

FreeFACTS

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Unemployment continues to plague South Africa

Possibly the biggest failure of post-apartheid South Africa has been the high levels of unemployment. In the past ten years unemployment has been growing and is now at crisis levels.

If we use the expanded definition of unemployment (which includes people who have given up looking for work but would take a job if offered one) then nearly half the country is unemployed. In North West over 50% of people are unemployed and in Mpumalanga the proportion of unemployed people is just below 50%.

This edition of *FreeFACTS* looks at statistics around unemployment. It presents numbers which are – frankly – terrifying.

It shows how unemployment has been increasing over the past decades, and also provides a provincial breakdown. It also shows how slowly jobs have been growing in various sectors, far too slow to keep up with population growth.

Unemployment trends have for years now, been heading in the wrong direction, and there is no indication that this is likely to change in the near future.

Government policy is more likely to destroy jobs than create them. Unless the governing African National Congress begins implementing market-friendly reforms or is replaced at the next election by a coalition of parties which would implement such reforms then the current path is likely to be one that will be continued on, with all the consequences that will have for jobs in South Africa.

And it must be remembered that having a job provides all kinds of other benefits, other than simply earning a wage or a salary every week or month. Having a job can expose a person to other opportunities and it can also see a person learn new skills that they otherwise would not have been able to.

Furthermore, employment – of any kind – provides a person with a dignity which is lacking when a person is jobless.

The lack of jobs is one of the biggest crises facing South Africa. There should only be one broad focus for South African government policy and that should be how can an environment be created where jobs are plentiful.

— Marius Roodt

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Unemployment

The employed, unemployed and discouraged workseekers, 2003-2023							
Year ^b	—Employed—		—Unemployed—		—Discouraged workseekers ^a —		Real GDP growth
	Number	Year-on-year change	Number	Year-on-year change	Number	Year-on-year change	
2003	11 666 000	-2,7%	4 843 000	5,2%	2 067 000	5,6%	2,9%
2004	11 823 000	1,3%	4 231 000	-12,6%	2 285 000	10,5%	4,6%
2005	12 503 000	5,8%	3 993 000	-5,6%	2 324 000	1,7%	5,3%
2006	13 237 000	5,9%	3 984 000	-0,2%	2 445 000	5,2%	5,6%
2007	13 236 000	0,0%	4 119 000	3,4%	2 511 000	2,7%	5,4%
2008	14 584 000	10,2%	4 267 000	3,6%	1 101 000	— ^c	3,2%
2009	14 357 000	-1,6%	4 341 000	1,7%	1 536 000	39,5%	-1,5%
2010	13 809 000	-3,8%	4 622 000	6,5%	1 960 000	27,6%	3,0%
2011	13 922 000	0,8%	4 782 000	3,5%	2 214 000	13,0%	3,2%
2012	14 330 000	2,9%	4 721 000	-1,3%	2 360 000	6,6%	2,4%
2013	14 692 000	2,5%	4 972 000	5,3%	2 425 000	2,8%	2,5%
2014	15 094 000	2,7%	5 154 000	3,7%	2 419 000	-0,2%	1,4%
2015	15 657 000	3,7%	5 230 000	1,5%	2 434 000	0,6%	1,3%
2016	15 545 000	-0,7%	5 634 000	7,7%	2 526 000	3,8%	0,7%
2017	16 100 000	3,6%	6 177 000	9,6%	2 361 000	-6,5%	1,2%
2018	16 288 000	1,2%	6 083 000	-1,5%	2 864 000	21,3%	1,5%
2019	16 313 000	0,2%	6 655 000	9,4%	2 749 000	-4,0%	0,3%
2020	14 148 000	-13,3%	4 295 000	-35,5%	2 471 000	-10,1%	-6,4%
2021	14 942 000	5,6%	7 826 000	82,2%	3 317 000	34,2%	4,9%
2022	15 562 000	4,1%	7 994 000	2,1%	3 568 000	7,6%	1,8%
2023	16 346 000	5,0%	7 921 000	-0,9%	3 182 000	-10,8%	1.1% ^d
2003-2023	40,1%	—	63,6%	—	53,9%	—	—

Source: Stats SA, *Stats in brief*, 2004, p67; *Labour Force Survey Historical Revision March Series 2001–2007*, Statistical release P0210; *Quarterly Labour Force Survey Historical revisions of the QLFS 2008 to 2013*, Statistical release P0211.3, 11 February 2014; *QLFS Trends 2008-2023Q2*, accessed 4 November 2023; *Economically active population QLFS Q2 2023*, Table 1, p1

^a People who were not employed during the reference week of the survey, wanted to work/start a business but did not take active steps to find work during the last four weeks prior to being interviewed by Stats SA, provided that the main reason given for not seeking work was any of the following: no jobs available in the area, unable to find work requiring his/her skills, lost hope of finding any kind of work.

^b From 1994 to 1999 the data is based on *October Household Surveys*. For 2000, the data is from the February 2000 *Labour Force Survey*. From 2001 to 2007 the data is based on the *Labour Force Survey Historical Revision March Series*. From 2008 to 2023 the data is based on the *Quarterly Labour Force Survey*, and refers to the second quarter. Therefore only the data from 2008 to 2022 is strictly comparable.

^c The definition of discouraged workseekers was changed by Stats SA in 2008 to make it more restrictive. The data from 2001 onwards has been revised and refers to the 2008 definition, whereas the data for 1994 to 2000 refers to the old definition. The large drop in the number of discouraged workseekers between 2000 and 2001 can be explained by this, and for this reason a year-on-year change has not been calculated between these years. In 2014, the data from 2008 to 2013 has been revised to incorporate the new population benchmarks from *Census 2011*.

^d Bureau for Economic Research (BER) forecast, 25 October 2023.

Unemployment

Dependency on the employed by race, 2003-2023					
Year	Black	Coloured	Indian/ Asian	White	Total
2003	370	190	190	110	300
2004	360	180	190	120	290
2005	330	190	180	110	280
2006	310	190	160	110	260
2007	310	180	170	110	260
2008	300	180	160	120	250
2009	320	180	170	120	270
2010	340	200	160	130	280
2011	340	220	160	130	290
2012	320	210	170	140	280
2013	331	223	160	139	286
2014	291	198	180	135	257
2015	280	200	180	130	250
2016	280	200	170	130	250
2017	280	200	168	134	250
2018	284	196	165	144	254
2019	287	207	184	152	260
2020	356	272	216	176	321
2021	331	274	217	138	303
2022	316	249	186	173	289
2023	302	213	201	166	275
1994-2023	-18,4%	12,1%	5,8%	50,9%	-8,3%

Source: IRR calculations based on Stats SA data

This table shows the number of people not working (including both the officially unemployed, those who choose not to work, and those too young or old to work) for every 100 employed people. For example, in 1994, there were on average 490 Black people who were not working for every 100 employed black people. The total column reflects the average for the whole country. So in 1994, there were 380 people not working for every 100 employed. This data gives a more comprehensive picture of dependency than the official dependency ratio, which assesses the ratio of the young and old to the working-age population, regardless of whether they are actually working or not.

Labour market participation rate ^a by race and sex, 2022 and 2023										
Sex	—Black—		—Coloured—		—Indian/Asian—		—White—		—Total—	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Male	63,1%	63,6%	65,3%	67,8%	74,0%	72,4%	74,3%	73,7%	64,4%	64,9%
Female	52,7%	53,8%	53,4%	55,8%	48,9%	46,2%	56,4%	60,2%	53,0%	54,3%
Total	57,9%	58,7%	59,2%	61,6%	62,0%	59,9%	65,3%	66,9%	58,6%	59,6%

Source: Stats SA, email communication, 1 December 2023

^a Stats SA defines the labour market participation rate as the proportion of the working-age population (between 15 and 64) that is economically active (employed or unemployed). Excluded are people of working age who are not available for work — among them pupils, students, homemakers, those who are retired, and those unwilling or unable to work.

Unemployment

Employment by industry

Formal employment by industry^a (actual numbers), 2003-2023

Year	Mining	Manufacturing	Utilities	Construction	Trade	Transport	Finance	—Community, social and personal services—			Total
								Government sector	Other services	Total	
2003	419 942	1 237 015	42 565	295 597	1 263 937	206 112	1 131 230	1 428 056	310 927	1 738 983	6 335 381
2004	457 295	1 265 358	43 932	272 693	1 276 554	206 134	1 171 798	1 453 547	344 303	1 797 850	6 491 614
2005	443 790	1 182 056	43 698	431 841	1 373 336	320 398	1 478 210	1 500 771	307 390	1 804 584	7 077 913
2006	458 506	1 331 332	51 503	455 772	1 663 744	352 494	1 744 558	1 574 021	427 436	2 001 457	8 059 366
2007	496 894	1 323 498	53 641	472 571	1 729 861	358 939	1 824 609	1 622 622	405 783	2 028 405	8 288 420
2008	519 943	1 306 588	58 686	474 108	1 725 813	363 556	1 907 412	1 700 459	399 599	2 100 058	8 456 164
2009	487 132	1 203 405	55 366	424 138	1 641 843	361 340	1 794 979	1 781 092	429 581	2 210 673	8 178 876
2010	496 710	1 176 113	56 156	437 721	1 676 307	379 547	1 815 187	1 816 509	430 166	2 246 676	8 284 416
2011	517 104	1 161 491	58 572	469 231	1 741 054	396 255	1 906 361	1 903 542	452 380	2 355 922	8 605 990
2012	534 344	1 161 333	59 405	509 477	1 811 938	436 190	1 967 082	1 943 360	466 183	2 409 543	8 889 313
2013	510 753	1 162 172	59 665	523 979	1 843 680	453 245	2 009 599	1 973 835	472 929	2 446 764	9 009 858
2014	490 684	1 159 827	59 255	554 291	1 889 445	459 663	2 037 537	2 230 396	485 067	2 715 463	9 366 164
2015	488 746	1 164 076	60 203	556 166	1 926 183	464 175	2 088 548	2 060 843	484 106	2 544 948	9 293 045
2016	458 346	1 181 812	62 369	614 046	2 051 377	463 566	2 188 533	2 079 220	534 475	2 613 694	9 633 743
2017	471 579	1 193 089	63 860	626 785	2 122 156	469 989	2 232 988	2 037 886	582 982	2 620 868	9 801 315
2018	459 380	1 212 249	62 595	637 948	2 199 340	482 684	2 301 337	2 048 505	638 348	2 686 853	10 042 386
2019	462 492	1 219 499	61 074	599 369	2 264 106	497 347	2 342 519	2 109 362	664 726	2 774 088	10 220 494
2020	452 138	1 112 947	58 818	488 703	2 074 255	459 891	2 179 761	2 077 812	602 577	2 683 999	9 506 902
2021	461 026	1 092 557	57 437	476 185	2 118 834	453 251	2 164 836	2 136 451	607 018	2 743 469	9 567 595
2022	462 231	1 170 357	59 607	521 403	2 140 172	411 919	2 311 673	2 216 843	656 173	2 873 016	9 950 378
2023	477 574	1 185 686	58 977	505 089	2 138 408	407 234	2 339 992	2 302 335	662 021	2 964 355	10 077 316
2003-2023	13,7%	-4,1%	38,6%	70,9%	69,2%	97,6%	106,9%	61,2%	112,9%	70,5%	59,1%
2022-23	3,3%	1,3%	-1,1%	-3,1%	-0,1%	-1,1%	1,2%	3,9%	0,9%	3,2%	1,3%

Source: Stats SA, South African Statistics 2010-12; Quarterly employment statistics (QES) details breakdown, Statistical release P0277, 28 September 2021, accessed 7 October 2021; Quarterly Employment Statistics: June 2022 (QES) details breakdown 2009-2022, accessed 12 October 2022; Quarterly Employment Statistics: September 2023 (QES) details breakdown 2009-2023, accessed 12 November 2023

a The data in this table is based on Survey of employment and earnings, Statistical release P0275, and, as from 2005, on the Quarterly employment statistics survey.

Unemployment

Informal sector employment (non-agricultural) ^a by industry, 2009-23								
Industry	2009	2011	2013	2015	2019	2022	2023	Change 2009-23
Mining	2 000	1 000	2 000	5 000	5 000	15 000	12 000	500,0%
Manufacturing	207 000	222 000	220 000	237 000	226 000	202 000	187 000	-9,7%
Utilities	4 000	4 000	1 000	8 000	4 000	9 000	9 000	125,0%
Construction	284 000	314 000	354 000	454 000	497 000	452 000	496 000	74,6%
Trade	989 000	1 006 000	1 058 000	1 067 000	1 272 000	1 175 000	1 157 000	17,0%
Transport	196 000	210 000	219 000	259 000	303 000	298 000	310 000	58,2%
Finance	117 000	155 000	151 000	212 000	247 000	327 000	309 000	164,1%
Community and social services	310 000	301 000	354 000	419 000	492 000	482 000	547 000	76,5%
Other	— ^b	1 000	1 000	— ^b	1 000	5 000	2 000	—
Total^c	2 109 000	2 213 000	2 360 000	2 661 000	3 048 000	2 965 000	3 029 000	43,6%

Source: Stats SA, Quarterly Labour Force Survey Historical revisions of the QLFS 2009 to 2023, Statistical release P0211.5, 11 February 2014, p49; QLFS Trends 2008-2023Q2, accessed 4 October 2023

^a According to Stats SA, the informal sector has the following two components:

- 1 Employees working in establishments that employ fewer than five employees and who do not deduct income tax from their salaries/wages; and
- 2 Employers, own account workers, and persons helping unpaid in their household business who are not registered for either income tax or value-added tax.

^b The sample size is too small for reliable estimates.

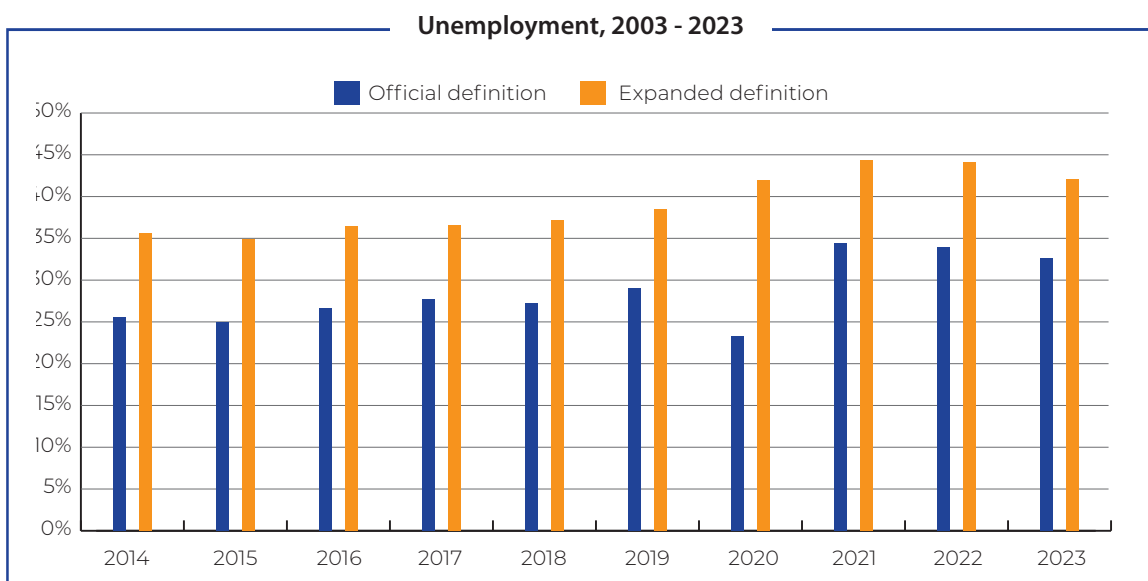
^c Apart from the last column, figures should add up vertically but may not, owing to rounding.

Unemployment

Statistics				
Unemployment trends, 2003-2023				
Year	— Official definition —		— Expanded ^a definition —	
	Number	Rate	Number	Rate
2003	4 843 000	29,3%	7 968 000	40,6%
2004	4 231 000	26,4%	7 871 000	40,0%
2005	3 993 000	24,2%	7 673 000	38,0%
2006	3 984 000	23,1%	7 474 000	36,1%
2007	4 119 000	23,6%	7 504 000	36,0%
2008	4 267 000	22,6%	6 109 000	29,5%
2009	4 341 000	23,2%	6 678 000	31,7%
2010	4 622 000	25,1%	7 509 000	35,2%
2011	4 782 000	25,6%	7 921 000	36,3%
2012	4 721 000	24,8%	7 922 000	35,6%
2013	4 972 000	25,3%	8 289 000	36,1%
2014	5 154 000	25,5%	8 332 000	35,6%
2015	5 230 000	25,0%	8 378 000	34,9%
2016	5 634 000	26,6%	8 880 000	36,4%
2017	6 177 000	27,7%	9 304 000	36,6%
2018	6 083 000	27,2%	9 634 000	37,2%
2019	6 655 000	29,0%	10 226 000	38,5%
2020	4 295 000	23,3%	10 259 000	42,0%
2021	7 826 000	34,4%	11 923 000	44,4%
2022	7 994 000	33,9%	12 282 000	44,1%
2023	7 921 000	32,6%	11 872 000	42,1%
2003-2023	63,6%	—	50,0%	—

Source: Stats SA, QLFS Trends 2008-2023Q2, accessed 13 November 2023; Socio-Economic Survey of South Africa 2022, p269

a Stats SA's expanded definition of unemployment measures anybody without a job who wanted to work and was available to take up employment during the reference period, but who was not actively seeking work — that is, a 'discouraged' workseeker.



Unemployment

Unemployment rate by province, 2009-23						
Province	— Official definition —			— Expanded definition ^a —		
	2009	2022	2023	2009	2022	2023
Eastern Cape	27,7%	42,8%	39,7%	38,9%	51,8%	43,3%
Free State	26,4%	32,4%	36,7%	35,4%	40,3%	44,0%
Gauteng	22,8%	34,4%	34,4%	25,8%	40,8%	39,3%
KwaZulu-Natal	18,9%	32,7%	31,0%	33,9%	49,4%	46,7%
Limpopo	24,6%	36,3%	31,6%	41,1%	47,5%	47,9%
Mpumalanga	26,2%	36,1%	38,4%	37,4%	48,1%	49,5%
North West	27,4%	32,2%	36,8%	37,0%	49,2%	53,5%
Northern Cape	25,7%	23,7%	26,9%	35,5%	46,3%	43,3%
Western Cape	20,1%	27,5%	20,9%	22,6%	31,3%	25,3%
South Africa	23,2%	33,9%	32,6%	31,7%	44,1%	42,1%

Source: Stats SA, QLFS Trends 2008-2023Q2, accessed 8 November 2023

^a Stats SA's expanded definition of unemployment measures anybody without a job who wanted to work and was available to take up employment during the reference period.

