



Kingdom of Lesotho



**Statistical Report
No: 28 of 2025**

**Performance of the Manufacturing Sector in Lesotho
Second Quarter 2025**



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1. Introduction

The Bureau of Statistics has embarked on a programme of quarterly economic or enterprise surveys on medium and large-scale enterprises, namely: Wholesale and Retail Trade, and Survey of Performance of Manufacturing Sector. The latter's report focuses on the following topics: type of establishment; legal form; type of ownership; employment; sex of employees; industry; and remuneration (wages and salaries).

The quarterly survey provides estimates on various variables of interest in the medium and large manufacturing activities. Employment in manufacturing sector in Lesotho has mainly been dominated (about 80 percent) by "Textiles and Clothing" industry throughout the years. "Leather and Footwear", "Food and Beverages" and "Other Manufacturing" are also playing a notable role in the manufacturing sector however, they still have a very low constant absorptive capacity.

2. Methodology

Information on manufacturing is collected through the Industrial Survey, which covers establishments engaged in the manufacturing and transformation of semi-finished products. The survey is undertaken on a quarterly basis. The distribution and collection of self-administered questionnaires to and from individual establishments is done through emails or hand delivered. The exercise (data collection; distribution and collection) is done within the first two weeks of the start of the following quarter. Follow-ups are made, usually through telephone calls and emails.

2.1 Scope and Coverage

The industrial survey covers medium and large-scale establishments engaged in manufacturing activity on a quarterly basis, in all districts. The medium and large manufacturing establishments are classified using the following: employed person's numbers, ranging from 10 to 49 and 50 or more respectively. In addition, such establishments must have been in operation continuously for at least six months. However, due to the size threshold (medium and above) on the sample, data is only collected in six districts namely: Botha-Bothe; Leribe; Berea; Maseru; Mafeteng; and Mohale's Hoek.

All the establishments engaged in production, packaging and transforming of goods are grouped (classified) in accordance with International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC, Rev 4).

3. Findings

The findings of the study shed light on various aspects of the surveyed establishments. By examining the type of establishment; legal form; type of ownership; employment; sex of employees; industry; and remuneration (wages and salaries), the study aims to capture a holistic understanding of the economic landscape. In addition, the study includes an analysis of commodity export destinations.

As stated by Statistical Act of 2001, confidentiality and anonymity are paramount to data dissemination, so the report has classified the industries into four categories: "Food & Beverages", "Textiles & Clothing", "Leather & Footwear" and "Other Manufacturing". "Other

Manufacturing” is a composition of the following economic activities; manufacturing of cook stoves, cement blocks, clay bricks, plastic products, corrugated boxes, furniture, low voltage electric breakers, printing works, petroleum products (e.g. petroleum jelly, candles, etc.), and assembling and transformation of aluminum inputs into aluminum products (windows and doors).

3.1 Type of Establishments

According to Table 1, about 8 in every ten establishments in Lesotho were Single Enterprises (89.4 percent) in the second quarter of 2025.

Table 1: Percentage Distribution of Establishments by Type of Establishment – 2025 Second Quarter

Establishment Type	Percent
Single Enterprise	89.4
Division (Branch)	10.6
Total	100

3.2 Legal Form of the Establishment

The legal form of a company is the legal designation used to identify the establishment according to the local, regional, or international laws governing it. This is normally denoted by abbreviations at the end of the official name, such as PTY and LTD (Proprietary Limited, and Limited respectively), which is referred to as the status of company’s liability. The results show that most manufacturing businesses in Lesotho were categorised as “Private Limited” companies, accounting for 97 percent. On the other hand, Individual proprietorship and Public Limited Company had an equal share of 1.5 percent

Table 2: Percentage Distribution of Establishments by Legal Form – 2025 Second Quarter

Legal form of Establishment	Percent
Individual Proprietorship	1.5
Partnership	0.0
Private Limited Company	97.0
Public Limited Company	1.5
Statutory/board/Parastatal	0.0
Total	100.0

3.3 Ownership Status

Ownership of the establishments is vital in policy formulation and planning, especially in determining the origin of the product. In the manufacturing sector, most establishments were fully foreign-owned, accounting for 65.2 percent, as presented in Table 3. “Fully National Private” establishments constituted 24.3 percent while those with shares exceeding 50 percent both on national and foreign accounted for 4.5 percent.

Table 3: Percentage Distribution of Establishments by Ownership Status– 2025 Second Quarter

Ownership Status	Percent
Fully National, Private	24.3
Fully National, Public	0.0
Fully Foreign	65.2
More than 50% National	4.5
More than 50% Foreign	4.5
50% National and Foreign	1.5
Total	100

Table 4 depicts percentage distribution of establishments engaged in only “Textiles and Clothing” by ownership status. The vast majority (85.7 percent) of textile and clothing businesses in Lesotho were foreign owned, with only a small fraction (11.4 percent) owned by Basotho nationals.

Table 4: Percentage Distribution of Establishments in Textile and Clothing by Ownership Status – 2025 Second Quarter

Ownership Status	Percent
Fully National Private	11.4
Fully National Public	0.0
Fully Foreign	85.7
More Than 50% National	2.9
More Than 50% Foreign	0.0
50% National & Foreign	0.0
Total	100

3.4 Employment in the Manufacturing Sector

Employment refers to the total number of people engaged or having an employment contract by/with the establishment, as on the last day of the quarter (or monthly). In this instance, the individuals classified as employees must have satisfied the following:

- a) permanently employed person and temporary wage earner.
- b) working members of a co-operative; and
- c) working proprietors and unpaid family workers.

Table 5 presents an overview of the total number of people engaged in the manufacturing sector from the second quarter of 2024 up to the corresponding quarter of 2025. The number of employees in the second quarter of 2025 dropped by 8.6 percent from the previous quarter.

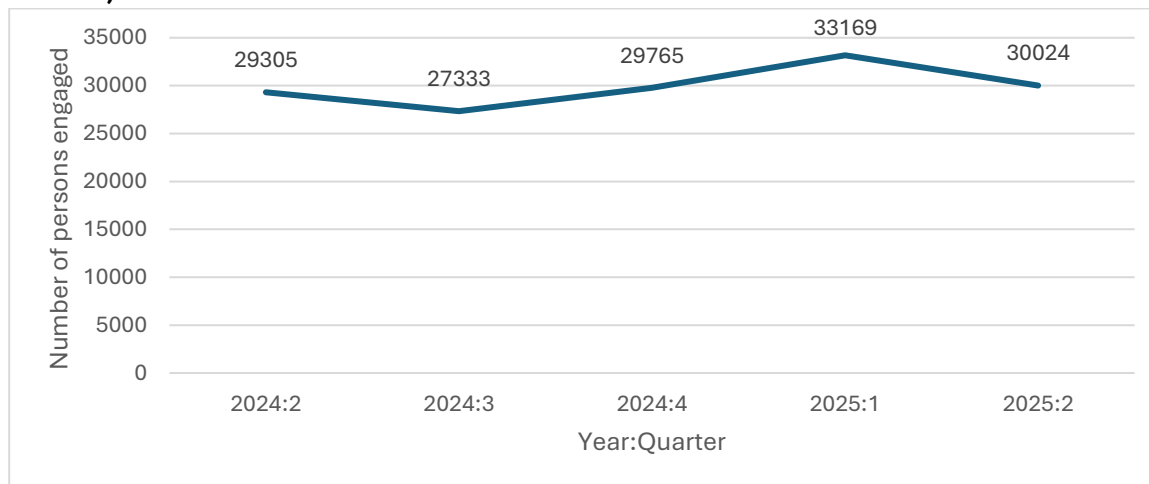
On an annual basis, the manufacturing sector also experienced insignificant growth in employment, with a 1.5 percent increase in the second quarter of 2025 compared to the previous year. At the industry level, “Other Manufacturing” had impacted the most, with a 11.2 percent decrease.

Table 5: Employment by Year, Quarter and Industry (2024:2– 2025:2)

Industries						
Year	Quarter	Food & Beverages	Textiles & Clothing	Leather & Footwear	Other Manufacturing	Total
2025	2	1,136	30,024	1,364	1,856	34,380
	1	1,005	33,169	1,386	2,040	37,600
2024	4	1,042	29,765	1,389	1,860	34,056
	3	1,142	27,333	1,410	1,878	31,763
	2	1,051	29,305	1,439	2,089	33,884
Quarterly (%)		13.0	-9.5	1.9	-9.0	-8.6
Annually (%)		8.1	2.5	-5.2	-11.2	1.5

2024:2 refers to 2nd quarter of 2024 and 2025:2 refers to 2nd quarter of 2025

Figure 1 depicts the employment figures in the textiles and clothing industry over a span of time. The number of employees from the second quarter of 2024 to the third quarter of the same year declined by 6.7 percent in employment. The industry’s employment figures have plummeted due to business closures caused by lack and deteriorating orders from buyers, as well as the use of short-time employment contracts. In the fourth quarter of 2024 to the first quarter of 2025, gear changed which portrayed a good indication of labor enlargement in the textile and clothing industry. The casual workers during this season play a big role in textiles and clothing labor engagement. As the year progresses, from the first to the second quarter of 2025 labour engagement in the textile and clothing industry changed whereby the employment declined by 9.5 Percent.

Figure 1: Number of Persons Employed in “Textiles and Clothing” by Year and Quarter (2024:2 - 2025:2)

3.4.1 Share of Industrial Employment

In this subsection, the focus is the share of industries to total employment within the manufacturing sector. The share of each industry is determined by dividing the total number of people employed in that industry by the total number of people employed in the entire manufacturing sector.

Table 6 presents a percentage share of industries in total employment by quarter, covering the period from the second quarter of 2024 to the same quarter of 2025. The table reveals that the “Textiles & Clothing” industry consistently dominated employment in the manufacturing sector, accounting for 87.3 percent in the second quarter of 2025. This trend underscores its position as the primary employer in the sector across recent quarters. On the other hand, the “Food and Beverages” industry accounted the lowest share, with an average proportion of approximately 3 percent during this period.

Table 6: Percentage Share of Industries to Total Employment by Industry and Quarter (2024:2 – 2025:2)

Industries	2024:2	2024:3	2024:4	2025:1	2025:2
Food & Beverages	3.1	3.6	3.1	2.7	3.3
Textiles & Clothing	86.5	86.1	87.4	88.2	87.3
Leather & Footwear	4.2	4.4	4.1	3.7	4.0
Other Manufacturing	6.2	5.9	5.4	5.4	5.4
Total	100	100	100	100	100

3.4.2 Employment by Sex

This section presents the distribution of employment in the manufacturing sector by sex and employee type. The employee types are categorised as follows: Managers; Other Employees (including professionals, technicians, and elementary occupations, etc.); and “Part Time” employees (casual).

According to table 7, in the second quarter of 2025, the manufacturing sector saw a higher representation of females (76.5 percent) compared to males (23.5 percent). In addition, other employees and part time jobs positions were primarily held by females with 77 percent and 76.2 percent respectively. Conversely, at the managerial level, male employees held a slight majority, representing 53.5 percent, while female managers accounted for 46.5 percent.

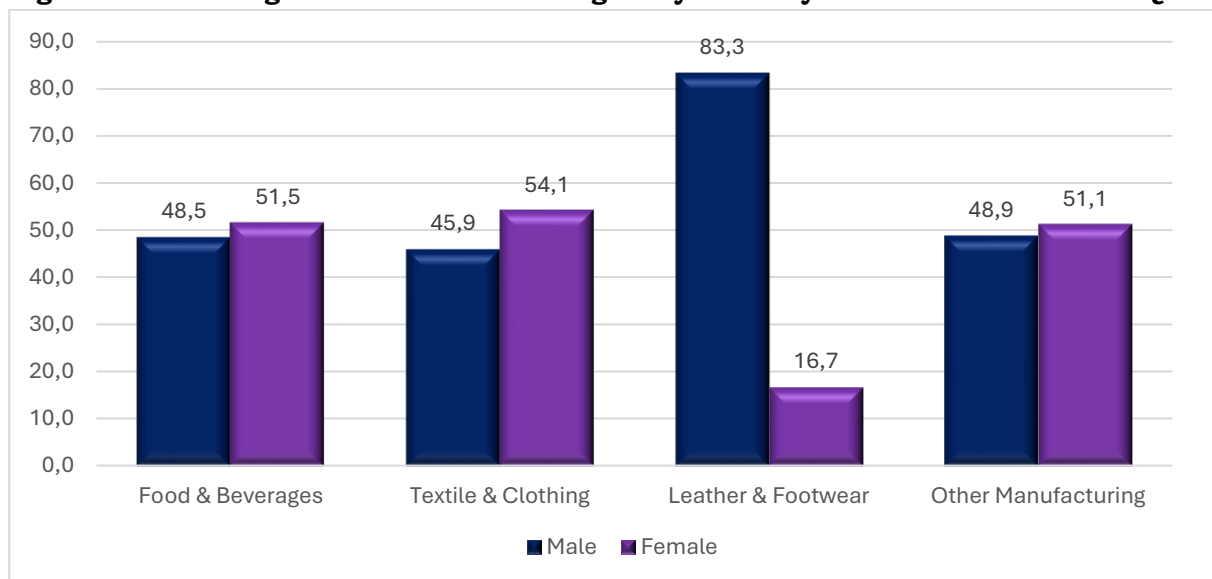
Table 7: Percentage Distribution of Employee by Type and Sex - 2025 Second Quarter

Employee Type	Males	Females	Total
Managers	53.5	46.5	100
Other Employees	23.0	77.0	100
Part Time Employees (Casual)	23.8	76.2	100
Total	23.5	76.5	100

Figure 2 shows the distribution of managers based on industry and sex, presenting the percentages for each category. Across three industries, female managers outnumbered their male counterparts, constituting over 50 percent of the total. However, in the Leather and

Footwear sector, a distinct scenario unfolded, with male managers surpassing their female counterparts by approximately 66.6 percentage points.

Figure 2: Percentage Distribution of Managers by Industry and Sex -2025 Second Quarter



3.5 Wages and Salaries in the Manufacturing Sector

This section deals with wages and salaries of employees in the Manufacturing Sector, payable generally monthly. These are payments or rewards given to employees as remuneration for the services they have rendered.

Table 8 presents wages and salaries by year, quarter, and industry, highlighting the changes in the second quarter of 2024 compared to the second quarter of 2025. According to the table, wages and salaries in Lesotho's manufacturing sector inflated by 22.8 percent year-over-year in the second quarter of 2025. Correspondingly, Leather and Footwear industry demonstrates remarkable annual growth, rise by 39.9 percent as compared to the same quarter in the previous year, making it a significant contributor to the overall industrial expansion. Similarly, quarterly figures show growth trends, with Food and Beverage (0.6 percent), Other Manufacturing (6.7 percent), Textile and Clothing (4.4 percent) and Leather and Footwear (8.9 percent).

Table 8: Wages and Salaries ('000 Maloti) by Year, Quarter and Industry (2024:2-2025:2)

Industries		Food & Beverages	Textile & Clothing	Leather & Footwear	Other Manufacturing	Total
Year	Quarter					
2025	2	30,804	301,930	24,417	27,925	385,076
	1	30,623	289,252	22,420	26,164	368,459
2024	4	31,006	273,693	23,449	24,808	352,956
	3	31,541	240,042	23,449	29,021	324,053
	2	30,878	233,344	18,104	31,298	313,624
Quarterly (%)		0.6	4.4	8.9	6.7	4.5

3.6 Average Monthly Wages and Salaries

This section focuses on the average monthly earnings of employees in the manufacturing sector. To calculate these averages, we divided the total quarterly wages and salaries by three (to get the monthly average) and then divided that amount by the total number of employees.

Table 9 presents average monthly wages and salaries categorised by year, quarter, and industry, highlighting significant changes observed in the second quarter of 2025 in comparison to the previous year. The manufacturing sector recorded an overall 21 percent year-on-year growth in average monthly wages and salaries, reaching M3,733. Leather & Footwear experienced an annual increase of 86.9 percent in average earnings.

Quarterly comparisons (Q1 2025 to Q2 2025) show an increase in average wages across some industries, constituting 14.3 percent growth. Meanwhile, Food and Beverages (11 percent) experienced a shrink in the current quarter.

Table 9: Average Monthly Wages and Salaries (current Maloti) by Year, Quarter and Industry (2024:2-2025:2)

Industries		Food & Beverages	Textiles & Clothing	Leather & Footwear	Other Manufacturing	Average Wages
Year	Quarter					
2025	2	9,039	3,171	5,967	5,015	3,733
	1	10,157	2,906	5,392	4,275	3,266
2024	4	9,919	3,065	5,643	4,446	3,455
	3	9,206	2,927	6,860	5,726	3,386
	2	9,793	2,654	3,193	4,994	3,085
Quarterly (%)		-11.0	9.1	10.7	17.3	14.3
Annually (%)		-7.7	19.5	86.9	0.4	21.0

Note: Average monthly wages have been derived by dividing the total quarterly wage bill by three and then dividing by the total number of employees. Variations in monthly wages reflect variations in wage rates as well as variations in hours worked.

3.6.1 Wages and Salaries by Months

This subsection delves into the analysis of wages and salaries by month to assess the performance of the manufacturing sector during the second quarter of 2025. Table 10 presents the percentage distribution of wages and salaries by industry and month, showing slight variations in employee remuneration in the manufacturing sector from April to June. Table 10 shows that employee remuneration in the manufacturing sector had similar allocation in the three months ranging at around 30 percent distribution. In this regard, the patterns indicate stability during the period.

The data further indicates that Food & Beverages experienced a peaking share of wages, of 37 percent in June in comparison to the other two previous months. The Other Manufacturing's highest wage share in May was 35.4 percent. In concisely the overall percentage distribution of wages and salaries reached its highest point in June with 34.6 percent, reflecting operational factors influencing remuneration patterns during this period.

Table 10: Percentage Distribution of Wages and Salaries (In Maloti) by Industry and Months

Industries	April	May	June	Total
Food and Beverages	31.8	31.2	37.0	100
Textile and Clothing	31.4	34.0	34.6	100
Leather and Footwear	34.4	31.3	34.3	100
Other Manufacturing	32.6	35.4	32.0	100
All Industries	31.7	33.7	34.6	100

4. Summary

The manufacturing sector's total employment decreased by 8.6 percent in the second quarter of 2025 compared to the previous quarter. The main contributors to this drop in the workforce were Textile & Clothing (9.5 percent) and Other Manufacturing (9.0 percent).

In the second quarter, wages and salaries inflated by 4.5 percent quarter-on- quarter, with the average monthly wage reaching M3,733 during the period. The annual salary increment could have resulted in the increase though the employment had declined.

Year-to-year, wages and salaries in the manufacturing sector showed significant growth, accounting for 2.8 percent in the second quarter of 2025. Leather & Footwear and Textile & Clothing are the primary drivers of this dive, with a remarkable increase of 39.9 percent and 29.4 percent respectively.