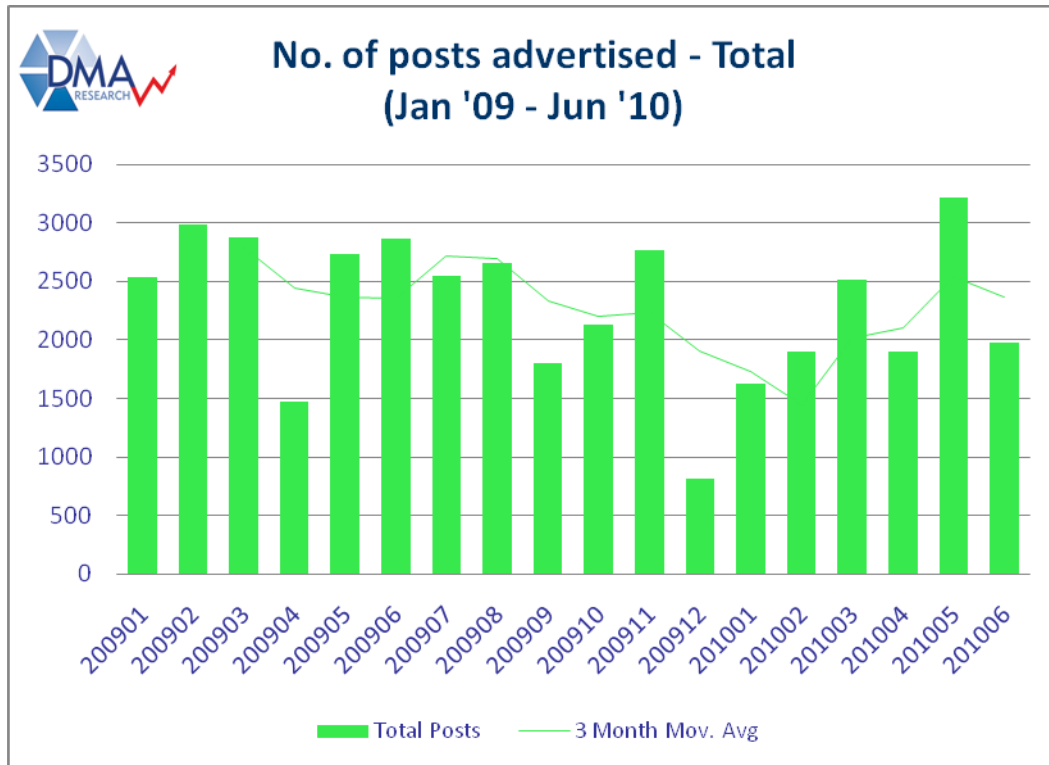
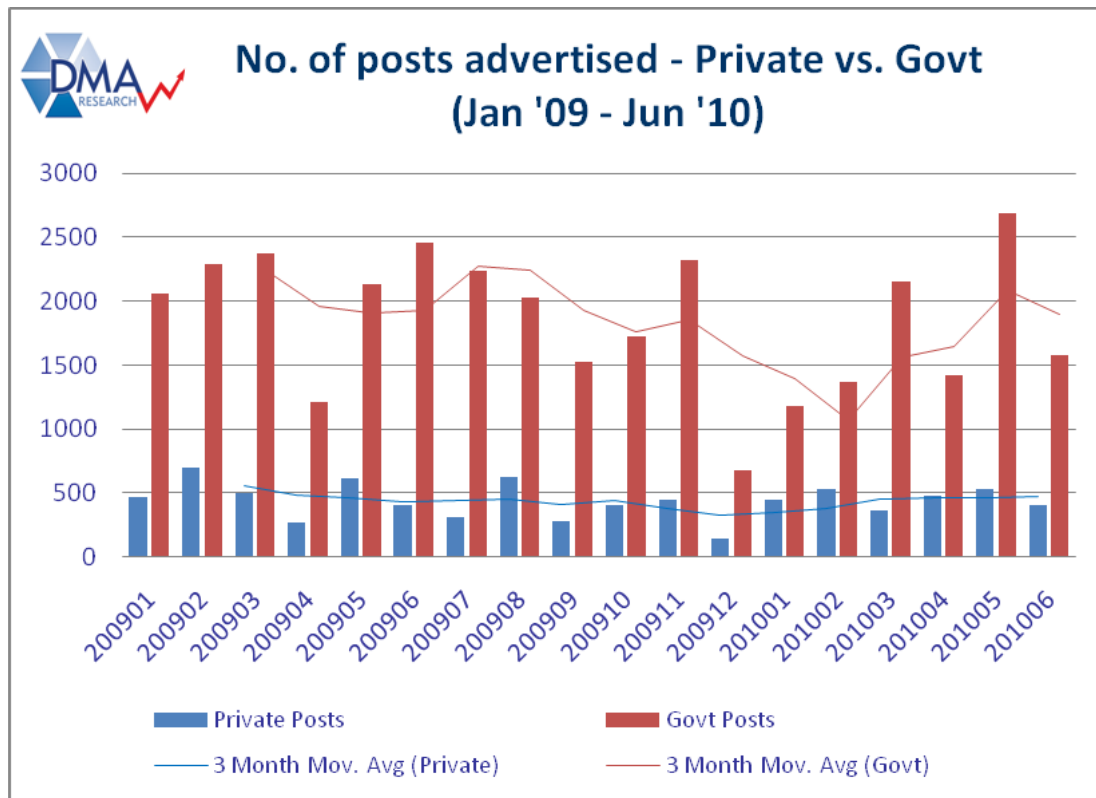


**Total number of advertised posts shows slow recovery in demand for skills**



The total number of positions advertised in the Sunday Times Careers grew by 17% from 6049 (Q1) to 7095 (Q2) this year. This compares to remarkably similar figures of 7091 recorded in Q2 2009 and, after declining steadily for the remainder of 2009, suggests a “bottoming out” in the drop in number of job opportunities available and the beginning of a slow and turbulent recovery.

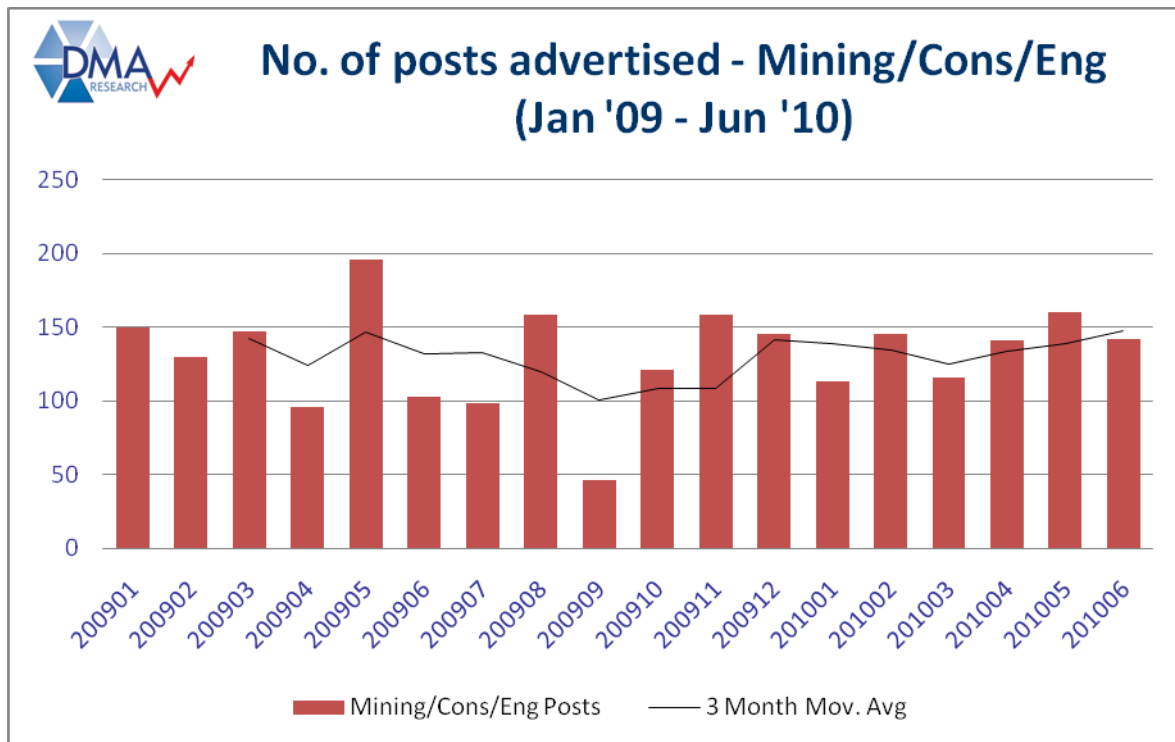
## Government recovery remains stronger than Private sector



This growth was largely due to an increase in positions advertised by the Public sector, which grew by 21% from 4700 (Q1) to 5691 (Q2) – perhaps indicative of government efforts to stimulate GDP through job creation during sluggish economic times. Most significant were the 1914 Healthcare positions advertised during Q2 – largely accounted for by Limpopo Provincial Government’s Department of Health & Social Development, compared to the 880 Healthcare posts recorded during the previous quarter.

The number of advertised Private sector posts also grew marginally by 4%, from 1349 (Q1) to 1404 (Q2), despite the slowdown of economic activity predicted for many sectors during the FIFA World Cup, which kicked off on 11<sup>th</sup> June this year.

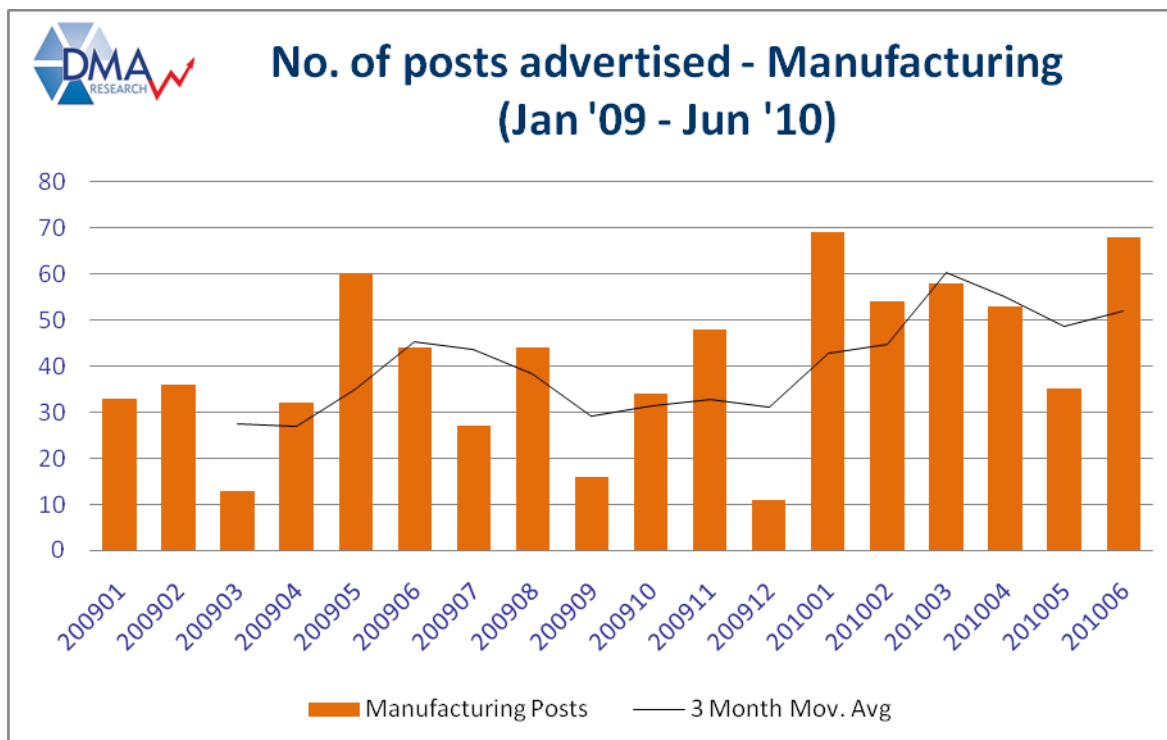
## Mining/Construction/Engineering makes slight gains after '10 Q1 dip



The number of positions advertised for the Mining/Construction/Engineering sector has remained relatively steady since Q4 2009, making marginal gains during Q2 year on year, as well as on the previous quarter.

443 positions were advertised in this sector during Q2 2010 – 12% higher than the 392 positions advertised during Q2 2009. Despite the net loss of 61 000 jobs across all industries between Q1 2010 and Q2 2010, job losses recorded in Q2 by StatsSA’s Quarterly Labour Force Survey for Mining increased by 3%, whilst Construction decreased slightly by -1.5% quarter on quarter.

## Manufacturing slow-down in Q2 '10 correlates with PMI and output figures



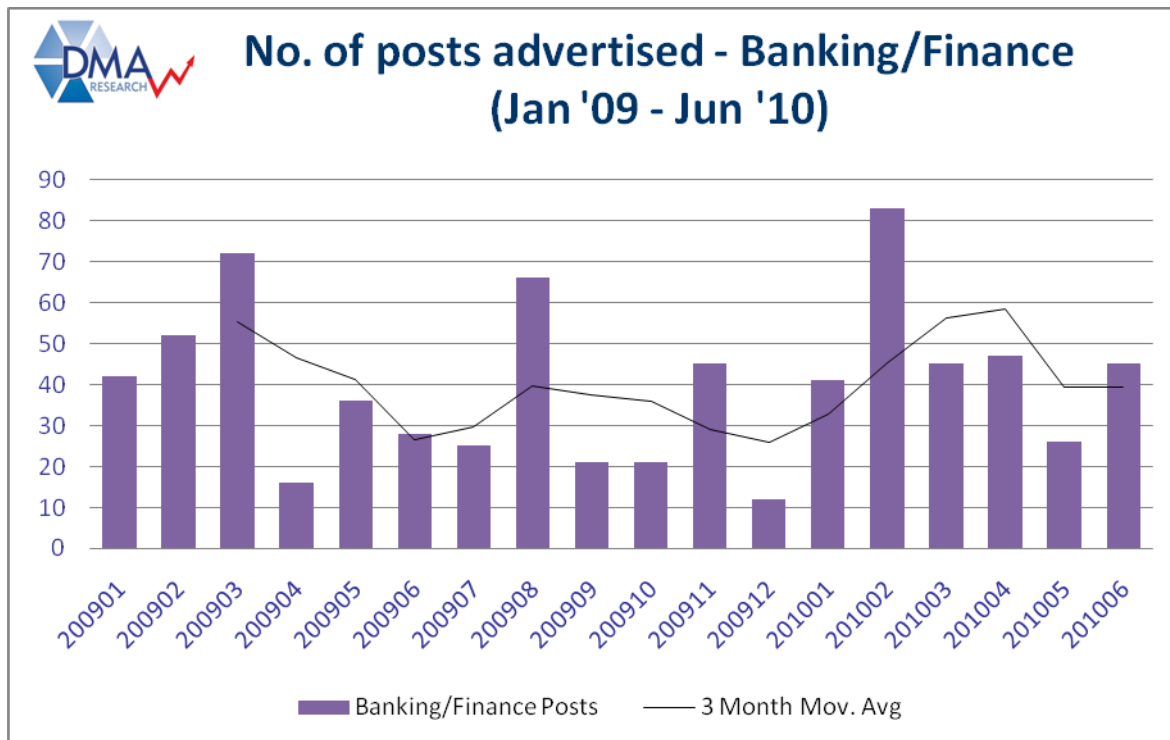
The encouraging growth recorded for the Manufacturing sector in Q1 2010 slowed marginally in Q2 2010, but grew nevertheless by 4% from 150 (Q1) to 156 (Q2) advertised positions – despite the loss of 53 000 jobs in the Manufacturing sector recorded by StatsSA during the same period. Manufacturing positions advertised in the Sunday Times were mostly at a senior level requiring tertiary - and sometimes post-graduate – qualifications and management experience. The majority of those jobs lost, however, according to StatsSA, were at a technician, trade and elementary level.

This slowing effect correlates with Kagiso Securities' Purchasing Managers Index (PMI), which averaged 51.6 points (Q2 '10), compared to 56.5 (Q1 '10) and 50.1 (Q4 '09). On a monthly basis, after rising to 60,4 points in February 2010 (its highest reading since April 2008), the PMI dropped for four consecutive months to well below the 50 mark in Jun'10, measuring 45.2.

Other possible reasons for this slow-down in growth could be related to manufacturers replenishing inventories during Q1 this year, as signs of an economic recovery showed, followed by a delay in actual demand to stimulate supply.

According to StatsSA, Manufacturing output grew by 7,9% year-on-year in May this year, lower than the 8,7% year-on-year growth in April. This improvement was largely driven by a 27,1% increase in production from the motor vehicles, parts and accessories and other transport equipment division, albeit from a low base.

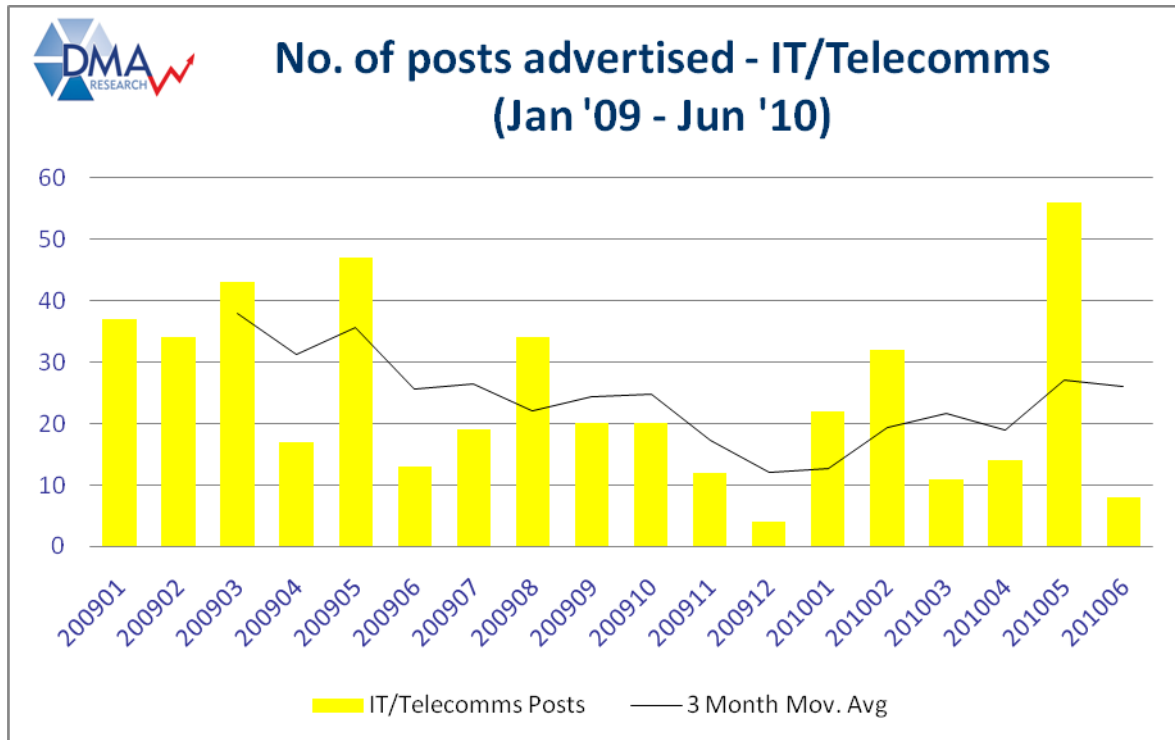
**Banking/Finance shows overall decline as Investment Banking confidence falls**



After a significant increase in the number of Banking & Finance positions advertised (169) during Q1 2010 due to a February peak, a steep decline of 30% was recorded in Q2, when 118 were recorded for the sector.

Meanwhile, the E&Y FSI dropped from 68 ('10 Q1) to 59 ('10 Q2), attributed by Ernst & Young's report to a fall in Investment Banking confidence levels (from 62 to 25), plus weaker asset management confidence (from 97 to 80). It said that whilst Retail Banking confidence continued to grow (from 35 to 40), as well as Life Insurance, this could not offset the fall of the two previous segments, resulting in the overall decline.

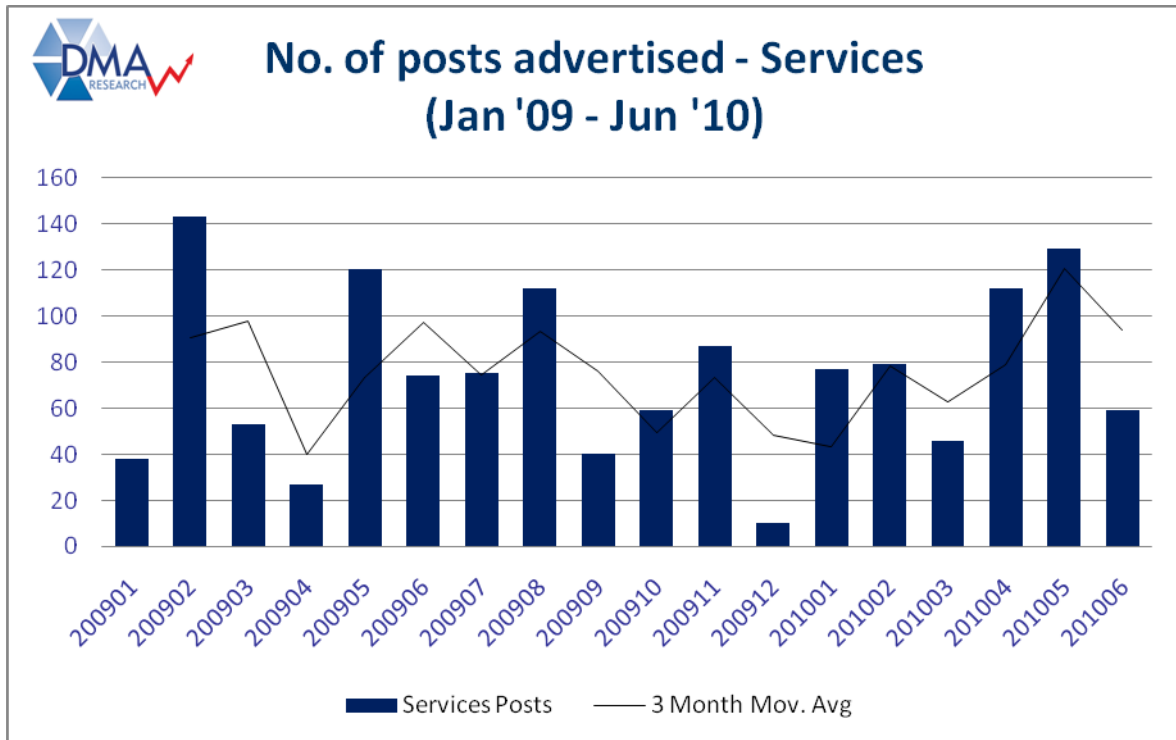
**IT/Telecoms sector shows continued signs of recovery, due to spike in May**



Demand for IT skills started to recover in Q1 2010, when 65 positions were advertised, compared to 36 in Q4 2009 – an 81% increase between the two consecutive periods. Although at first glance this appears to be an upturn, Q1 2010 was still 43% lower than the 114 recorded by the DMA JOTS for the same period in 2009.

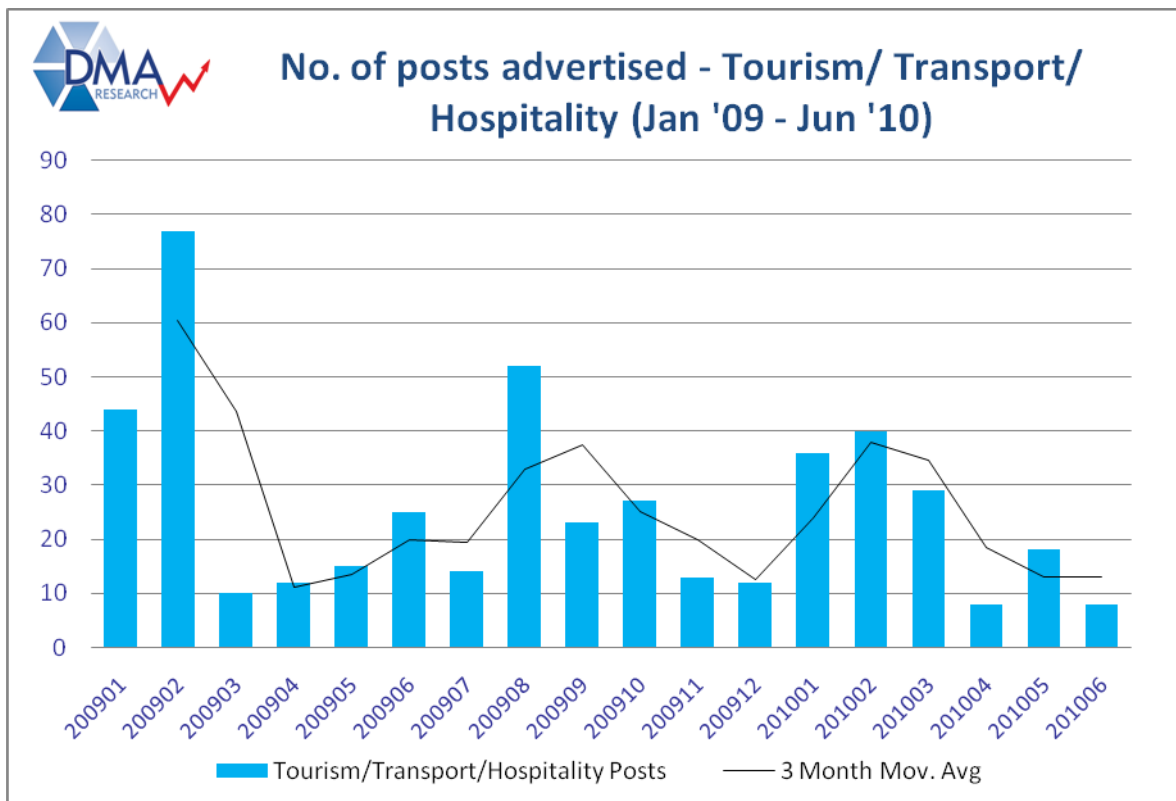
The sector appears to have continued its recovery in the number of positions advertised during Q2 this year, thanks to a significant spike in May. 78 positions in IT/Telecomms were advertised during the period overall – a 30% increase quarter-on-quarter.

**Services remains stable as confidence in other sectors grows**



Demand for skills within the Services sector rose again in Q2 '10, after a significant month-on-month decline in March. The number of positions advertised within this sector increased by 49%, from 202 in the first quarter of 2010, to 300 in the second.

**Tourism/Transport/Hospitality drops after signs of protracted growth**



Apart from spikes in February and August last year, when a high proportion of vacancies for Artisans and Technicians were advertised within the Transport industry, the number of positions advertised remained fairly flat for the year, but rose somewhat during the first three months of 2010, keeping the three-month moving average above 30 for Q1.

This dropped however in Q2 '10 to below 15, as the FIFA World Cup commenced and final recruitment activities for the event were completed.

### **Study Overview**

*DMA People's Job Opportunity Tracking Study (the DMA JOTS), holds details of more than 130 000 private sector vacancies arisen since 2005 which, when viewed in comparison to other qualitative insights and quantitative economic trends, provides valuable information on the demand for skills and recruitment activity, both in South Africa and abroad.*

*Since its inception in 2005, recruitment trends highlighted by the DMA JOTS in 12 major sectors and 62 sub-sectors have provided decision-makers in various public and private fields with key insights to strategic human capital management, helping them make informed decisions in many critical areas, including skills development, graduate recruitment and staff retention.*

*Based on every vacancy advertised in the Sunday Times Careers, which research has shown enjoys the biggest share of the recruitment advertising market, our data is nationally representative and statistically valid, yet manageable enough to provide the reader with reliable, applicable and actionable information, on a timely basis.*

Ross Mengel is Managing Director of DMA People (Pty) Ltd.