

Agriculture on positive growth trajectory, key to economic recovery

By [Unathi Mhlatyana](#)

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In the South African National Budget Review for 2021, it was revealed that government's recovery plan focuses on raising the economy's long-term growth rate by supporting industries with high employment potential, such as agriculture.



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This is because the agricultural supply chain holds many job opportunities and, along with this, the sector has seen a positive growth trajectory since 2019.

This is reflected in the budget which reported that the agriculture sector recorded strong growth in 2020, with an annual gross value added of 11.3% in the first three quarters of 2020, which was relative to the same period in 2019. Along with this, the outlook for 2021 continues to be positive and this has been attributed to favourable weather conditions in both the budget and the 2021 State of the Nation Address (SONA).

Combating climate change

On another positive note, R1.2bn has been set aside by the Department of Environment, Forestry and Fisheries to support climate resilience initiatives, including a legislative framework, intergovernmental coordination and job resilience plans. This is vital as our climate and the health of our biodiversity is integral to the sustainability and continued growth of the agricultural sector and in turn, further job creation.



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Food security is key

The minister of cooperative governance and traditional affairs and the minister of agriculture, land reform and rural development recommended that more allocations be earmarked for the comprehensive agricultural support programme grant to further enhance food security and jobs for poor and vulnerable South Africans, especially during the Covid-19 pandemic. Ending hunger, food security and malnutrition for all will require continued and focused efforts and we welcome these recommendations during Covid-19 and beyond.

At McCain, we echo these sentiments with our Food Forward SA programme, whilst we are also assessing the opportunity to launch a pilot project, leveraging sweet potato to address malnutrition and support local livelihoods.

Job creation vital for the future of SA

The country's unemployment rate increased by 1.7 percentage points to a record 32.5%, according to the most recently released Quarterly Labour Force Survey by Statistics South Africa. We welcome the government's efforts to bolster the agricultural sector that can in turn improve the unemployment rate.

For example, at McCain, we support in excess of 6,800 full time jobs and procure potatoes from more than 100 local farmers who plant over 4,500 hectares of potatoes annually.

Going forward, we hope to work with government to bolster the country's agricultural sector to create valuable jobs, improve livelihoods and bring food to South African's tables whilst ensuring sustainable farming practices to protect our biodiversity and mitigate against climate change.

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