwaZulu-Natal are the leading provinces where FMCG, W & R businesses are located. Demand for jobs in these provinces is highest. Figure 2 provides an overview of the trends experienced by the various occupational fields, in which skills are in high demand.



Figure 10: Jobs in most demand (August 2011)



Source: Own calculations from CJI & Careerjet (2011)

There is a high demand for skilled and senior-level FMCG, W & R professionals. Almost 52% of the posted job adverts require a skilled and more senior-level labour force. This presents a major challenge for the growth and competitiveness of the sector as the skills deficit remains a serious challenge for the sector.

There is a high demand for the following skills: branch/store manager, merchandiser, retail assistant manager, sales representative and merchandiser as well as sales & marketing manager. There is a correlation between these skills, and the W&RSETA's scarce skills profile.

Table 3: Job opportunities in the wholesale &amp; retail sector, regional trends and skills needs (August 2011)

Occupations Advertised	OFO Code Link	OFO Codes	Eastern Cape	Free State	Gauteng	KZN	Limpopo	Mpumalanga	North West	Northern Cape	Western Cape
Assistant Store Manager	Retail Assistant Manager	142103	7	6	46	13	3	8	2	4	24
Accounts Clerk	Clerical & Administrative workers	5522201									1
Branch/Store Manager	General Manager/Branch Store Manager	1421	1		9		1				6
Business Development Representative	Management Consultant	242101			1						
Buyer	Junior/Perishables/Pharmaceutical Buyer	639201	2		13	7			1		3
Cashier	Checkout operator	523101	3	2			4	3			
Client Service	Sales workers not elsewhere classified	5249			6	1	3	4			7
Debtors Clerk	Clerical & Administrative workers	599301			3						
Design Planner	Industrial designer	232302			1						
Electrician	Technicians & Trade workers	341101	1		4						1
Financial Manager/Accountant	Accountants	221101			6						3

Food Technologist	Design, Engineering, Science & Transport professionals	234202			1						1
HR Manager/specialist	Business, Human Resource & Marketing	223101			17	8					11
Merchandise Planner	Merchandise Planner	639201	7		59	9		2	5		22
Operational (Control & Panning) Manger	Production/ Operating Manager (Manufacturing)	132102	2	1	4						3
Procurement, SCM & Logistics	Supply and distribution Manager	133601	2			7					4
Sales & Marketing Manager	Sales & Marketing Manager	122101			2	33				1	66
Sales	Sales Representative	3339903				13					
Supply & Distribution Manager	Supply & Distribution Manager	132401	2	3	7	2		2	2		5
Warehouse Control Manager	Warehouse Manager	132404			12			3	1	1	6
<b>Total</b>			<b>27</b>	<b>12</b>	<b>191</b>	<b>93</b>	<b>11</b>	<b>22</b>	<b>11</b>	<b>6</b>	<b>163</b>

Table 4: Occupational requirements (August 2011)

Occupations Advertised	OFO Code Link	OFO Codes	Experience	Educational requirements	Special requirements	Salary/wages		Frequency
						From:	To:	
Buyer	Junior/Perishables/ Pharmaceutical Buyer	639201	1 years experience	Matric and equivalent post qualification/NQF 2	Forecasting, budgeting, staff management, buying, product & industry knowledge, interactive buyer or supplier merchandiser	---	---	26
Assistant Manager	Retail Assistant Manager	142103	2 years experience	Matric and equivalent post qualification/NQF 2	Budgeting skills, ability to manage staff performance	Negotiable	Negotiable	113
Merchandiser	Visual Merchandiser	343203	1 years experience	Matric and relevant post qualification	Have a passion for sales & good communication skills & experience in marketing	R9,000 p/m	R12,000 p/m	104
Financial Manager/Director/ Accountant	Accountants	221101	3-5 years experience	BCom Accounting plus qualified CA	CA (SA) – SAICA, hands-on financial control or audit	---	---	9
Sales Rep.	Sales Representative	3339903	None/ experience	Matric and equivalent post qualification	Good communication skills & a passion for sales	R45,000 p/m	R50,000 p/m	84
Warehouse & Stock Control	Warehouse Manager	132404	2-3 years experience	Matric and equivalent post qualification	Strong leadership skills, planning & organising & communication skills	Negotiable	Negotiable	23
Human Resource Manager/Operations/ Training & Development	Business, Human Resource & Marketing	223101	2-3 years experience	Human Resource Management	Relations and Basic Labour law, good working knowledge of HR & deal discreetly and confidentially with sensitive HR information.	---	---	36
Food Technologist	Design, Engineering, Science & Transport professionals	234202	1-2 years experience	Sc/Microbiology/Analytical Chemistry or Diploma in Food Technology	Experience in quality assurance & control, reliable vehicle	---	---	2
Accounts Clerk	Clerical & Administrative workers	5522201	2 years experience	Grade 12 & Accounting Qualification	FICA knowledge, highly organise, book keeping skills & excellent communication skills	---	---	1
Client Service	Sales workers not elsewhere classified	5249	None/ experience	Grade 12 / relevant training	Interpersonal skills & good communication skills	---	---	21

<b>Debtors Clerk</b>	Clerical & Administrative workers	599301	1 to 3 years experience	Grade 12 & Accounting Qualification	Advance excel skills, attention to details and customer oriented & flexible & reliable	---	---	3
<b>Supply &amp; Distribution Manager</b>	Supply & Distribution Manager	132401	1 to 2 years experience	Matric and equivalent post qualification	Good planning & communication skills, experience in distribution management	---	---	23
<b>Operational (Control &amp; Panning) Manger</b>	Production/ Operating Manager (Manufacturing)	132102	1 to 2 years experience	Matric and equivalent post qualification/NQF 4	Strategic planning, leadership skills & proficient in MS Word, Excel & Outlook, budgeting skills	---	---	9
<b>Cashier</b>	Checkout operator	523101	None	Matric and equivalent post qualification	numeracy skills & good communication skills	R4,500 p/m	R5000 p/m	12
<b>Business Development Representative</b>	Management Consultant	242101	2to 3 years experience	Appropriate territory qualification (degree / diploma)	FMCG Sales experience, SHL standard verbal and numerical scores, Commercial experience & Full clean driving license.	Negotiable	Negotiable	1
<b>Electrician</b>	Technicians & Trade workers	341101	2 to 5 years electrical experience	N4 Electrical plus a Trade Test (Electrician)	Computer literacy and exposure to Pragma Maintenance Systems, Interpersonal relationship skills & call out and standby responsibilities.	R250 000 p/a	R350 000 p/a	6
<b>Design Planner</b>	Industrial designer	232302	1 to 2 years experience	Relevant degree/diploma	Good understanding & experience of packaging design, project management & attention to detail with good levels of responsibility and accountability.	---	---	1
<b>Sales &amp; Marketing Manager</b>	Sales & Marketing Manager	122101	1-3 years experience	Matric and diploma/ degree in marketing	Experience in consumer insights, marketing and market research	R200,000 p/a	R240,000	102
<b>General/Branch Manager</b>	General Manager/Branch Store Manager	1421	3-5 years experience	Matric and equivalent NQF 4	Previous hand-on experience on retail management, proficient in MS Office (Word, Excel & Outlook), planning & budgeting	Negotiable	Negotiable	17
<b>Procurement, Supply Chain &amp; Logistics</b>	Supply and Distribution Manager	133601	1-2 years experience	Matric and equivalent post qualification/NQ2	Good planning & communication skills, experience in supply chain & distribution management	Negotiable	Negotiable	13

Table 5: Cities with job opportunities in the wholesale and retail sector (August 2011)

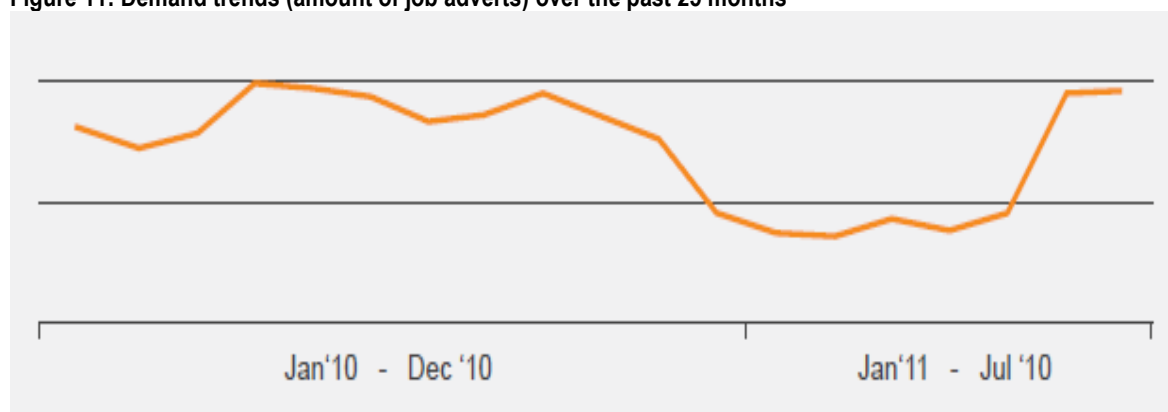
Eastern Cape	Free State	Gauteng	KZN	Limpopo	Mpumalanga	North Cape	North West	Western Cape
East London	Bloemfontein	Alberton	Durban	Pietersburg	Nelspruit	Kimberley	Potchefstroom	Cape Town
Port Elizabeth	Welkom	Bedfordview	Pietermaritzburg		Witbank		Rustenburg	Cape Town
	Kroonstad	Benoni	Richards Bay				Brits	Worcester
	Bethlehem	Boksburg					Klerksdorp	Stellenbosch
	Ficksburg	Brakpan						Durbanville
		Carltonville						George
		Centurion						Paarl
		Germiston						Somerset West
		Johannesburg						
		Kempton park						
		Krugersdorp						
		Midrand						
		Nigel						
		Pretoria						
		Randfontein						
		Sasolburg						
		Springs						
		Vanderbijlpark						
		Vereeniging						
		Westoniria						
27	12	191	93	11	22	11	6	163

## 6. Key Findings – General overview

South Africa has a very high unemployment rate. The unemployment rate increased by 0.7% between Quarter One (25%) and Quarter Two (25.7%).<sup>7</sup> Some experts contend that the South African labour laws have suppressed job creation. However, the general consensus is that the roots of the crisis lie in structural factors such as low education levels, mismatches between the kind of jobs available and workers' skills, and considerable distances between population centers and areas where businesses are located.

The Career Junction Index decreased in July 2011. The index is currently positioned at 87.56 index point.<sup>8</sup> The positioning of the online index below the 100 mark indicates more opportunities for potential seekers, but less potential career seekers per job. This makes recruitment conditions more difficult, as a result of fewer potential career seekers per job advert. In other words, while potential career seekers have more employment opportunities, recruiters have fewer candidates available for placement. Employment opportunities were slightly better in July 2011 (654 job opportunities) compared to August 2011 (636 job opportunities). However, due to the increasing demand for labour, job search activity is expected to pick up. Figure 11 provides a broader view of demand trends in terms of what has happened in the last 25<sup>th</sup> months in the sector.

**Figure 11: Demand trends (amount of job adverts) over the past 25 months**



Source: Career Junction Index (2011)

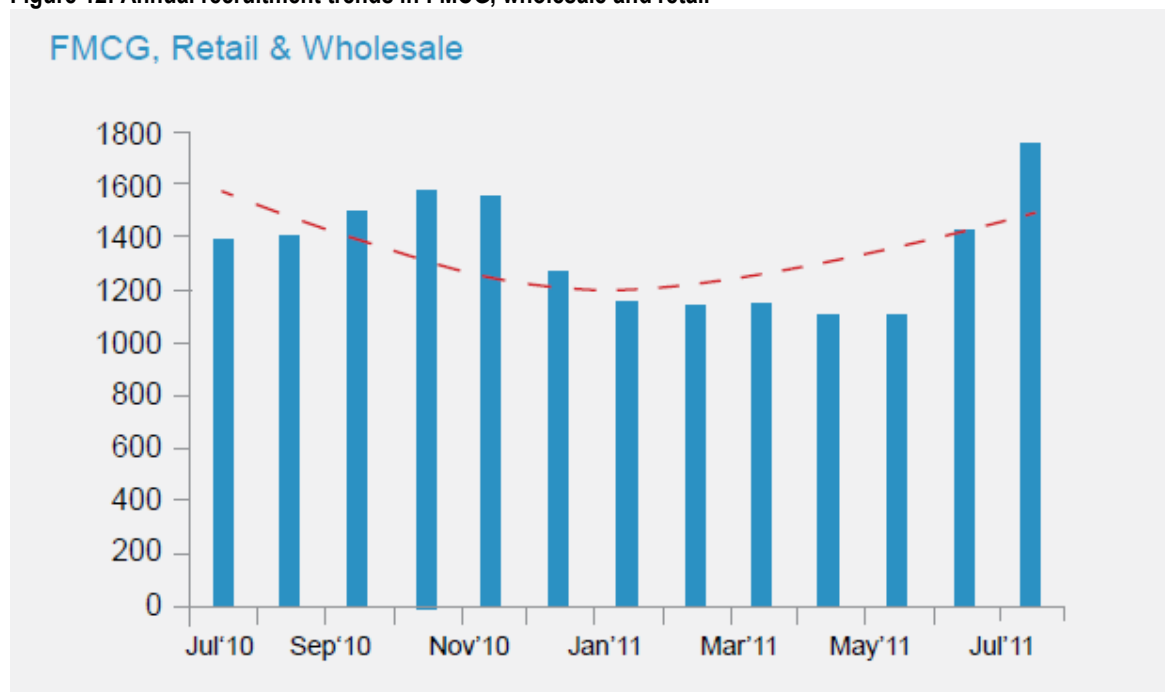
The sector is still experiencing difficult conditions: these are expected to remain unchanged for the foreseeable future. Recruitment activity has dropped during the month of July compared to June -

<sup>7</sup> Statistics South Africa Quarter Labour Force Survey July 2011

<sup>8</sup> Career Junction Index, July Report 2011. Cape Town, Republic of South Africa, pp15

recruiters are struggling to find certain professionals with adequate skills. Figure 12 reflects annual recruitment activities in the FMCG, W & R sector.

**Figure 12: Annual recruitment trends in FMCG, wholesale and retail**



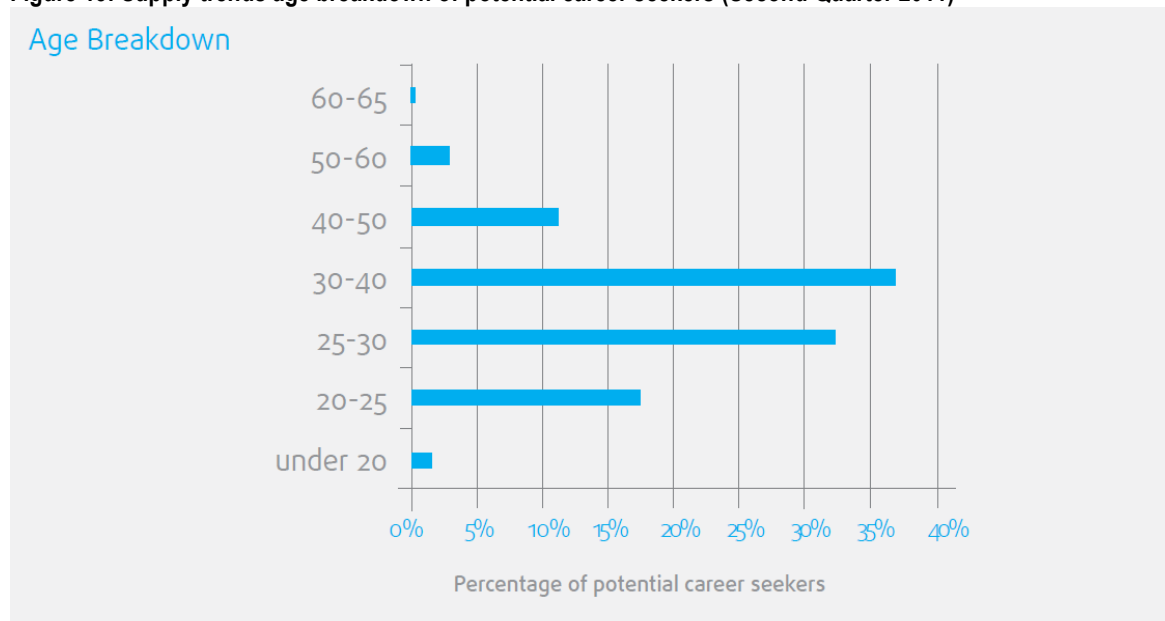
Source: Career Junction Index (2011)

The FMCG, W & R and Manufacturing, Production & Trade sectors were greatly affected by the economic downturn. However, the FMCG, W & R sector is now showing evidence of stabilising. Demand for labour has increased in the sector over the last three months and is expected to continue.

### 6.1. Age profile

The age profile of the online labour supply provides valuable information regarding the supply of younger, future generations. Age may also be used as an indication of professional expertise and skills.



**Figure 13: Supply trends age breakdown of potential career seekers (Second Quarter 2011)**

Source: Career Junction Index (2011)

There is an abundance of professionals between the ages of 20 and 50. Supply of professionals older than 50 and younger than 65, is much lower. The high volume of professionals “between the ages of 20 and 25 suggests that there is a large talent pool of less-experienced candidates.”<sup>9</sup> These could potentially be used in areas where an access to intermediate-level candidates is limited. This could be done by training and up-skilling professionals to the required skills- level.

## 7. Conclusion

The demand for skilled labour has risen significantly as a result of globalization, advances in technology and the changing organization of work. Inadequate skills and skills mismatch reduce employability, increasing the risk that under-educated and under-trained youth will be marginalized and enterprise competitiveness will be undermined. Education and training are essential components in addressing the challenge.

In August 2011, there were approximately 636 job opportunities in the W&R sector. Placement options for skilled and senior level staff continue to show evidence of being restricted. It is clear that employers are increasingly demanding higher skills for many types of jobs. These jobs are potentially available to at-risk young women and men, but the skills of many of these young people are

<sup>9</sup> Career Junction Index, June Report 2011. Cape Town, Republic of South Africa, pp33

inadequate to meet employer demands. Relying entirely on mainstream education and training systems to address the situation is insufficient. A “grow your own” approach, identifying and developing talent can reduce time spent trying to fill positions.

The legacy of apartheid has left South Africa polarized along the lines of skin color. This is quite evident in the labour market – designated group (blacks & women) and people with disabilities are still marginalised and disturbing when looking them according to population size or EAP in the workplace especially in the private sector.

According to the CEE Report, “...some employers admitting that race and gender played a role in determining some of the salaries in their workplaces”.<sup>10</sup> Whites continue to dominate at every occupational level – mainly at the middle-to-upper occupational levels. The occupational inequalities by race need to be addressed not only for employment equity but also for social advancement, equal society and nation building.

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<sup>10</sup> Department of Labour. Commission for Employment Equity. 10th CEE Annual Report 2009/2010, pp 22-23

## Annexure A

## Salary-level per skills-level

	Junior Level	Skilled Level	Senior Level	Management Level	Executive Level
Branch & Store Management					
From	---	R 13,567.13	R 12,740.74	R 16,645.24	---
To	---	R 15,887.45	R 16,468.75	R 23,248.67	---
Procurement, Supply Chain & Logistics					
From	R 11,848.96	R 23,860.73	R 28,201.67	R 39,230.16	---
To	R 14,989.81	R 29,082.70	R 34,451.26	R 48,658.97	---
Operations (Control & Planning)					
From	---	R 21,212.15	R 24,390.35	R 32,442.98	---
To	---	R 25,933.38	R 33,212.96	R 40,563.49	---
Production & Manufacturing					
From	---	R 22,746.03	R 30,773.81	R 32,861.11	---
To	---	R 29,628.79	R 35,092.60	R 43,111.11	---
Client Services					
From	---	R 18,196.67	R 26,363.64	R 33,803.92	---
To	---	R 22,324.82	R 30,818.18	R 40,715.69	---
Quality Control & Assurance					
From	---	R 13,520.83	R 20,571.43	---	---
To	---	R 17,312.50	R 26,333.33	---	---
Sales					
From	R 5,771.43	R 17,713.05	R 22,234.52	R 27,083.33	---
To	R 11,687.50	R 19,859.25	R 29,736.11	R 33,556.71	---
Warehousing & Stock Control					
From	---	R 16,370.37	R 18,106.06	R 27,800.00	---
To	---	R 20,351.85	R 24,591.67	R 31,400.00	---
General Management					
From	R 12,904.76	R 28,404.20	R 33,892.95	R 33,121.75	R 62,012.82
To	R 18,239.58	R 37,207.51	R 37,063.15	R 42,647.26	R 83,000.00

Source: Career Junction Index (2011)

## Annexure B

## Wholesale and retail businesses in South Africa

SIC Code	SIC_Code_Description
<i>Wholesale</i>	
61000	Wholesale and commission trade, except for motor vehicles and motor cycles
61100	Wholesale trade on a fee or contract basis
61220	Wholesale trade in food, beverages and tobacco
61310	Wholesale trade in textiles, clothing & footwear
61391	Wholesale trade in household furniture requisites & appliances
61392	Wholesale trade in books & stationery
61393	Wholesale trade in precious stones, jewellery and silverware
61394	Wholesale trade in pharmaceuticals, toiletries & medical equipment
61420	Wholesale trade in metal & metal ores
61430	Wholesale trade in construction materials, hardware, plumbing & heating equipment
61501	Office machinery and equipment including computers
61509	Other machinery
61901	General wholesale trade
61909	Other wholesale trade n.e.c.
<i>Retail</i>	
62000	Retail trade; except of motor vehicles and motor cycles; repair of personal and household goods
62110	Retail trade in non-specialised stores with food; beverages and tobacco predominating
62190	Other retail trade in non-specialised stores
62201	Retail trade in fresh fruit & vegetables
62202	Retail trade in meat & meat products
62203	Retail trade in bakery products
62204	Retail trade in beverages (bottle stores)
62209	Other retail trade in food; beverages and tobacco n.e.c.
62321	Retail trade in men's and boy's clothing
62322	Retail sale of used motor vehicles
62323	Retail trade by general outfitters & by dealers in piece goods, textiles, leather & travel accessories
62324	Retail trade in shoes
62330	Retail trade in household furniture appliances; articles and equipment
62340	Retail trade in hardware, paints & glass
62391	Retail trade reading matter and stationery
62392	Retail trade in jewellery, watches & clocks
62393	Retail trade in sports goods & entertainment requisites
62399	Retail trade by other specified stores
62400	Retail trade in second-hand good in stores
63122	Retail sales of used motor vehicles
63311	Sales of tyres
63500	Retail sales of automotive fuel

## Annexure C

## Wholesale and retail businesses per region in SIC CODES

SIC Code	Number of Enterprise per SIC Code	Eastern Cape	Free State	Gauteng North	Gauteng South	KZN	Limpopo	Mpumala-nga	Northern Cape	North West	Western Cape
<i>Wholesale</i>											
61000	837	73	42	294	80	65	37	67	7	34	138
61100	275	27	19	88	12	58	9	2	8	6	46
61220	1795	192	78	768	91	299	61	100	24	46	136
61310	1593	95	81	560	72	209	59	91	36	60	330
61391	724	67	32	296	39	94	34	38	13	14	97
61392	471	29	19	162	12	96	17	28	5	14	89
61393	231	41	8	82	11	29	13	8	4	6	29
61394	738	99	17	297	35	94	20	44	7	26	99
61420	350	40	24	139	10	28	21	32	6	10	40
61430	1599	140	75	605	66	260	59	118	14	33	229
61501	1050	61	51	415	49	132	33	62	12	28	207
61509	788	78	56	266	19	93	44	10	25	169	28
61901	6538	484	371	2888	319	1211	261	462	112	200	230
61909	1836	223	112	608	53	223	75	108	66	70	298
<i>Retail</i>											
62000	3456	399	213	1220	127	479	208	242	34	78	456
62110	751	29	78	297	20	85	72	45	10	25	90
62190	491	33	33	179	13	81	34	46	5	15	52
62201	1898	131	69	643	62	387	104	140	38	51	273
62202	1894	123	91	644	70	223	74	144	32	53	440
62203	288	13	17	104	11	47	9	16	3	9	59
62204	380	29	26	147	14	56	17	2	9	71	9
62209	685	84	48	182	9	90	37	57	22	32	124
62311	1501	122	108	419	54	228	81	118	48	62	261
62321	363	13	23	138	13	51	13	30	7	9	66
62322	1591	94	70	610	50	277	61	96	31	56	246
62323	2074	132	131	757	88	342	98	121	41	49	315
62324	438	26	18	145	13	81	17	42	8	17	71
62330	500	31	25	177	23	82	19	36	5	12	90
62340	701	40	37	227	33	135	30	50	14	26	109
62391	3273	254	161	1078	117	530	176	254	46	79	578
62392	528	50	20	198	18	71	24	40	15	14	78
62393	1515	100	56	509	54	353	42	123	12	38	228
62399	1613	88	42	305	18	607	265	179	6	16	87
62400	640	42	47	204	30	92	30	73	5	27	90
63122	5441	356	275	1850	227	816	210	319	140	202	1046
63310	1968	109	99	587	71	360	109	127	58	95	353
61210	16	5	0	5	1	0	1	1	1	0	2
63500	3430	361	204	1251	118	429	175	241	63	77	511

## Annexure D

## Glossary of terms

**Career Junction Index (CJI)** A numerical scale used to compare relative changes of online labour supply and demand. It represents shifts and trends of the overall “potential career seekers per job advert” ratio comparing the current three month period to the previous three month period. The CJI point of 100 is used as a reference number indicating changes over time.

**CJI equals 100** No changes regarding the potential career seekers per job advert ratio. Supply and demand are following the same trend

**CJI is greater than 100** More jobs opportunities for potential career seekers and less potential seekers per job advert. Recruitment is more difficult, due to less potential career seekers per job advert.

**CJI is smaller than 100** Fewer job opportunities for potential career seekers and more potential seekers per job advert. Recruitment is less difficult, due to more potential career seekers per job advert

**Career seekers** Individuals who are actively using their career seeker accounts to search for career opportunities on the CareerJunction website. All career seekers considered in this research are registered with complete and searchable resumes and have been actively using the CareerJunction website during the previous 12 months.

**Career seekers per job advert** Less than 5 potential career seekers per job advert; means recruitment is very difficult.

Between 5 and 10 potential career seekers per job advert; means recruitment is difficult.

Between 10 and 20 potential career seekers per job advert; means recruitment is moderate.

Between 20 and 30 potential career seekers per job advert; means recruitment is easy.

More than 30 potential career seekers per job advert; means recruitment is very easy.

**Demand** Measures the need of online labour to fill vacancies advertised on the CareerJunction website.

**Industry/sector** Represents an industry, which specifies the employment environment of businesses, e.g. the Finance Industry, FMCG, Retail and Wholesale industry.

**Job adverts** Posted vacancies on the CareerJunction/Careerjet website or newspapers by recruiters. Indicates the position to be filled within a certain organisation/industry

**Occupational field** Refers to a specific occupational group, which summarises specific skills within a profession

**Online labour market** The market in which workers compete for jobs and employers compete for workers by means of the Internet.

**Profession/professional field(s)** Refers to a vocation requiring knowledge of some department of learning or science, e.g. FMCG, Retail & Wholesale and Finance.

**Potential career seekers** Career seekers whose occupation and professional industry match the current demand.

**Recruiters** Businesses, employers, organisations or individuals who advertise vacancies through the CareerJunction/Careerjet website or newspapers

**Supply** Measures the level and composition of available online labour based on the number of career seekers in the CareerJunction database. Adjustments are applied to the online labour supply data to remove seasonal fluctuations.