Two Futures for Jobs in an AI era

2026 Global AI Jobs Barometer

South Africa Analysis

Key findings

AI is driving productivity, accelerating skills change and starting to create a redesign of entry level work

AI is strongly linked to significant productivity gains

Since 2022 when AI use soared, companies in the sectors most exposed to AI have tripled their lead in workforce productivity growth over the least AI-exposed companies.

Companies achieving the biggest productivity gains are boosting wages and headcount

Rather than replacing jobs at scale, leading organisations are using AI to amplify human performance and create value.

Harnessing AI is accelerating skills transformation

Skills required for the most AI exposed jobs are changing twice as fast as in least exposed roles - a 75% increase over last year's gap.

Redesigned entry level pathways

AI exposed junior roles are 7x more likely (than the least AI exposed junior roles) to demand traditionally senior skills like leadership and strategic thinking.

A two-track labour market

Jobs professionalised by AI – where AI does the basic work leaving more expert tasks for people (22% of advertised jobs) - are thriving while jobs democratised by AI – where AI takes on the complex work (52% of advertised jobs) - fall behind.

40%

Productivity growth is 40% higher at most vs least AI exposed companies.

52%

The most AI exposed companies see faster headcount growth than the least AI exposed (52% vs 36%) and higher wage growth (24% vs 17%).

2.5x

The most AI exposed jobs are adding tasks that rely on human-intensive skills like empathy, judgment and creativity 2.5x faster - than the least AI exposed roles.

35%

AI-exposed 'seniorised' entry level roles are thriving with 35% growth since 2019 while other entry level roles decline in number.

42%

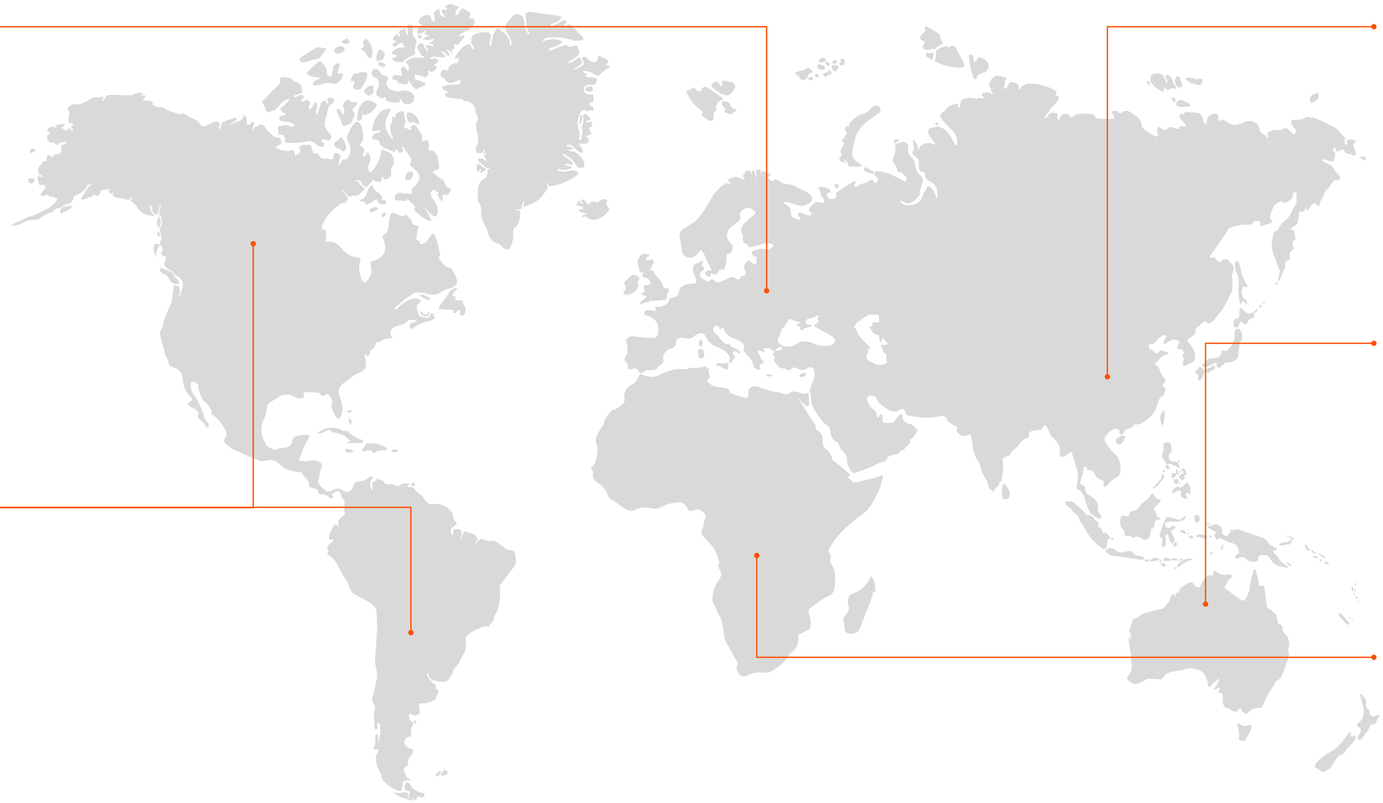
Professionalised jobs are growing twice as fast as democratised jobs with 42% higher wage growth since 2021.

INTRODUCTION / SCOPE

The 2026 AI Jobs Barometer examines over one billion job ads from 6 continents to reveal how AI is affecting jobs, skills, wages, and labour productivity.

Europe
Belgium
Denmark
France
Germany
Ireland
Italy
Netherlands
Norway
Poland
Spain
Sweden
Switzerland
UK

The Americas
Brazil
Canada
Mexico
US



Asia
Chinese Mainland
Hong Kong SAR
India
Japan
Malaysia
Singapore
UAE

Australasia
Australia
New Zealand

Africa
South Africa

AI is delivering real value for companies. Companies most able to use AI have leapt ahead in labour productivity growth, and their lead is growing. What's more, they appear to be using AI to pursue growth and create new revenue streams, not just to reduce headcount.

A K-shaped jobs market is emerging, including at the entry level. The divergence between AI-enabled and non-AI roles is widening, creating distinct trajectories for workers depending on their exposure to and ability to leverage AI.

AI is redefining job roles faster and faster. Skills sought by employers for AI-exposed jobs are changing at an accelerating pace, demanding continuous adaptation from workers and employers alike.

AI adoption is broadening across all industries, including those less obviously exposed to AI. The revolution is no longer confined to tech; it is reshaping energy, manufacturing, public services and beyond.

South Africa Insights

01

AI's footprint in South Africa's labour market is growing even as the broader market contracts. The share of job postings requiring AI skills has nearly doubled to 3%, signalling that AI is becoming a structural feature of hiring demand, not a cyclical one. **Organisations are embedding AI capabilities across every sector, with all eight tracked industries increasing their AI hiring intensity in 2025.**

02

A K-shaped dynamic is emerging in skills, not yet in jobs. Unlike mature markets where highly AI-exposed occupations show distinctly slower hiring growth, South Africa's labour market has contracted uniformly across all exposure quartiles, driven by macroeconomic headwinds. But beneath this surface, a divergence is building: the most AI-exposed roles are transforming their skill requirements significantly faster, with 66 new skills per occupation in the top quartile versus far fewer in the bottom. **This skills gap foreshadows a future K-shaped split in job outcomes.**

03

South Africa is deploying AI for growth, not displacement but the builder pipeline is narrowing. AI user roles grew 4.2% while developer roles contracted 8.3%, suggesting organisations are focused on integrating AI to create value in existing workflows rather than building from scratch. This mirrors the global finding that companies are using **AI to pursue new revenue streams and enhance productivity**, not simply to reduce headcount. However, **the shrinking developer base raises questions about South Africa's long-term capacity for indigenous AI innovation.**

AI in South Africa: Rising adoption, widening skills divergence, and the imperative for reinvention

Adoption is accelerating, but execution and investment remain constrained

AI demand is rising structurally across all sectors despite the economic pressure.

- AI-related job demand nearly doubled to 3% even as overall hiring contracts.
- Yet only 26% of CEOs believe AI investment is sufficient and roadmap clarity remains limited.
- Corporate hiring remains constrained, with broader market decline across all job categories.

South Africa is integrating AI, not necessarily building it

Shift toward “AI users” rather than “AI creators”.

- User roles growing (+4.2%) vs developer roles declining (–8.3%).
- Focus on productivity gains over proprietary innovation.
- Raises long-term risks for local innovation and competitiveness.

A K-shaped divide is emerging, driven by skills and access

Not yet visible in jobs, but accelerating beneath the surface.

- AI-exposed roles evolving rapidly (up to 66 new skills per role).
- Only 35% of workers believe their skills will remain relevant in 3 years.
- For entry-level workers, this rapid skill expansion in AI-exposed roles heightens the barrier to entry and contributes to the K-shaped divergence those with access to AI training and upskilling pathways will accelerate ahead, while others risk being left behind.
- Based on historical disparities there is a widening and growing gap between the high and low income groups, which exacerbates the AI diverting skills sets.

Reinvention is the leadership imperative

Operational resilience is not translating into transformation.

- 50% of CEOs cite pace of tech change as their top concern.
- But cautious investment and short-term focus persist.

Workforce readiness is high, but economic reality is tightening

Employees are ahead of organisations on AI adoption,

- 64% of workers already using AI; strong belief in productivity gains.
- But only a third of organisations are embedding AI into workforce strategy.
- A weakening rand and limited formal job creation are increasing pressure on workforce outcomes.

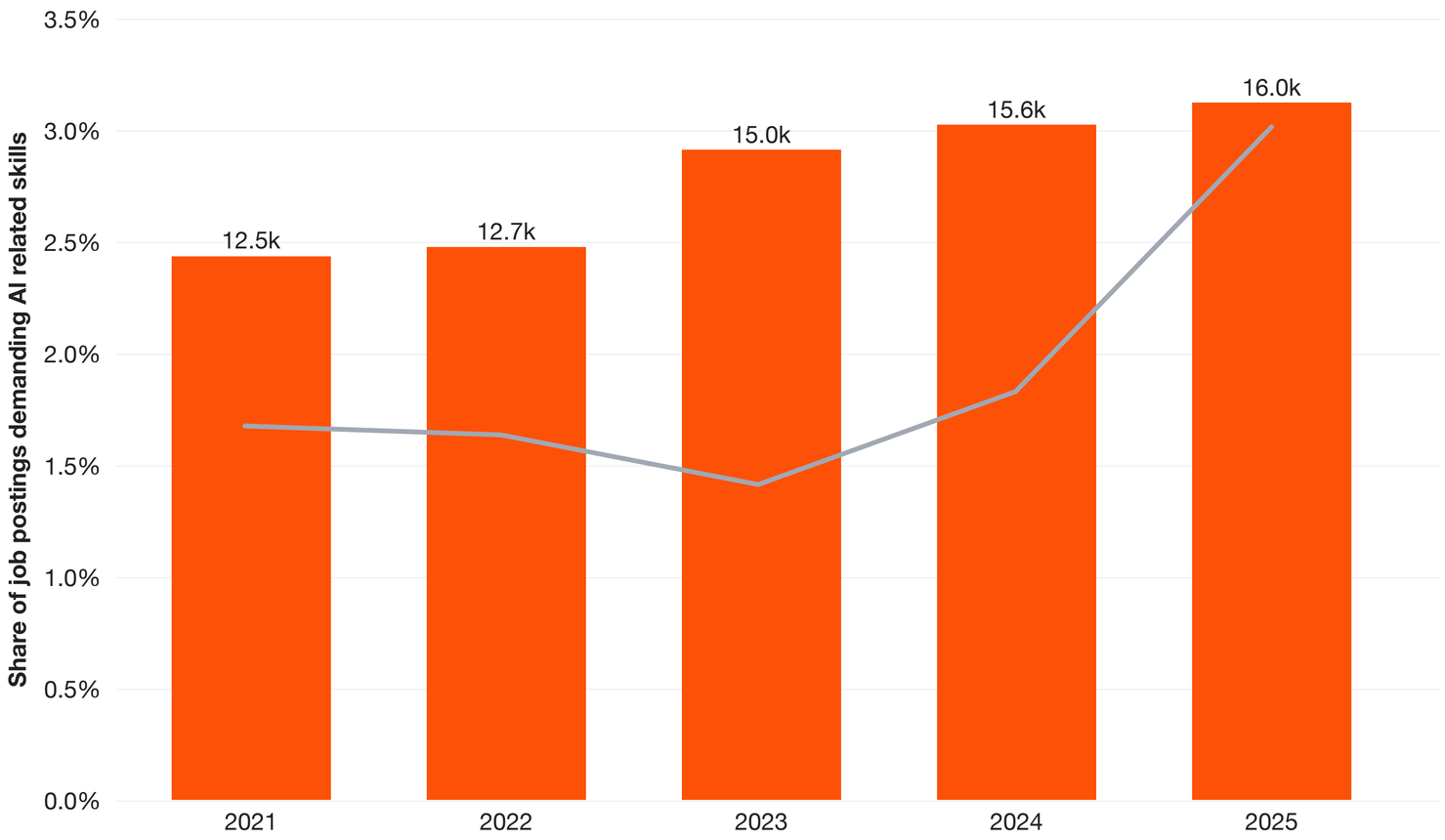
Government is required to be an AI enabler from a legislative, and regulation development perspective

The data reveals a structural gap. Government and Public Sector accounts for just 0.4% of all job postings, the smallest share of any tracked sector. While it records the highest proportion of AI user roles within its own AI hiring (reflecting adoption in operational roles).

South Africa Insights

AI hiring trends in South Africa has remained steady in recent years with the share of AI roles nearly doubling

Total number and share of job postings requiring AI related skills, South Africa, 2021-2025



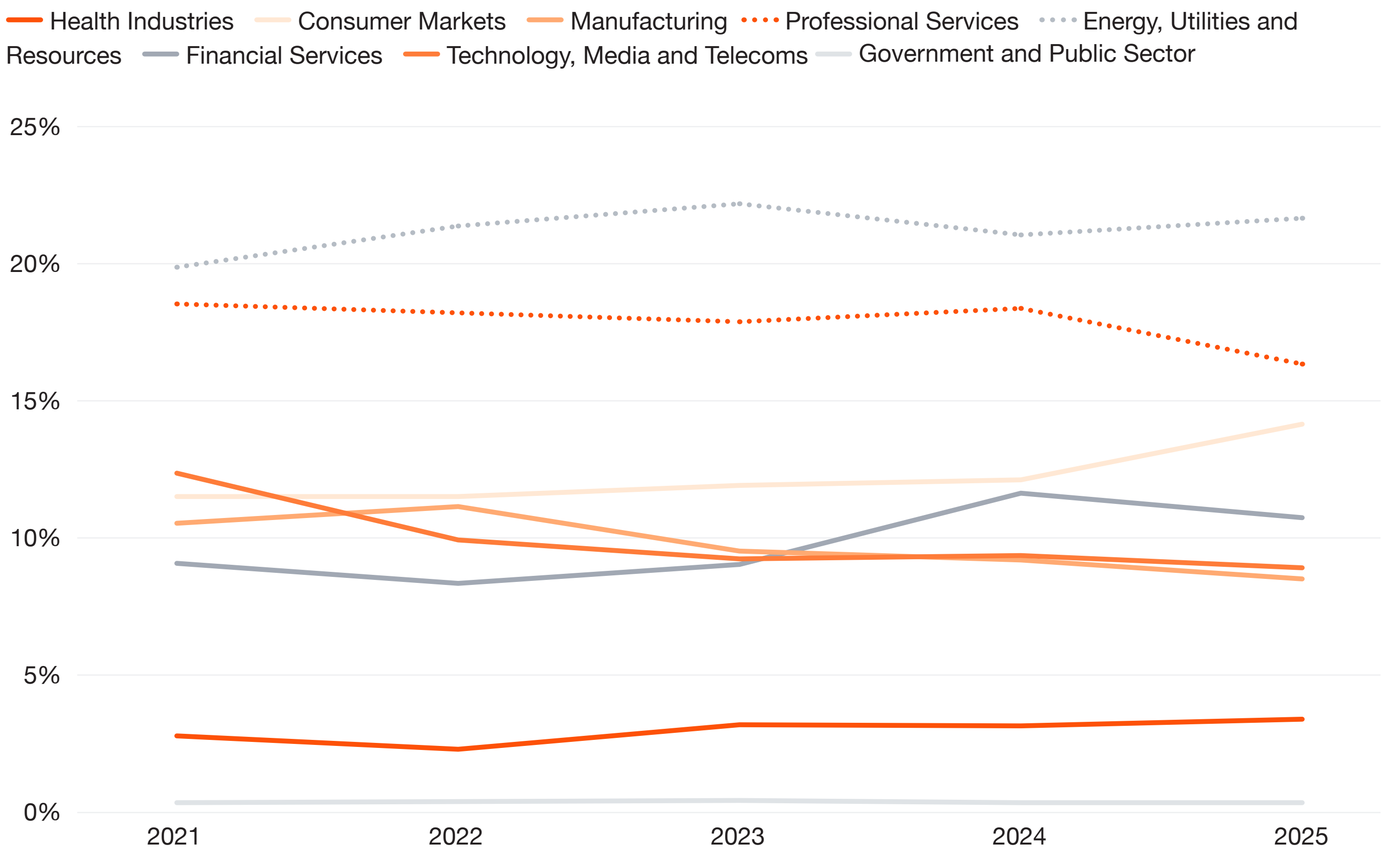
Sources: PwC analysis, Lightcast data

Findings

- The number of job postings in South Africa requiring AI skills increased marginally in 2025. The volume of job postings has remained relatively stable since 2023.
- However, the share of AI job postings has continued rising, up from 1.8% in 2024 to 3% in 2025. Indicating that while overall hiring has softened, AI's relative importance in the labour market is accelerating.
- This resilience in AI demand, even within a weakening overall market, mirrors the global pattern: companies are prioritising AI-capable talent to drive productivity and pursue growth.

SECTORAL COMPOSITION OF THE LABOUR MARKET
Energy accounts for the largest share of hiring in the South African labour market

Share of all job postings by sector, South Africa, 2021-2025



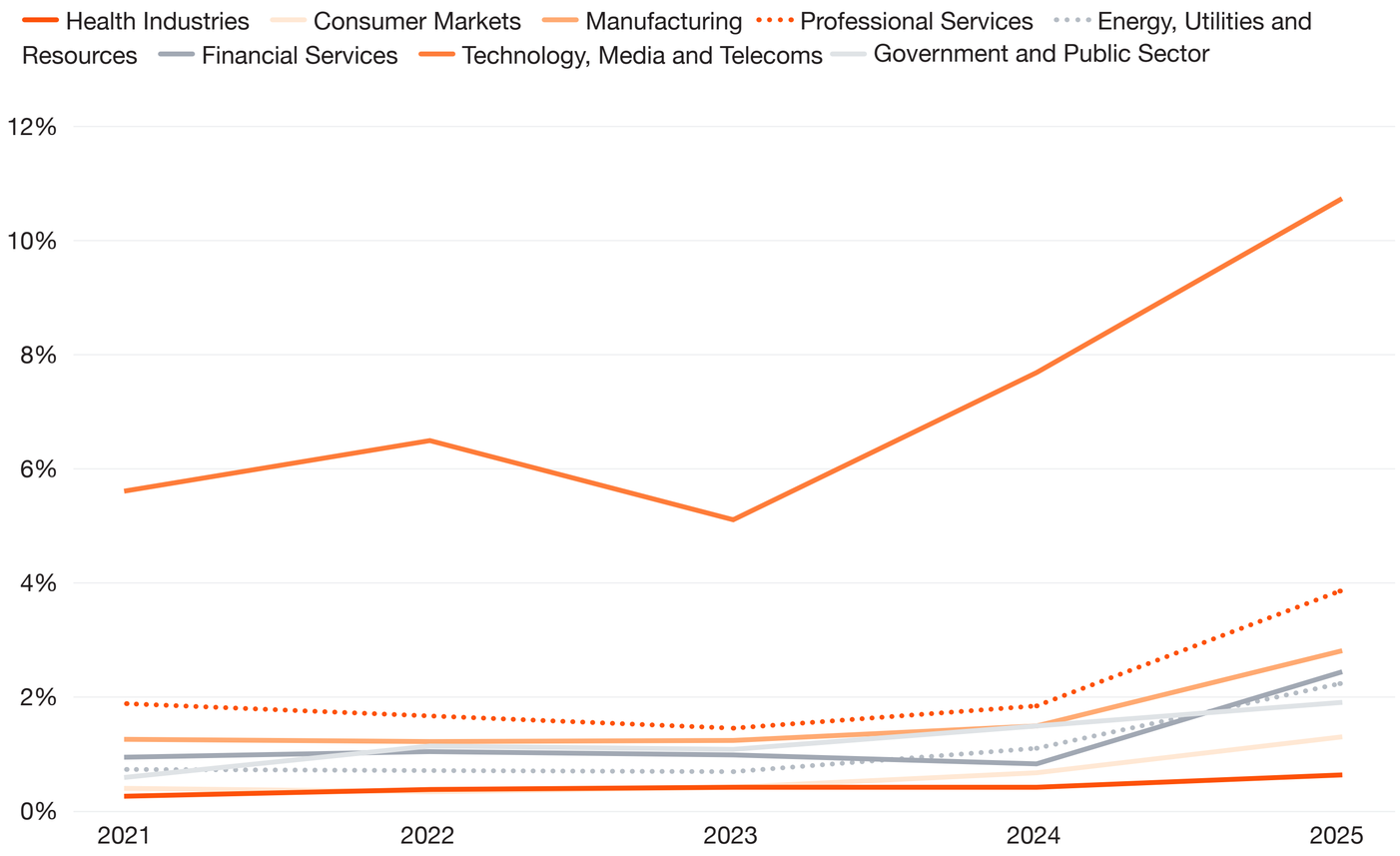
Source: PwC analysis, Lightcast data

Findings

- Energy, Utilities and Resources stands out as the largest source of labour demand in South Africa, accounting for 21.7% of total job postings.
- Professional Services (16.4%) and Consumer Markets (14.2%) follow closely.
- Health and Government and Public Sector record the smallest shares, at 3.4% and 0.4% respectively; sectors where AI adoption may be constrained by regulatory and institutional factors.

AI hiring intensity is rising across all sectors in South Africa and is led by TMT

Share of AI job postings within each sector, South Africa, 2021-2025



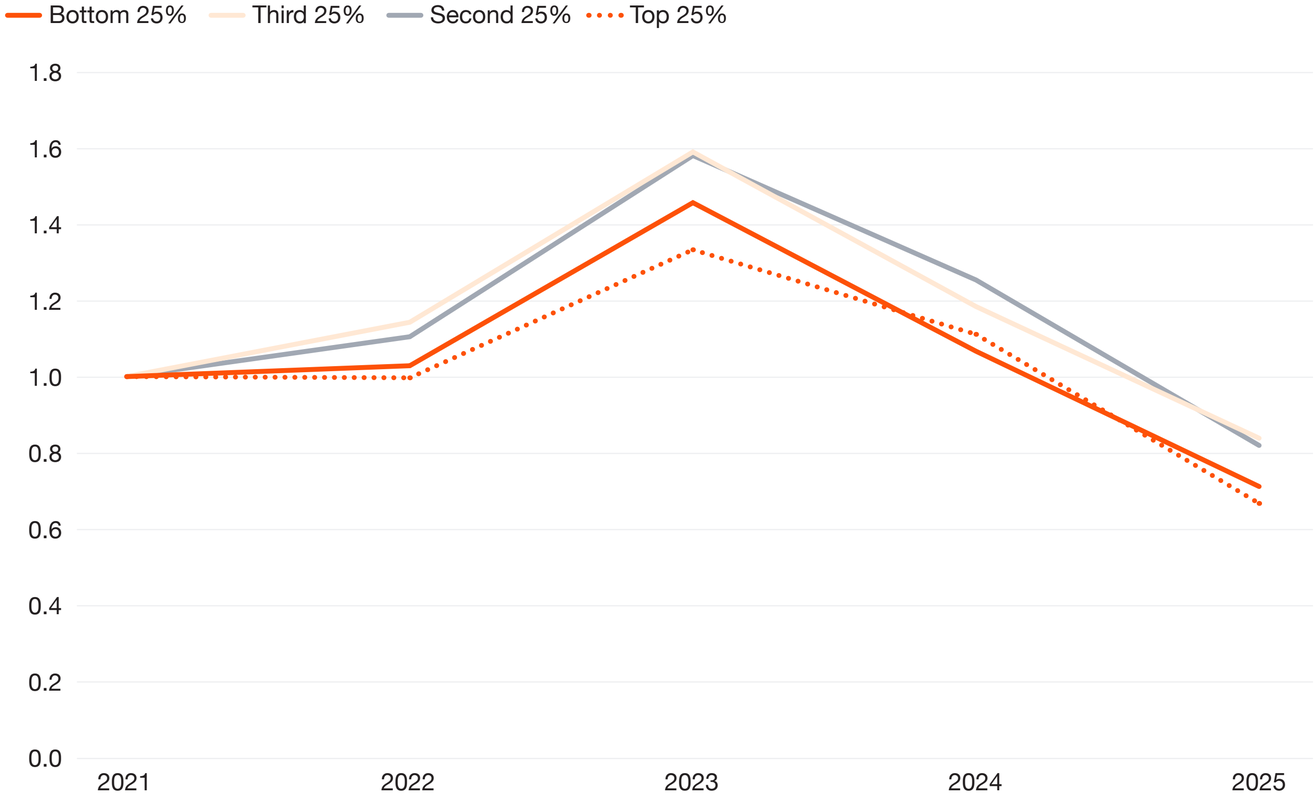
Source: PwC analysis, Lightcast data
Notes: AI job postings are defined as those requiring at least one AI-related skill.

Findings

- Technology, Media and Telecoms (TMT) records the highest share of AI job postings in South Africa, consistent with its role as the most digitally intensive sector.
- All sectors saw an increase in AI job share in 2025 compared to 2024, pointing to broad-based growth in AI hiring.
- The universality of this increase signals that AI is no longer the preserve of tech-adjacent sectors, it is becoming a baseline capability across the South African economy, consistent with the global acceleration of AI into traditionally lower-exposure industries.

In South Africa, job postings growth is similar across AI exposure groups, with all quartiles declining after a peak in 2023

Number of job postings relative to 2021 by AI exposure quartile, South Africa, 2021-2025



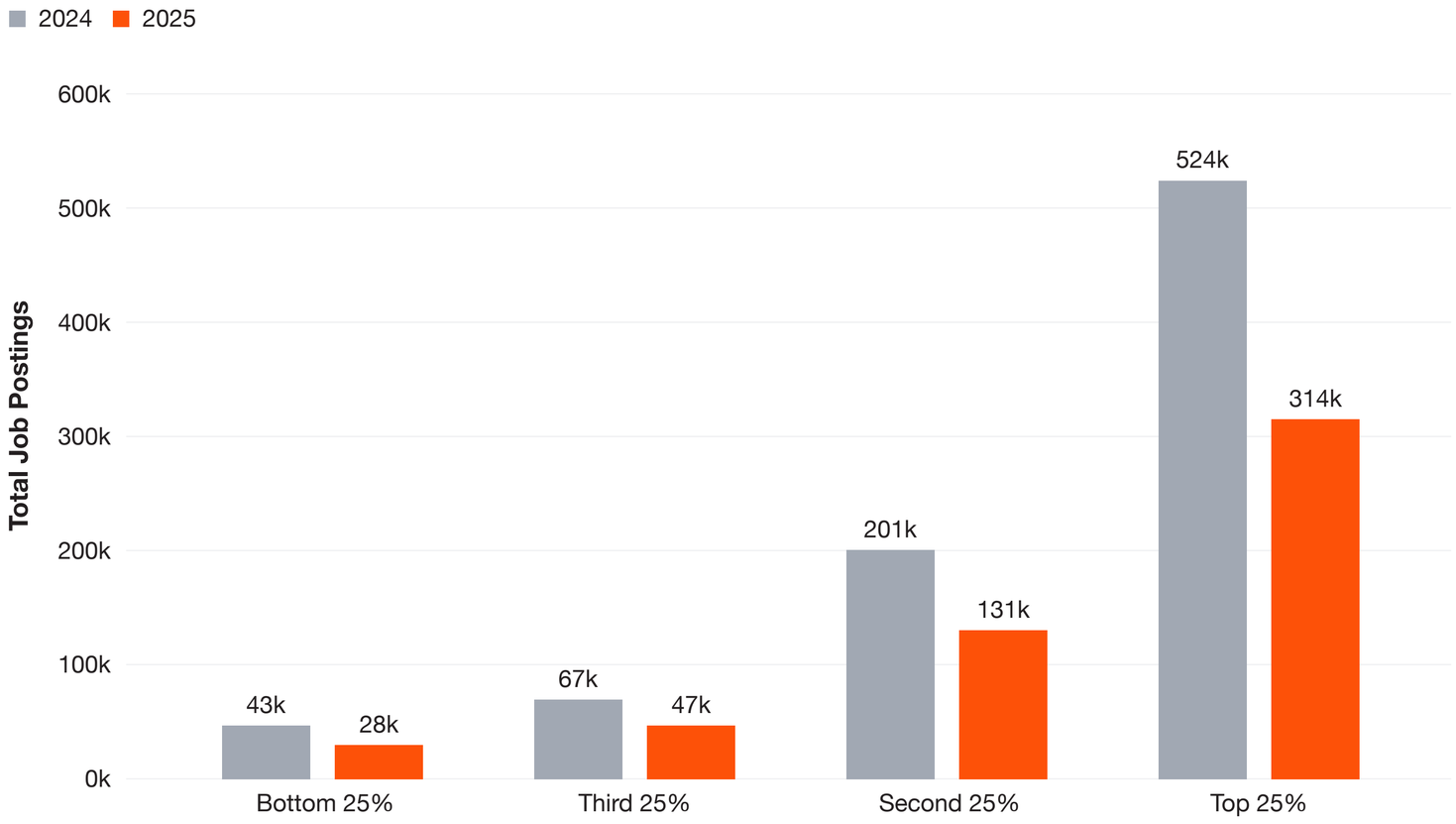
Source: PwC analysis, Lightcast data
Notes: We group occupations using ISCO codes and then split them up into quartiles by AI Occupational Exposure (AIOE). Quartiles are indexed to 2021, with the graph showing relative growth since then.

Findings

- When grouped by AI exposure, all quartiles follow a similar trajectory, with no clear relationship between exposure and job postings growth.
- Job postings increased to a peak in 2023 before declining across all quartiles through 2024 and 2025. By 2025, both the lowest and highest exposure quartiles are at around 0.7 postings for every posting in 2021.
- This suggests that recent trends in job postings are driven more by broader macroeconomic factors than by differences in AI exposure.
- However, the global evidence of an emerging K-shaped jobs market suggests this uniformity may be temporary, as AI adoption deepens and companies that leverage AI pull ahead in productivity, differentiated hiring patterns are likely to follow.
- In SA there is a need for workers in the middle to low skilled jobs performing routine tasks to be upskilled in AI, so that AI is used as an enabler and augmenter rather than a replacement. This will ensure that the countries unemployment rate is not severely affected.

The top quartile of AI exposed occupations account for the largest number of job postings in South Africa

Total number of job postings by AI exposure quartile, South Africa, 2024 and 2025



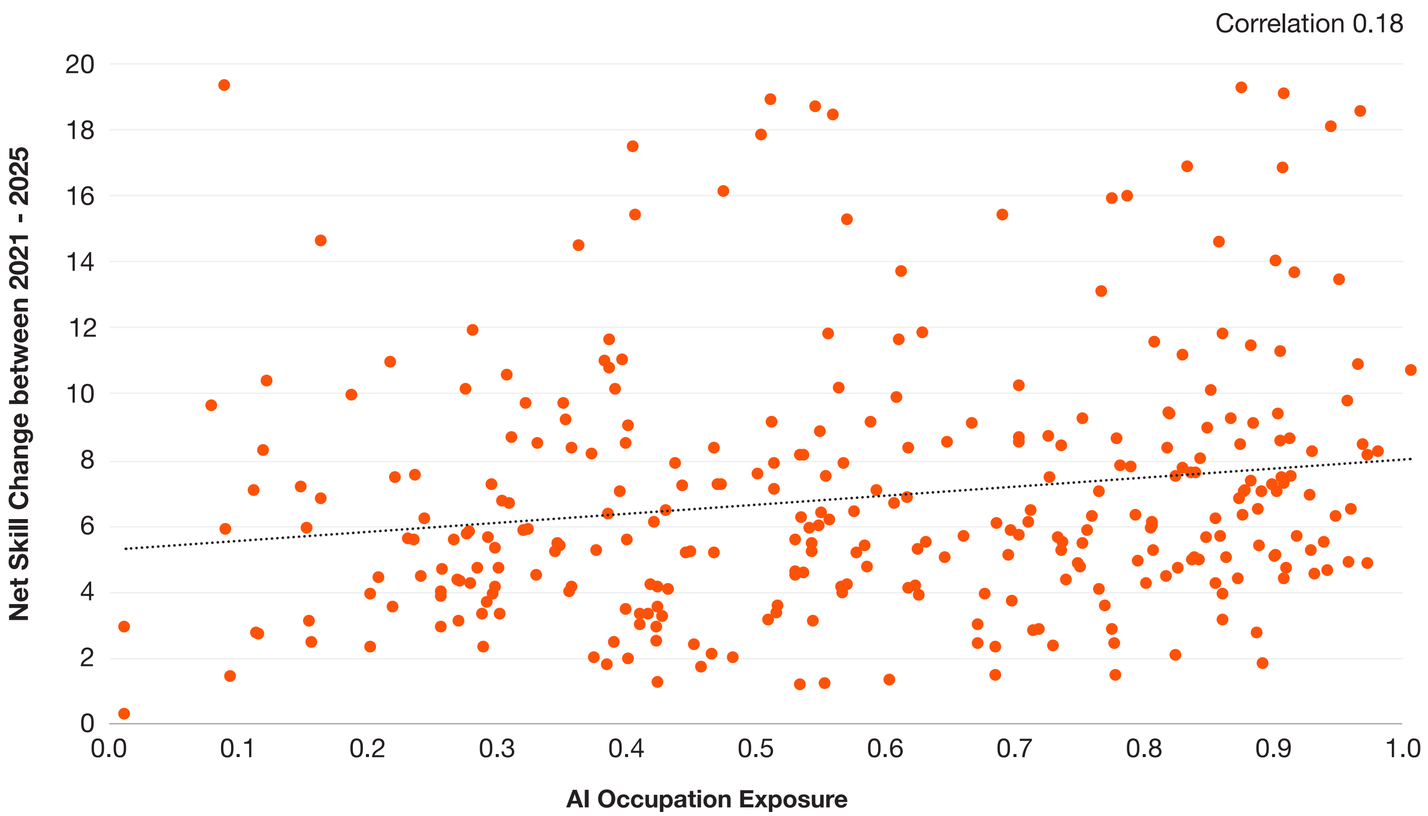
Source: PwC analysis, Lightcast data
Notes: Absolute volume comparison between 2024 and 2025 by AIOE quartile. Decline reflects overall market contraction rather than AI-specific displacement.

Findings

- While we see relatively even job growth trends in occupations across AI exposure quartiles, the top exposure quartile dominates in absolute hiring levels.
- In 2025, the most AI-exposed quartile recorded around 314k job postings, substantially higher than the lower exposure groups.
- However, all quartiles saw a significant drop in total job postings in 2025, with the top quartile seeing roughly a 40% reduction in its total volume of postings.
- The concentration of hiring in the most AI-exposed occupations, even during a downturn, underscores the structural importance of AI-intensive roles to South Africa's labour market.

In South Africa, more AI-exposed occupations show a slight tendency towards faster rates of skills transformation

Net skill change from 2021 to 2025 for 4-digit ISCO code occupations by AI occupation exposure, South Africa



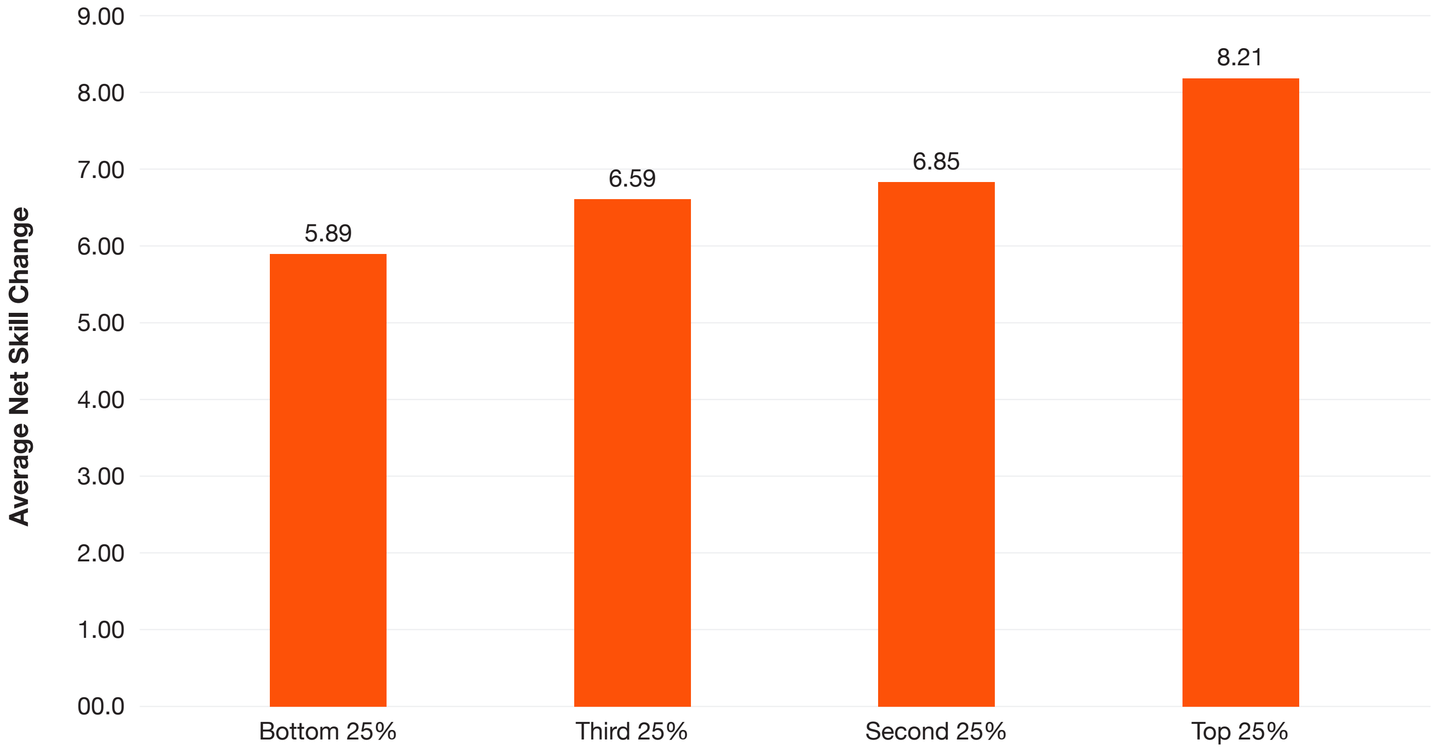
Source: PwC analysis, Lightcast data
Notes: Net skill change is measured as the change in frequency of skills required in job postings. Errors and observations with zeros were removed to filter the data. Analysis uses 4-digit ISCO code occupations.

Findings

- There is a positive correlation of 0.18 between AI exposure and net skills change between 2021 and 2025, indicating that more exposed occupations tend to see slightly greater shifts in skill requirements. However, the datapoints are widely dispersed, suggesting that while the overall relationship is positive, occupation-specific factors also remain important.
- Overall, this suggests that AI-exposed roles in South Africa are adapting slightly more rapidly, with evolving task demands reshaping the capabilities required, though AI exposure alone does not fully explain the variation in skill change.
- This pattern is the leading indicator of the emerging K-shaped dynamic: while job volumes have not yet diverged, the skills being demanded are already splitting, creating an advantage for workers who can adapt and a growing gap for those who cannot.

This can be seen across exposure quartiles, where the most AI-exposed occupations show greater skill shifts

Average net skill change from 2021 to 2025 for 4-digit ISCO code occupations by AI occupation exposure quartile, South Africa



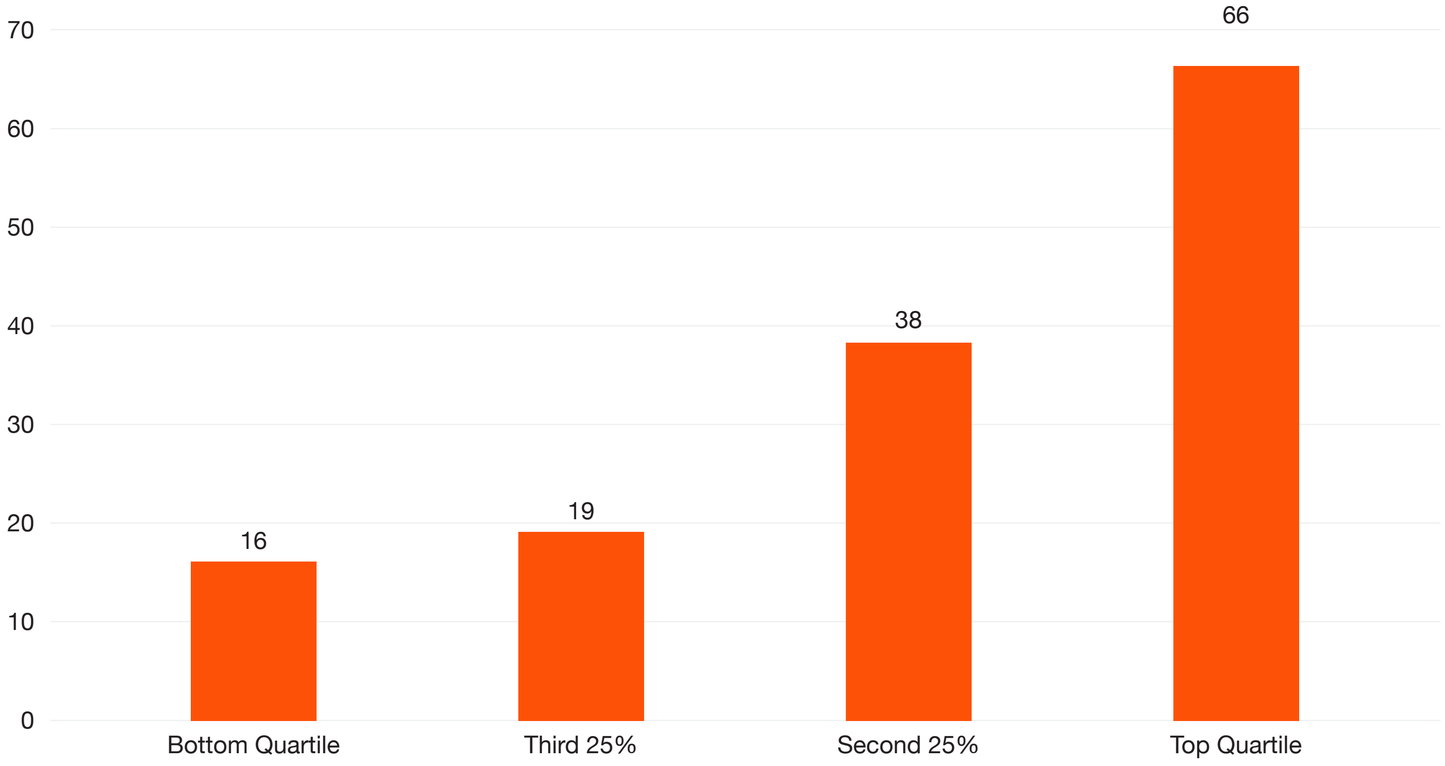
Source: PwC analysis, Lightcast data
Notes: Most exposed and least exposed are defined as the top and bottom quartiles by AIOE. Net skill change is measured as the change in frequency of skills required in job postings between 2021 and 2025.

Findings

- Occupations in the highest AI exposure group show faster skills transformation between 2021 and 2025 compared to lower exposure quartiles.
- Lower exposure quartiles also follow a gradual upward progression, with each successive quartile seeing higher average net skill change.
- This reinforces the earlier finding and provides evidence that the K-shaped market in South Africa is manifesting through skills divergence: roles at the top of the exposure spectrum are evolving rapidly, requiring continuous upskilling, while lower-exposure roles remain comparatively stable.

In line with this, the most AI-exposed occupations see greater expansion in the average number of new skills per occupation

Average number of “new” skills per occupation, by AI exposure quartile, South Africa, 2025 relative to 2021



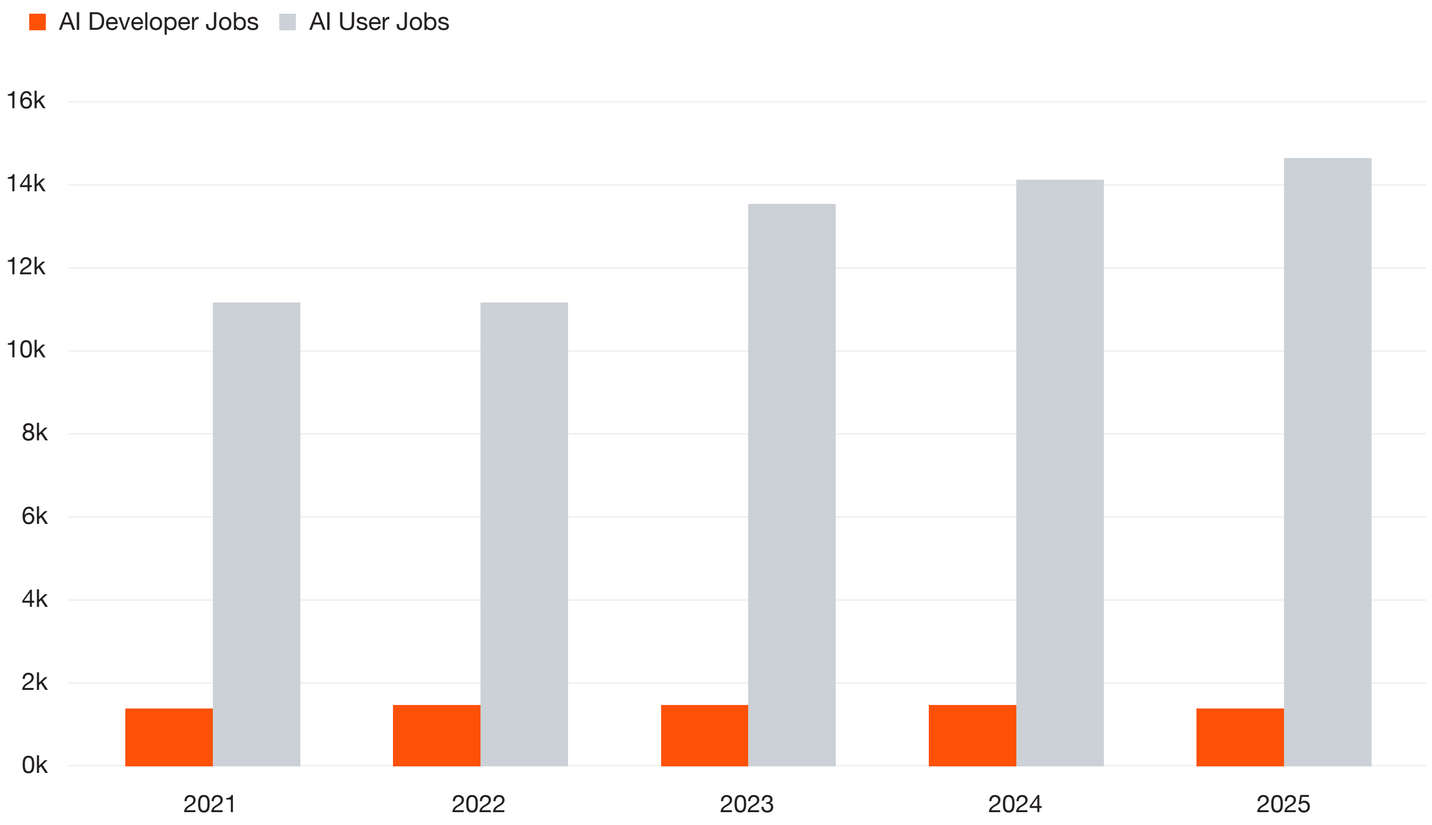
Source: PwC analysis, PwC AI Occupational Exposure Index, Lightcast data
Notes: We define a ‘new skill’ as any skill that has greater than 10 mentions in an occupation in 2025, but five or less mentions in that same occupation in 2021. This metric reflects the average number of new skills per occupation within each exposure quartile, rather than the total number of new skills observed.

Findings

- We find a positive relationship between AI exposure and the number of new skills required within occupations. Occupations in higher AI exposure quartiles exhibit a greater average number of newly emerging skills between 2021 and 2025.
- The increase becomes more pronounced at higher exposure levels, with the top quartile averaging 66 new skills per occupation. This suggests that AI-exposed roles are not simply changing existing skill requirements, they are expanding the breadth of capabilities demanded. Although the pattern remains more modest than in stronger-correlation markets.
- For entry-level workers, this rapid skill expansion in AI-exposed roles heightens the barrier to entry and contributes to the K-shaped divergence, enabling those with access to AI training and upskilling pathways will accelerate ahead, while others risk being left behind.

AI job demand in South Africa is dominated by user roles, with modest growth for user roles and contraction in developer roles in the last year

Total number of AI user and AI developer job roles, South Africa, 2021-2025



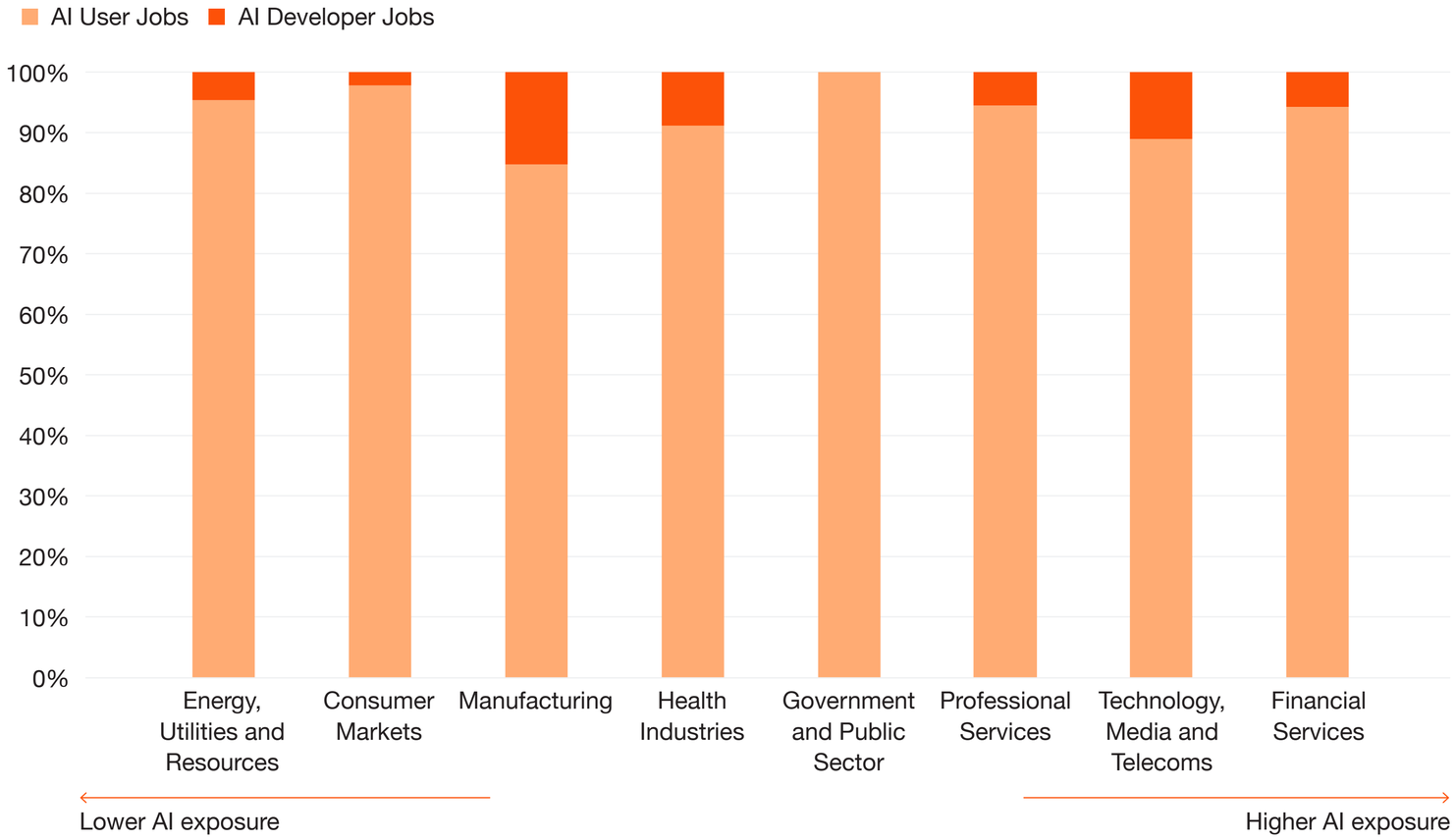
Source: PwC analysis, Lightcast data
Notes: AI user and AI developer job roles are determined as jobs requiring Tier 0 or 1 skills (AI literacy and applied AI skills) for AI user jobs and Tier 2 skills (advanced AI skills) for AI developer jobs. AI developer jobs are tagged as such if there are any skills in the job postings data requiring Tier 2 skills for a specific job role.

Findings

- AI user roles account for the majority of AI-related jobs and continue to drive overall demand, increasing by **588** roles in 2025, despite a dip in 2023 (+4.2%).
- In contrast, AI developer roles remain lower and contracted by **124** roles in 2025 (–8.3%).
- This pattern is consistent with the global finding that companies are using AI to pursue growth and create new revenue streams rather than to reduce headcount. South African organisations are deploying AI tools to enhance existing workflows and create value through their people, the “user” economy, rather than building proprietary AI systems. However, the contraction in developer roles raises a longer-term question about the country’s capacity to build, not just consume, AI.

Across sectors, AI job postings in South Africa remain concentrated in capabilities related to the use of AI rather than its development

Within sector shares of AI user and AI developer job roles of all AI related roles, South Africa, 2025



Source: PwC analysis, Lightcast data
AI user and AI developer job roles are determined as jobs requiring Tier 0 or 1 skills (AI literacy and applied AI skills) for AI user jobs and Tier 2 skills (advanced AI skills) for AI developer jobs. AI developer jobs are tagged as such if there are any skills in the job postings data requiring Tier 2 skills for a specific job role. Chart shows within-sector shares of AI user and AI developer roles as a proportion of all AI-related roles in that sector, 2025.

Findings

- AI user roles account for the largest share across most sectors, indicating a strong focus on deploying and integrating AI into existing workflows.
- **Manufacturing** shows the highest share of **AI developer** roles **(15.1%),** indicating greater focus on developing innovating AI capabilities. This can likely be linked to Industry 4.0 and automation of production processes.
- **Government and Public Sector** records the highest share of **AI user** roles, reflecting broad-based adoption of AI across operational roles rather than in-house development.
- The dominance of user roles across all sectors confirms that South Africa's AI economy is being built on integration and productivity enhancement where companies are using AI to help their people create more value.

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