The Economic Contribution of the Textile, Leather, Footwear, and Clothing (TLFC) Industry in eThekwini (2025)

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Abstract

The Textile, Leather, Footwear, and Clothing (TLFC) industry remains a strategically important industry for eThekwini, both as a historic driver of labour-intensive industrialisation and as a sector with strong linkages to manufacturing, retail, and trade. Although its role has weakened over the past three decades, eroded by global competition, import dependence, and slow technological adoption, the sector still holds significant potential. eThekwini's strongest competitive advantage lies in its port access and connectivity to African markets, positioning the city as a natural gateway for regional trade. Combined with established industrial infrastructure, a skilled workforce, and a world trade centre city (WTC), this creates a foundation to rebuild production capacity, strengthen localisation, and reduce reliance on imports.

Unlocking this potential requires firm alignment with national industrial policy to ensure municipal interventions reinforce broader priorities. Strategic actions should include expanding cluster programmes to build firm capacity, driving skills upgrading and technology adoption to modernise production, and promoting "Buy Local" and supplier-linkage initiatives to stimulate demand. By leveraging its competitive advantages and aligning interventions effectively, eThekwini can reposition the TLFC sector as a resilient contributor to job creation, export growth, and economic diversification, while deepening its role as a gateway to African markets.

Introduction

The Textile, Leather, Footwear, and Clothing (TLFC) industry remains one of the most dynamic and strategically significant sectors in the global economy. It is continuously shaped by evolving consumer preferences, technological disruption, shifting trade regimes, and sustainability imperatives. Globally, the industry has undergone a transformation driven by fast fashion, the rapid rise of e-commerce, and the integration of digital printing, automation, and smart fabrics (Smith, 2023). At the same time, the increasing importance of circular fashion, recycling systems, bio-based fibres, and transparent supply chains has redefined competitiveness (Jones & Patel, 2022). Asia-Pacific remains the global production leader, while Europe and North America emphasise high-value, sustainable, and innovative production models (UNCTAD, 2023).

In South Africa, the TLFC sector was once a strong manufacturing base, sustaining thousands of livelihoods. Its decline from the late 1990s was driven by structural inefficiencies, weak industrial policy, and a surge of low-cost imports (Barnes et al., 2004). Nevertheless, the sector has been repositioned as a priority within national industrial policy frameworks. The DTIC's masterplan (2021) emphasises local procurement, investment incentives, combating illegal imports, and strengthening competitiveness. These interventions have already reintroduced product lines such as technical fabrics, protective wear, and local footwear production (Cloete, 2022).

EThekwini plays a central role in the recovery of the Textile, Leather, Footwear, and Clothing (TLFC) industry. As South Africa's largest port city, it functions both as a manufacturing hub and a gateway for imports and exports, with strong integration into regional and continental trade flows (Durban EDGE, 2023). The city, through its Economic Development, has also prioritised cluster support for the TLFC sector, recognising its potential to drive industrial diversification, create jobs, and promote inclusive growth. These efforts include targeted support for manufacturers, facilitation of market access, and alignment with the broader "buy-local" agenda, ensuring the sector remains competitive within global and regional value chains.

At the same time, shifts in retailer strategies have reinforced this momentum. TFG now produces nearly 75% of its apparel locally, Shoprite's UNIQ chain is sourcing more South African-made basics, and Woolworths and Truworths have restructured their supply chains to rely less on congested import routes (Business Day, 2024). Together, these developments illustrate early signs of renewal, supported by both public-sector interventions and private-sector commitments, positioning eThekwini as a critical hub for the revitalisation of South Africa's TLFC industry.

Despite progress, the sector faces enduring challenges. High input costs, energy constraints, outdated machinery in some facilities, and exposure to cheap imported goods weaken competitiveness. On the global stage, local manufacturers struggle to match cost, scale, and efficiency. Yet, with targeted support, innovation, and alignment to the buy-local agenda, the TLFC industry in eThekwini holds strong potential to drive inclusive industrial growth, employment creation, and export diversification.

Value Chain of the TLFC Industry

The TLFC sector integrates agriculture, livestock, petrochemicals, forestry, chemicals, and machinery as inputs into multi-stage processing and manufacturing activities. According to the Stats SA Supply and Use Tables (2022), agriculture (cotton, wool, hides) and chemicals (synthetic fibres, dyes) together accounted for roughly R12.8 billion in intermediate inputs to South Africa's textiles and clothing production. The value chain extends downstream to apparel, footwear, home textiles, industrial and protective applications, and is completed by retail, distribution, and end-user consumption. Each stage provides opportunities for economic activity, employment, and trade integration.

1. Input and Upstream Sectors

Sub-Sector	Examples	Contribution
Agriculture & Livestock	Cotton, wool, silk, flax, hemp, jute; cattle, sheep, goats, hides, and skins	Natural fibres and hides; highly labour-intensive
Petrochemicals & Plastics	Polyester, nylon, acrylic, PU leather	Synthetic fibres, artificial leathers, technical fabrics
Forestry & Wood Pulp	Viscose, rayon, lyocell, cellulose-based fibres	Expands semi-synthetic fabric production
Chemicals & Dyes	Colourants, tanning agents, waterproofing, and flame-retardant chemicals	Enables finishing, durability, and design
Machinery & Equipment	Spinning frames, looms, knitting machines, tanning drums, cutters	Provides industrial capacity and productivity

Stats SA Supply and Use Tables (2022)

2. Midstream Processing and Manufacturing

Stage	Activities & Products	Role in Value Chain
Fibre Preparation	Ginning, carding, combing; degreasing hides/skins	Prepares fibres/hides for spinning or tanning
Spinning & Yarn Production	Produces cotton, wool, and blended yarns	Inputs for weaving, knitting, blending
Weaving & Knitting	Denim, cotton sheeting, woollens, jerseys, sportswear fabrics	Base material for apparel, home, and industrial use
Tanning & Leather Processing	Converts hides into finished leather; waterproofing, polishing	Supplies footwear, clothing, and upholstery
Fabric Dyeing & Finishing	Dyeing, printing, bleaching, waterproofing, flame-retardant finishing	Adds durability, quality, and marketability

Technical Textiles & Nonwovens	Geotextiles, medical fabrics, filtration materials, protective gear	Expands into automotive, healthcare, and construction

Stats SA Supply and Use Tables (2022)

3. Downstream Manufacturing – Apparel, Footwear, and Products

Segment	Examples	End Users
Apparel & Clothing	Casual wear, uniforms, protective clothing, fashion garments	Households, retail, government procurement
Footwear & Accessories	Leather shoes, safety boots, sandals, handbags, belts, wallets	Consumers, exports, informal economy
Home Textiles	Curtains, carpets, bedding, towels, upholstery fabrics	Households, hotels, real estate
Industrial Applications	Seat covers, airbags, ropes, tarpaulins, packaging materials	Automotive, transport, logistics
Medical & Protective Gear	PPE, gowns, masks, bandages, medical fabrics	Healthcare, government contracts

Stats SA Supply and Use Tables (2022)

4. Distribution, Retail, and Markets

Channel	Characteristics & Examples	Contribution
Wholesale & Retail Chains	TFG, Woolworths, Truworths, Shoprite (UNIQ), Mr Price	Drives local procurement, formal retail market
E-commerce Platforms	Online retail, direct-to-consumer channels	Expands competitiveness and reach
Public Procurement	School uniforms, defence contracts, hospital wear	Provides stable and large-scale demand
Informal Economy	Flea markets, township clothing shops, and small workshops	Vital for livelihoods, supports inclusivity
Export Markets	Regional (SADC, Africa) and global exports	Generates foreign exchange, market diversification

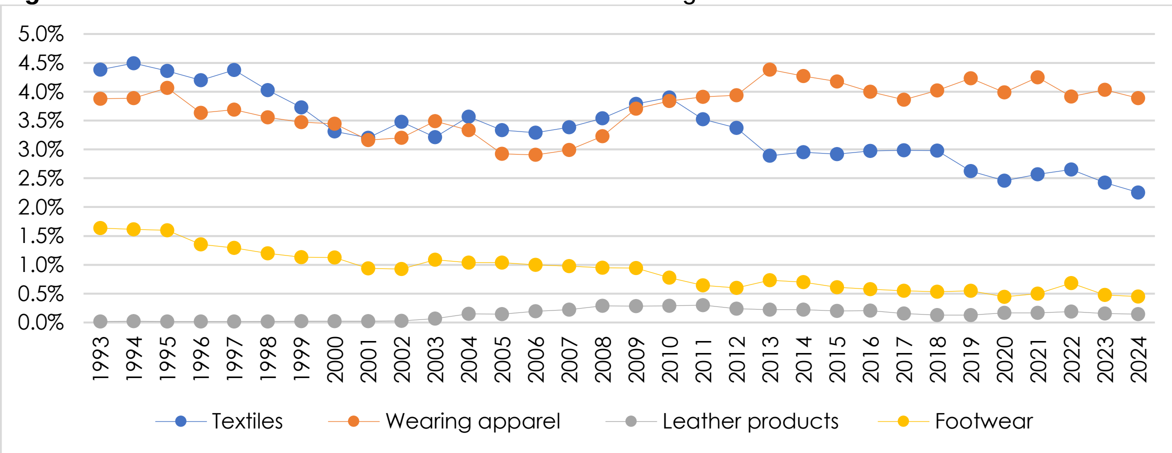
Stats SA Supply and Use Tables (2022)

The Textile, Leather, Footwear, and Clothing (TLFC) Industry: Contribution to Manufacturing Gross Value Added (GVA)

Manufacturing continues to anchor Durban's economy, contributing over R61 billion annually. Yet its share of city GVA has eased from 17.1% in 2019 to about 16.4%, reflecting the competitiveness pressures facing local producers. Within this, the textile sub-sector has declined from R1.7 billion in 2019 to R1.4 billion in 2024, reducing its share of manufacturing from 2.6% to 2.3%. Once central to Durban's industrial base, this decline has reduced opportunities for workers and small firms.

The wearing apparel sub-sector/clothing remains the largest within TLFC but has also slipped, from R2.7 billion in 2019 to R2.4 billion in 2024, now contributing under 4% of manufacturing GVA. The sector continues to struggle against cheaper imports and fast-changing consumer preferences. Smaller segments are more fragile. Leather products make up just 0.1–0.2% of manufacturing, showing little growth, while footwear has fallen from R354 million in 2019 to R279 million in 2024. A short rebound in 2022 was not sustained, leaving firms vulnerable in an increasingly globalised market.

Figure 1: Contribution of the Sub-Sectors to Manufacturing GVA



Source: Quantec, 2025

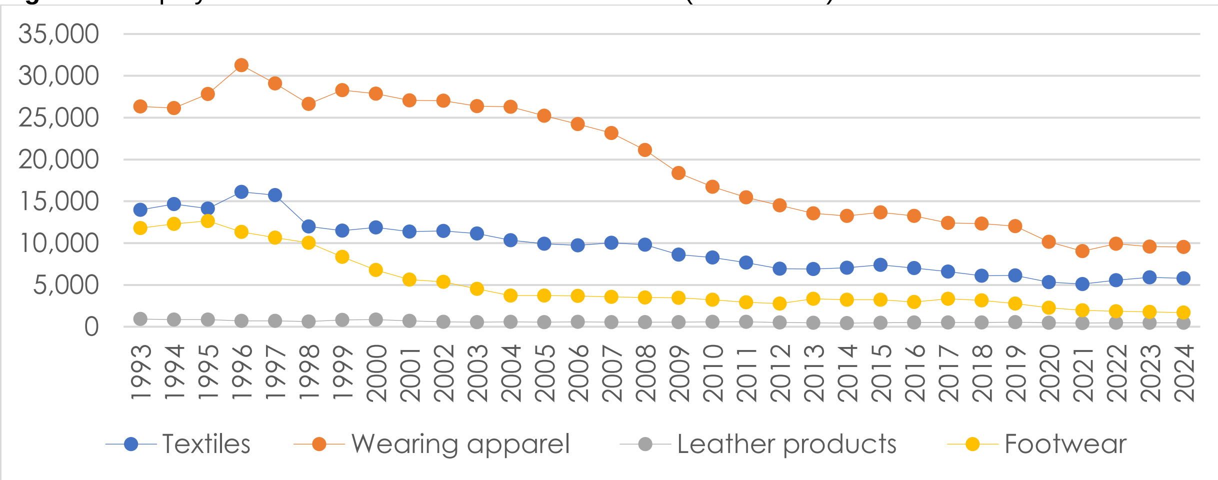
Employment Trends in the TLFC Sub-Sectors

Employment in the textile, leather, footwear, and clothing (TLFC) industry in eThekwini has been on a long-term downward trajectory, with significant volatility in job creation and destruction across the years. The overall trend reflects deep structural pressures, trade liberalisation, and rising import penetration, which have undermined the competitiveness of local producers.

The wearing apparel subsector was historically the largest employer, sustaining between 25,000 and 30,000 jobs during the 1990s. However, employment has steadily eroded since the late 2000s, with large-scale job losses over time. Despite occasional short bursts of recovery, for example, in 2015 when over 430 jobs were created, the sector has not been able to reverse the long-term decline. Currently, it employs only about 10,000 workers, underscoring its diminished role in manufacturing employment. Similarly, the textiles subsector saw short-term gains in the mid-1990s, including a peak of 2,000 new jobs in 1996, but these were quickly offset. By 2024, the subsector had shed about 8,200 jobs in net terms, with the global financial crisis marking a turning point that accelerated its decline, though modest recoveries have occasionally emerged, such as in 2022 with 470 jobs added.

The footwear subsector has suffered some of the steepest declines, losing more than 10,100 jobs over the past 30 years. Once employing more than 12,000 workers in the mid-1990s, the sector has shrunk to fewer than 3,000 jobs today. Temporary upticks in employment, such as in 2013 (+579 jobs) and 2016 (+380 jobs), were not sustained, with losses returning in subsequent years. Leather products, though always the smallest contributor to TLFC employment, displayed relative stability, with cumulative losses of around 450 jobs over three decades. Its smaller, niche base meant fewer fluctuations compared to the sharp contractions seen in apparel, textiles, and footwear.

Figure 2: Employment Contribution of TLFC Sub-Sectors (1993–2024)



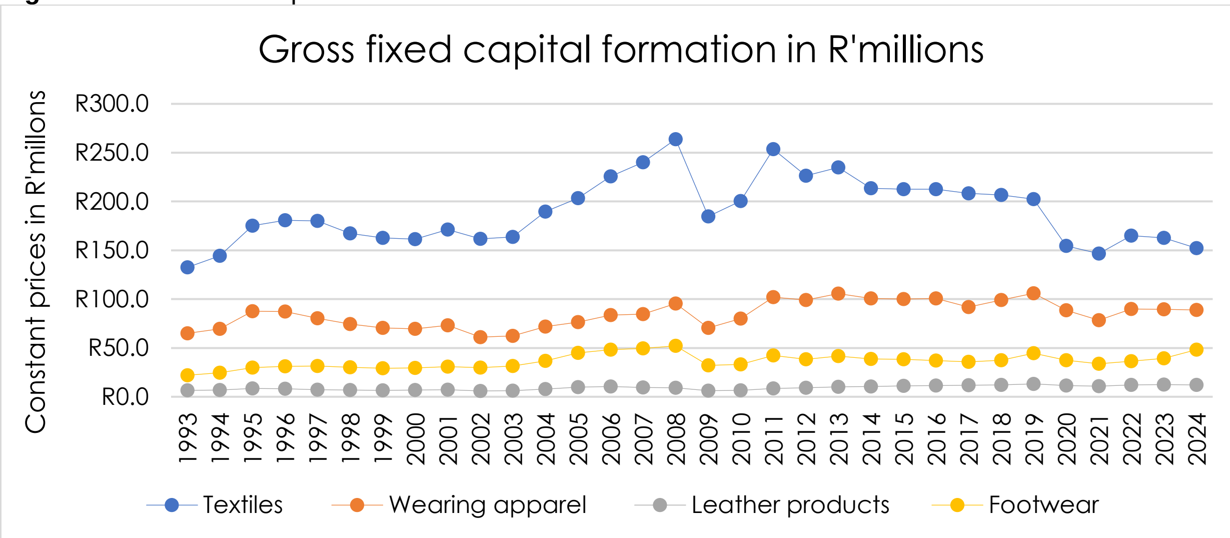
Source: Quantec, 2025

Investment Dynamics in the TLFC Industry: Trends in Capital Formation

Gross Fixed Capital Formation (GFCF) in eThekwini's textile, leather, footwear, and clothing (TLFC) industry reveals important shifts in investment patterns over the past three decades. The textiles subsector has consistently commanded the largest share, with investment rising steadily through the 2000s and peaking at more than R260 million in 2007. Although capital expenditure remained relatively strong during the 2010s, averaging around R200 million, investment has declined notably since 2019 to approximately R150 million, reflecting reduced reinvestment and waning investor confidence.

The wearing apparel subsector has displayed greater stability, with investment levels generally fluctuating between R70 million and R110 million and peaking slightly above R100 million in the mid-2010s. This reflects a sustained, though cautious, commitment to the sector despite persistent employment losses. By contrast, footwear and leather products have consistently recorded the lowest levels of capital formation, with footwear investment ranging between R30 million and R50 million, while leather products have seldom exceeded R10 million. These modest figures highlight the limited capacity of smaller, niche subsectors to attract meaningful investment and scale production.

Figure 3: Gross fixed capital formation trend



Source: Quantec, 2025

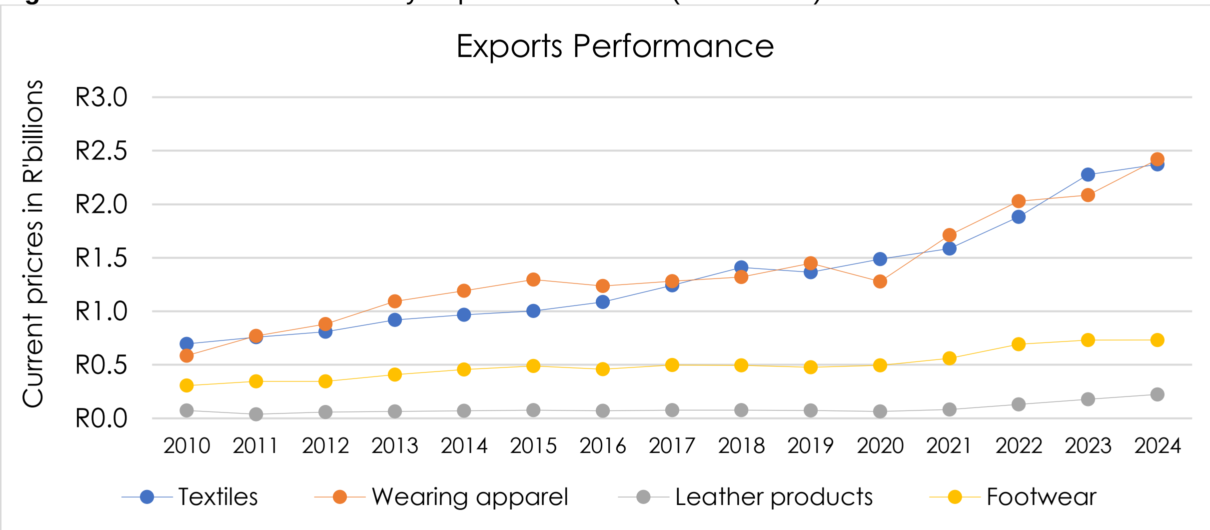
Trade Dynamics of the TLFC Industry in EThekwini

Exports from eThekwini's textile, leather, footwear, and clothing (TLFC) industry have expanded significantly over the past decade, highlighting the sector's continued relevance to international trade despite domestic challenges. Between 2010 and 2024, total exports more than tripled in value, with textiles and wearing apparel emerging as the dominant drivers. Textiles rose from R696 million in 2010 to over R2.37 billion in 2024, reflecting stronger integration into regional and global supply chains. Wearing apparel followed a similar trend, growing from R586 million to R2.42 billion over the same period, with fluctuations in the mid-2010s offset by robust growth in the 2020s.

The footwear subsector recorded more moderate growth, increasing from R306 million in 2010 to about R733 million in 2024. While not as dominant as textiles and apparel, footwear has shown steady improvement in export performance, particularly after 2020, benefiting from rising demand within the Southern African region and select international markets. Leather products, though the smallest contributor, more than doubled exports from R74 million in 2010 to R224 million in 2024. This suggests potential for value addition in niche and specialised markets, albeit from a relatively low base.

Export destinations reflect a balance between regional dependency and emerging global linkages. Neighbouring SACU markets such as Namibia, Botswana, Eswatini, and Lesotho remain critical outlets for TLFC products, while exports to the European Union, United States, and Asia (notably China and Vietnam) have gained momentum. While the overall trajectory is positive, the heavy reliance on textiles and apparel underscores the need to diversify both products and markets.

Figure 4: EThekwini TLFC Industry Export Performance (2010–2024)



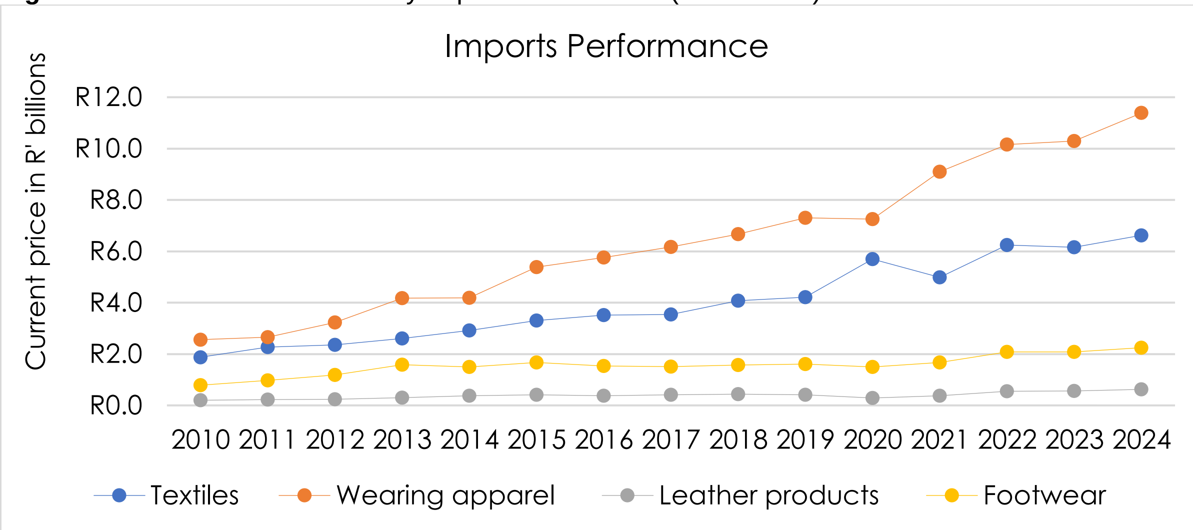
Source: Quantec, 2025

Imports of Textile, Leather, Footwear, and Clothing (TLFC) products into South Africa and through eThekwini, as the country's largest port, have grown sharply over the past decade, reflecting both rising consumer demand and weaknesses in domestic production. Between 2010 and 2024, imports of wearing apparel rose from R2.6 billion to over R11.3 billion, while textiles more than tripled from R1.9 billion to R6.6 billion. Footwear imports also climbed steadily from R786 million to R2.2 billion, and leather products grew from R200 million to R624 million. This trend illustrates the industry's structural imbalance, where South Africa exports raw fibres and hides but imports higher value finished products that dominate retail shelves.

The import surge is concentrated among a handful of suppliers, with China remaining the dominant source, alongside Vietnam, India, Indonesia, and regional partners such as Lesotho and Eswatini. These trade flows highlight the vulnerability of local producers, who are unable to compete on cost, scale, and efficiency. For eThekwini, this has translated into declining contributions of the TLFC sector to manufacturing GVA, reduced factory activity, and fewer job opportunities in labour-intensive areas such as garment assembly, leather processing, and footwear production.

Adding to these pressures is the rise of online shopping platforms such as Temu, Shein, Amazon, and South Africa's Takealot, which have transformed consumer behaviour by offering affordable, fast fashion products delivered directly from abroad. While these platforms expand choice for consumers, they bypass many traditional retail channels and further displace local manufacturers.

Figure 5: EThekwini TLFC Industry Import Performance (2010–2024)



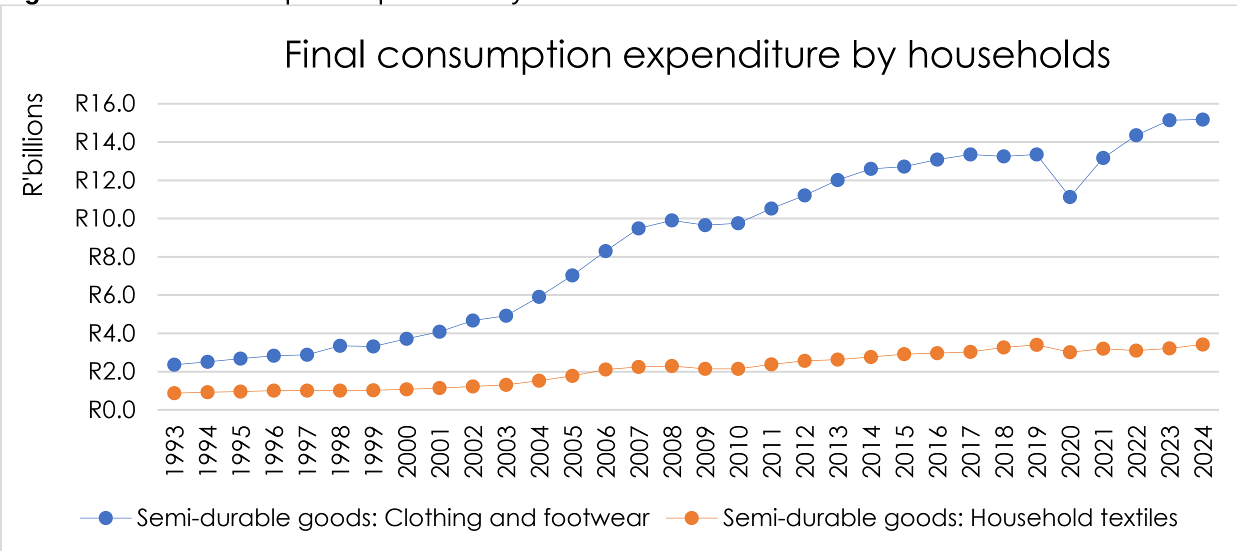
Source: Quantec, 2025

Household Demand for Clothing, Footwear, and Textiles in EThekwini

Household final consumption expenditure on clothing and footwear has shown remarkable growth over the past three decades, underlining the sector's central role in consumer demand. Starting at R2.4 billion in 1993, expenditure has more than sixfold increased to R15.2 billion in 2024**.** The sharpest growth occurred between 2003 and 2015, when spending doubled in just over a decade, driven by rising disposable incomes, urbanisation, and the expansion of retail chains across Durban. Although the sector was briefly disrupted during the 2008 global financial crisis and again in 2020 during the COVID-19 pandemic (when demand dipped to R11.1 billion), it quickly recovered, reflecting the resilience of consumer demand for fashion and footwear.

Expenditure on household textiles, including bedding, curtains, carpets, and other semi-durable goods, has also grown steadily, though at a smaller scale. From under R900 million in 1993, it rose to over R3.4 billion in 2024, more than tripling over the period. Growth in this segment has closely followed real estate development and lifestyle improvements among middle-income households, creating consistent purchasing patterns.

Figure 6: Final consumption expenditure by households



Source: Quantec, 2025

Findings on the Textile, Leather, Footwear, and Clothing (TLFC) Industry Analysis

The analysis of the TLFC sector in eThekwini highlights a mixed picture of resilience, vulnerability, and untapped potential. On one hand, household demand for clothing, footwear, and textiles continues to rise, supported by urbanisation, expanding retail networks, and shifting consumer lifestyles. On the other hand, the sector has struggled to translate this demand into sustained industrial growth due to import dependence, competitiveness pressures, and rapid e-commerce disruption. The findings below summarise the high-level opportunities that can be leveraged, the challenges that must be addressed.

High-Level Opportunities

- **Growing Consumer Demand**: Household expenditure on clothing, footwear, and textiles has grown steadily from under R3 billion in the early 1990s to more than R18 billion in 2024, demonstrating strong and resilient demand across income levels.
- **Retailer Localisation Strategies**: Large retailers such as TFG, Shoprite (UNIQ), Woolworths, and Truworths are increasingly sourcing locally to reduce import dependence and shorten supply chains, opening opportunities for local manufacturers.
- **Strategic Trade Positioning**: EThekwini's port and logistics infrastructure position it as a gateway for TLFC trade in South Africa and the broader SADC region, enabling both import substitution and export expansion.
- **Policy and Cluster Support**: National and local government support through the DTIC masterplan and eThekwini's cluster programmes provide a framework for reindustrialisation, skills upgrading, and buy-local initiatives.
- **Emerging Niches**: Technical textiles, protective wear, and high-quality leather goods offer opportunities where local producers can compete on quality, sustainability, and speed rather than cost alone.

High-Level Challenges

- **Rising Import Dependence**: Imports of wearing apparel grew from R2.6 billion in 2010 to R11.3 billion in 2024, with textiles and footwear also tripling in value, reflecting the erosion of domestic market share.
- **Cost and Competitiveness Pressures**: High input costs, outdated machinery, energy constraints, and limited adoption of modern technologies weaken the ability of local producers to compete with Asian markets.
- **Employment Vulnerability**: Once a major employer, the TLFC sector has shed jobs due to factory closures and increased reliance on imports, reducing livelihoods in communities historically dependent on the industry.
- **E-commerce Disruption**: Online platforms such as Temu, Shein, Amazon, and Takealot are reshaping consumer behaviour, offering low-cost imports that bypass traditional retail and displace local manufacturers.
- **Weak Domestic Processing Capacity**: Much of South Africa's raw cotton, wool, and hides are exported unprocessed, only to return as finished goods, leaving value-added opportunities untapped.

Recommendations

The Textile, Leather, Footwear, and Clothing (TLFC) Industry was once among the city's most labour-intensive industries, where an investment of just R1.0 million could generate between 25 and 50 jobs. At its peak, the sector had one of the strongest employment multipliers in the economy. However, this dynamic has reversed; the same level of investment frequently results in little or no job creation, and in many cases, continued job losses. This decline is not only an investment challenge but rather a reflection of broader structural issues, including weak industrial policy, insufficient protection of domestic industries, and limited competitiveness within global value chains. Addressing these underlying issues requires a set of integrated interventions, prioritised as follows:

1. **Enhance Trade Enforcement and Fair Competition**: Strengthen customs and regulatory systems to combat under-invoicing, illegal imports, and unfair trade practices that undermine local firms. Effective enforcement will create a level playing field, ensuring domestic manufacturers can operate competitively.
2. **Strengthen Local Manufacturing Capacity**: Modernise production by investing in advanced machinery, renewable energy solutions, and process efficiency upgrades. These measures will reduce cost disadvantages and re-establish the sector's ability to deliver strong employment outcomes relative to investment.
3. **Leverage Buy-Local Campaigns and Public Procurement**: Expand buy-local initiatives by embedding domestic sourcing within government procurement frameworks, retail partnerships, and consumer awareness campaigns. This will increase demand for locally made goods and capture a greater share of household and institutional expenditure.
4. **Expand Cluster Support for Skills and Supplier Development**: Deepen eThekwini's TLFC cluster programmes with a focus on workforce upskilling, supplier upgrading, and market facilitation. Special attention should be given to SMMEs and informal producers, who hold the greatest potential for sustainable job creation.
5. **Promote Niche Competitiveness**: Position the sector in high-value, specialised markets where South Africa can compete on quality and sustainability, such as protective clothing, technical

textiles, and premium leather products. Targeting these segments will strengthen resilience and profitability.

6. **Support Digital Transition**: Enable producers, especially smaller firms, to access new markets by building capacity in e-commerce, digital marketing, and partnerships with online platforms such as Takealot. This will diversify sales channels and unlock growth in both domestic and export markets.

Conclusion

The TLFC industry in eThekwini stands at a crossroads. Household demand for clothing, footwear, and textiles is rising, retail sourcing strategies are shifting toward local procurement, and government cluster programmes provide an enabling framework for revitalisation. Yet, the sector faces deep-rooted challenges, including rising import penetration, high production costs, and rapid disruption from global e-commerce platforms.

For eThekwini, the way forward lies in transforming consumer demand into industrial opportunity, capturing more value locally through modernised manufacturing, strengthened cluster support, and integration into digital and regional markets. With sustained commitment, the TLFC sector can reposition itself as both a driver of inclusive job creation and a competitive force in South Africa's industrial landscape.

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