

South Africa's Unemployment Crisis

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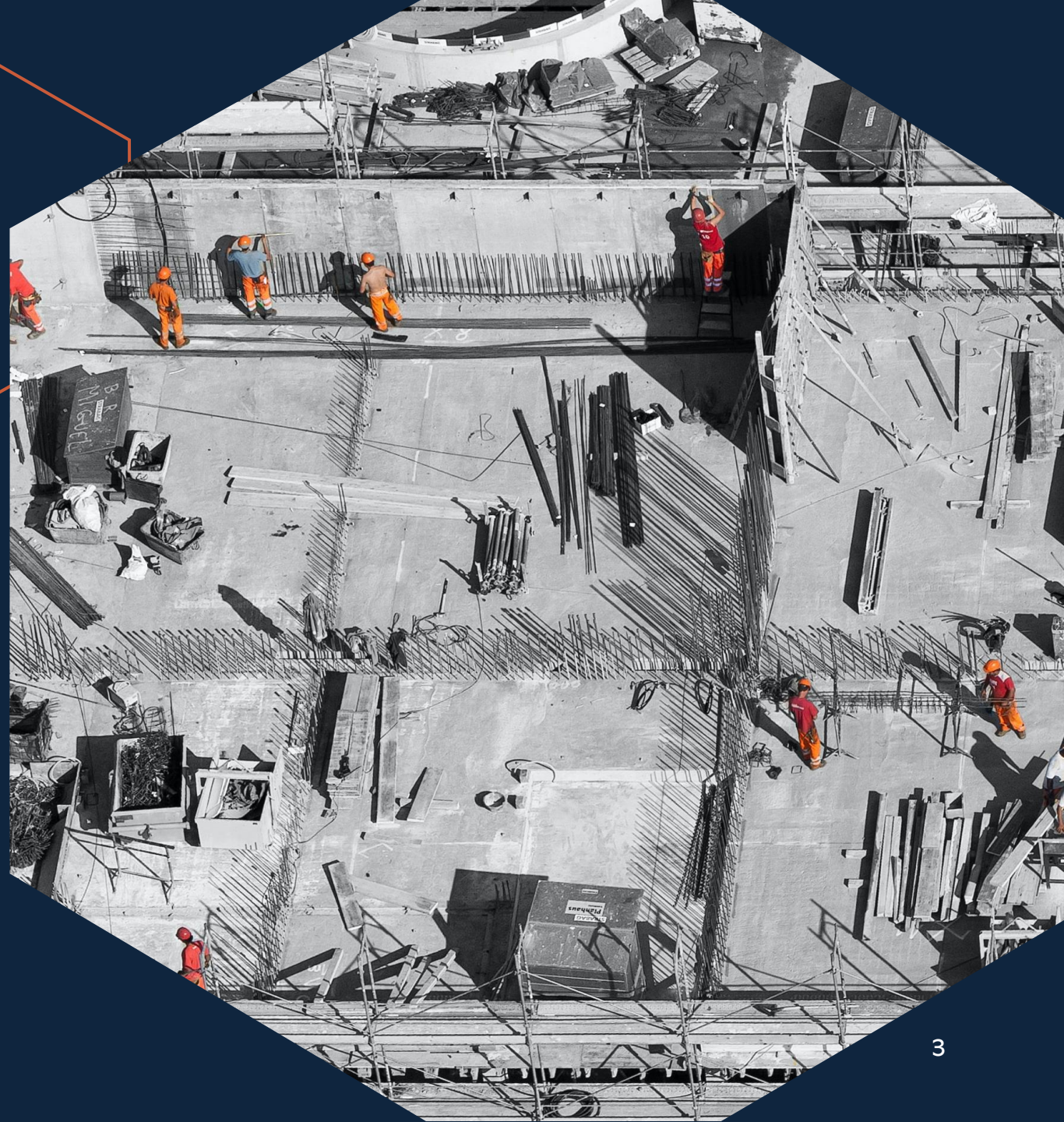


Overview



Introduction

- This report uses the Q2 Quarterly Labour Force Survey, released by Stats SA in 2022, to analyse South Africa's employment trends from 2008 to 2022.





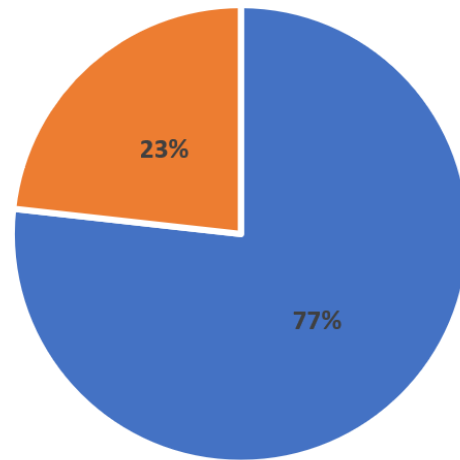
**UNDERSTANDING
SOUTH AFRICA'S
UNEMPLOYMENT
TRENDS AND
WHOM THEY
AFFECT THE MOST**

Primary Goals

Unemployment Rate

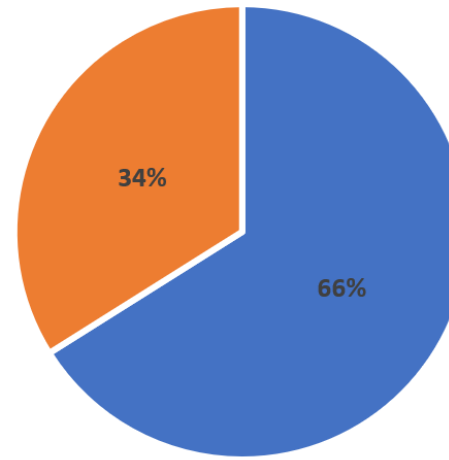
Q1 2008 vs Q1 2022

Unemployment Rate 2008



■ Employed ■ Unemployed

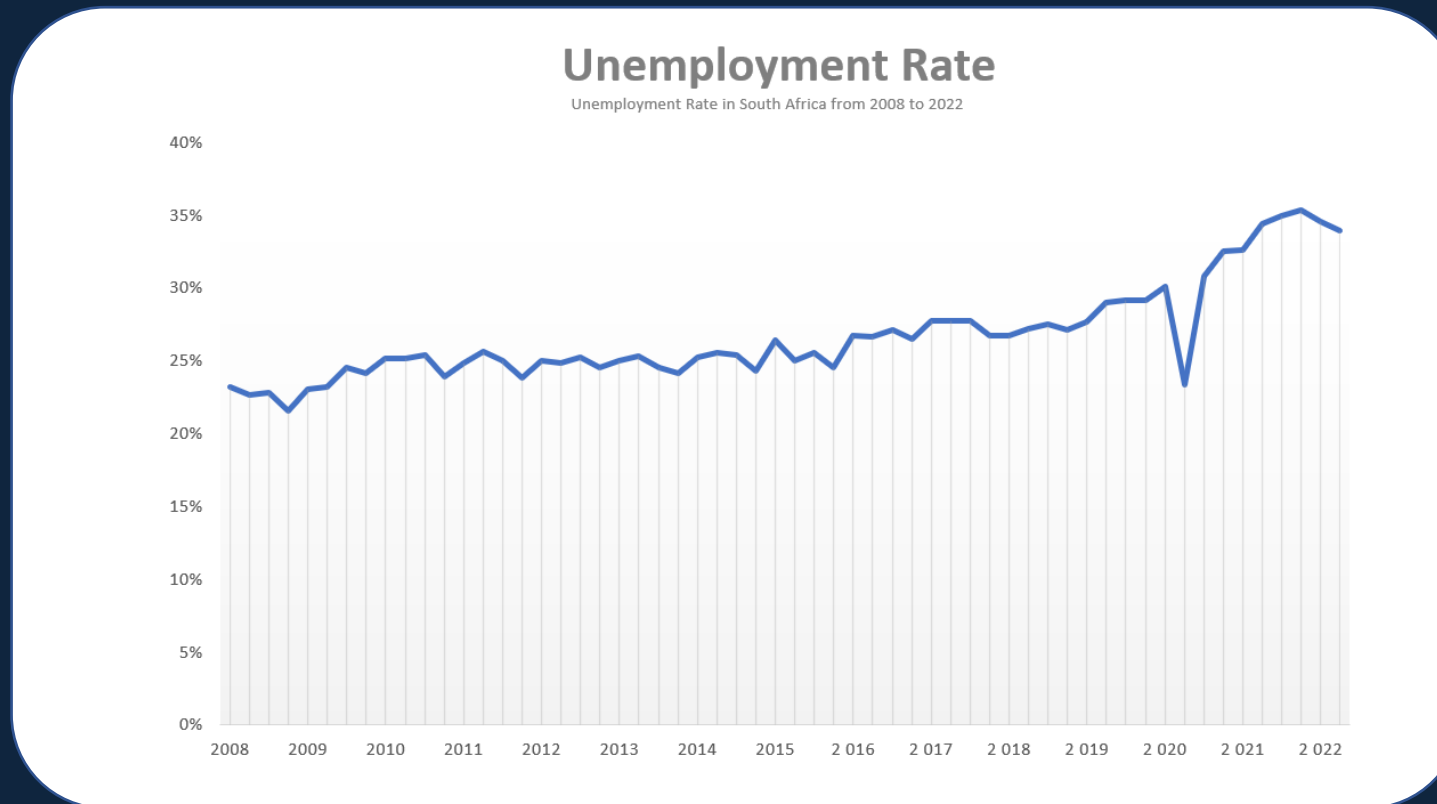
Unemployment Rate 2022



■ Employed ■ Unemployed

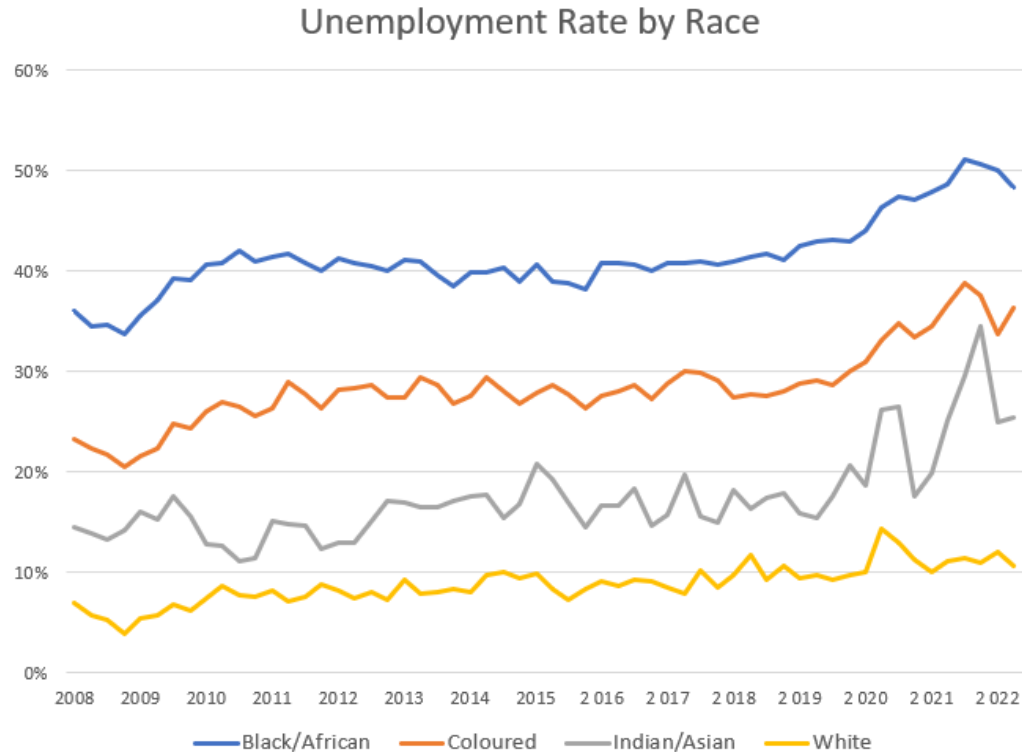
- South Africa's unemployment rate grew by **10.7%** between 2008 and 2022, leaving **34%** of the labour force out of work.

Unemployment Rate Over Time

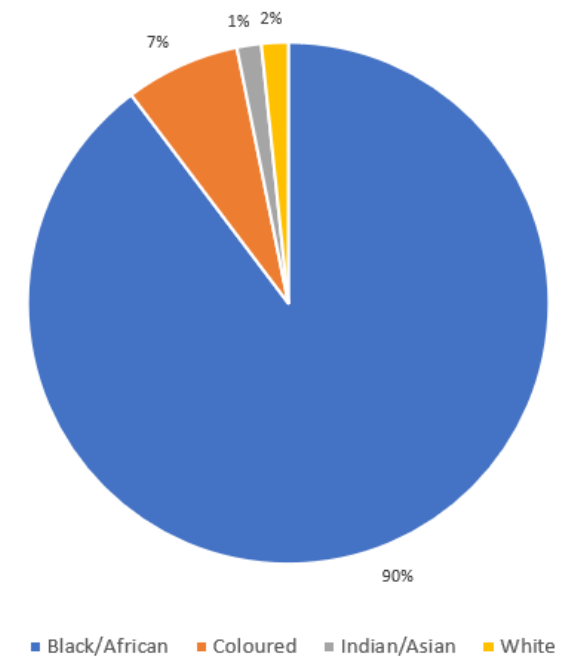


South Africa's unemployment rate grew steadily between 2008 and 2022.

Unemployment by Race

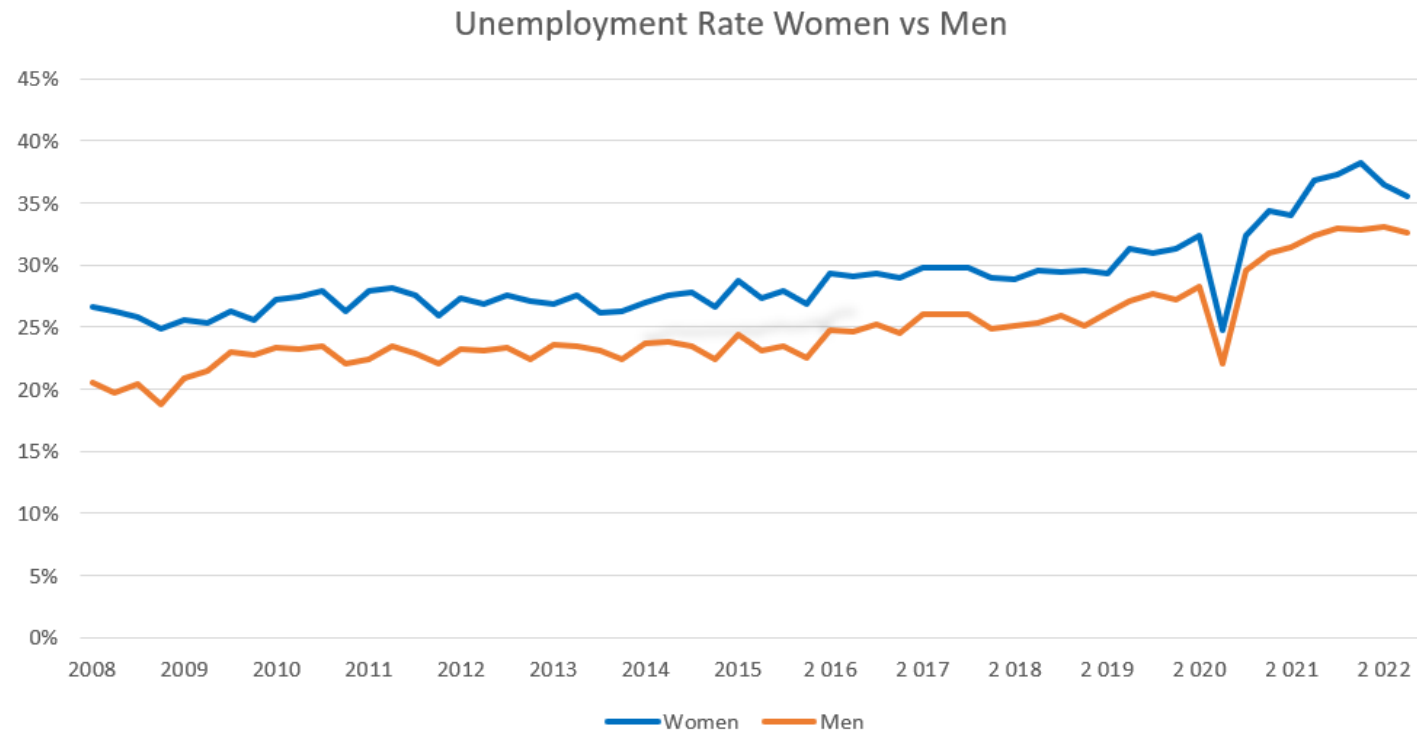


Unemployed Population by Race



- **Black/African** citizens have the highest rate of unemployment amongst all races at **48%** as of April 2022, up from **36%** in 2008.
- **90%** of the unemployed job-seekers within the workforce are black/African.

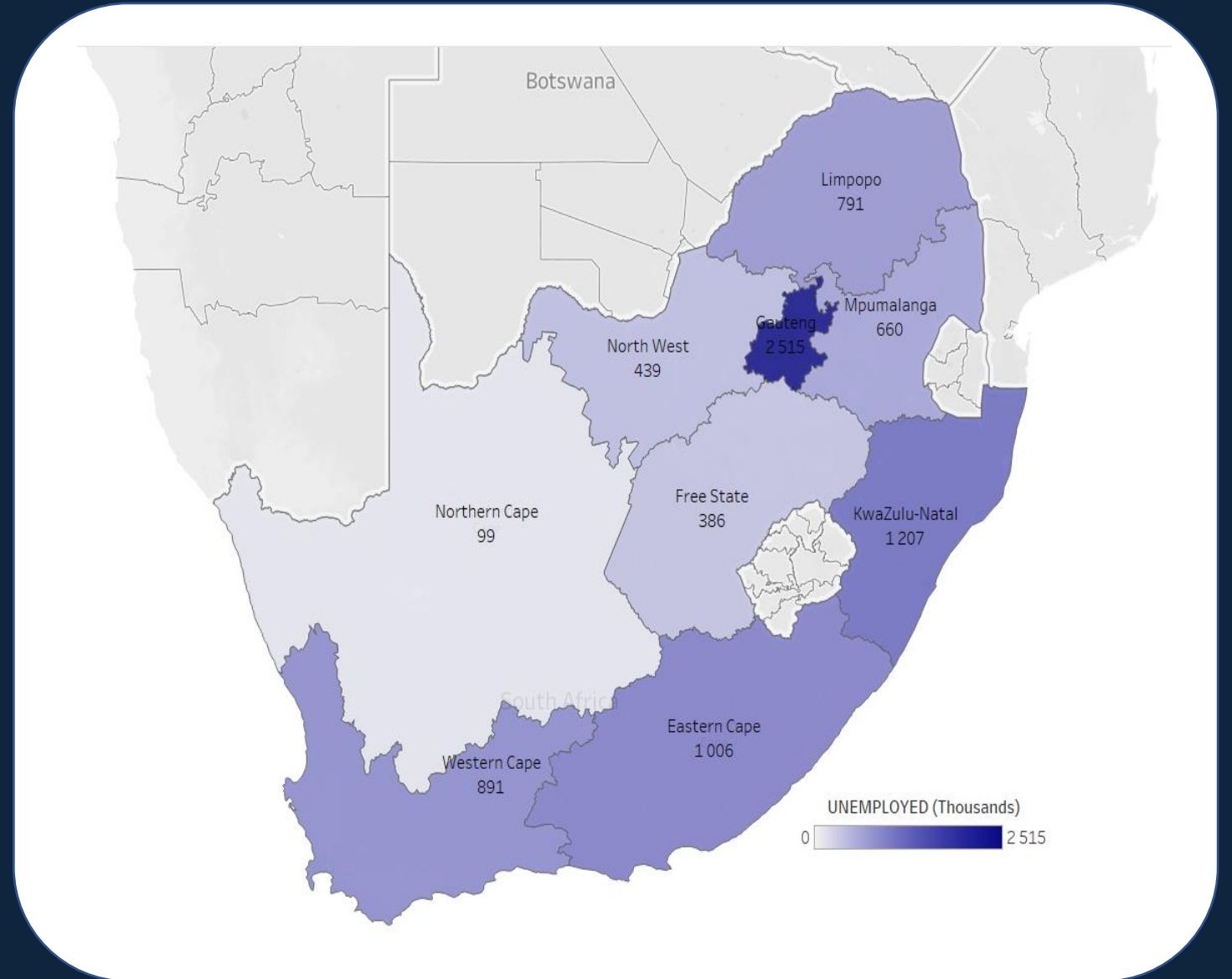
Unemployment By Gender



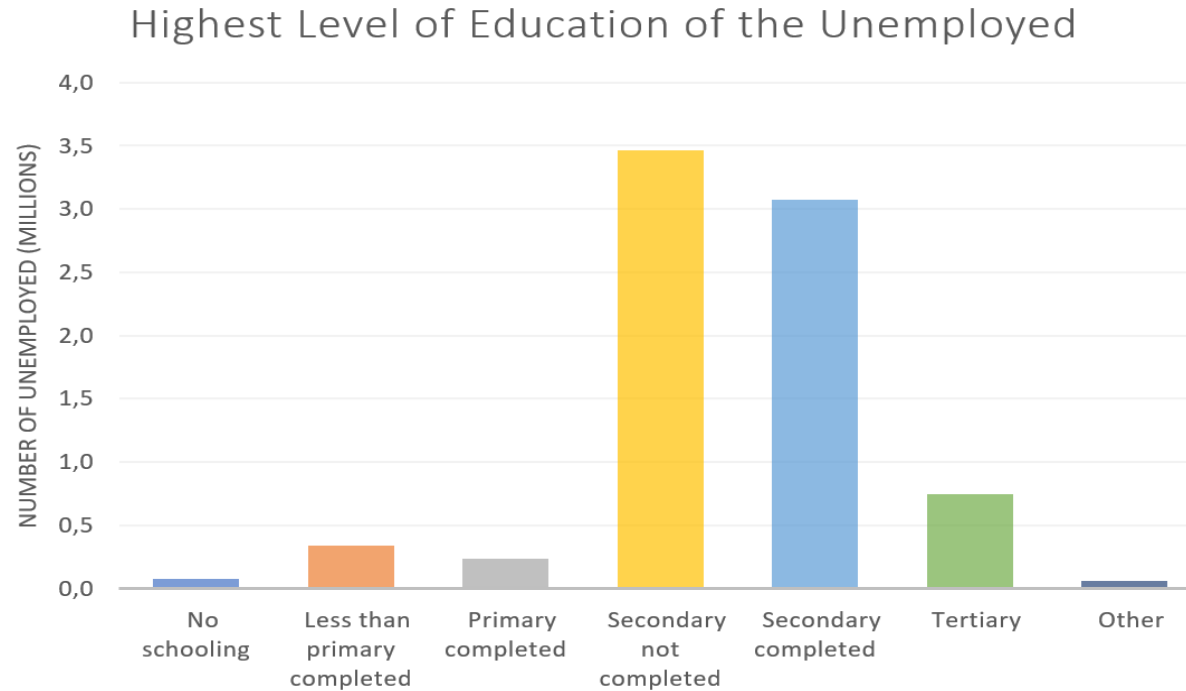
The unemployment rate has remained higher for women than for men, rising to **36%** in April 2022.

Unemployment by Region

- **Gauteng** is home to the highest number of unemployed within the labour force, at **2.51 million people**.
- This number accounts for **31.5%** of the unemployed workforce.
- **Kwa-Zulu Natal & the Eastern Cape** account for **27,7%** of unemployed job-seekers, or **2.2 million individuals**.

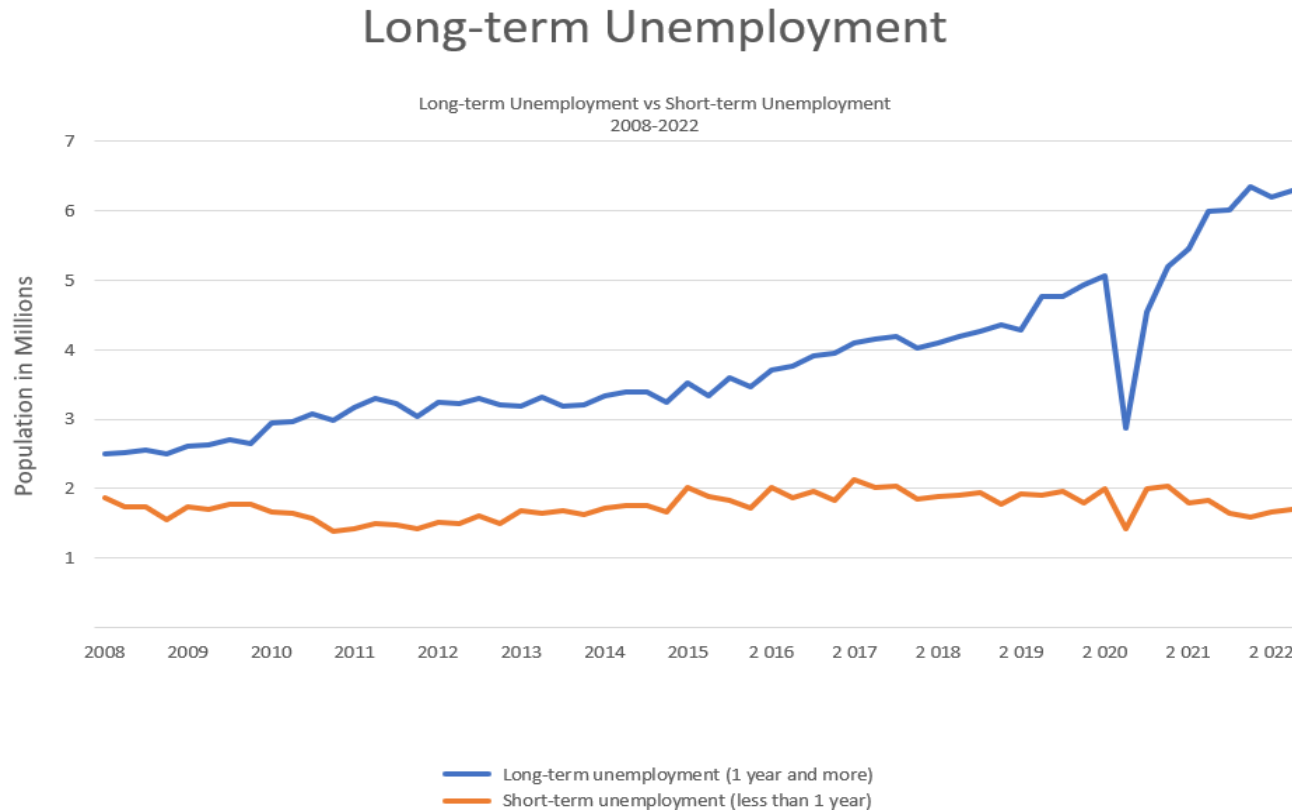


Highest Education Level of the Unemployed



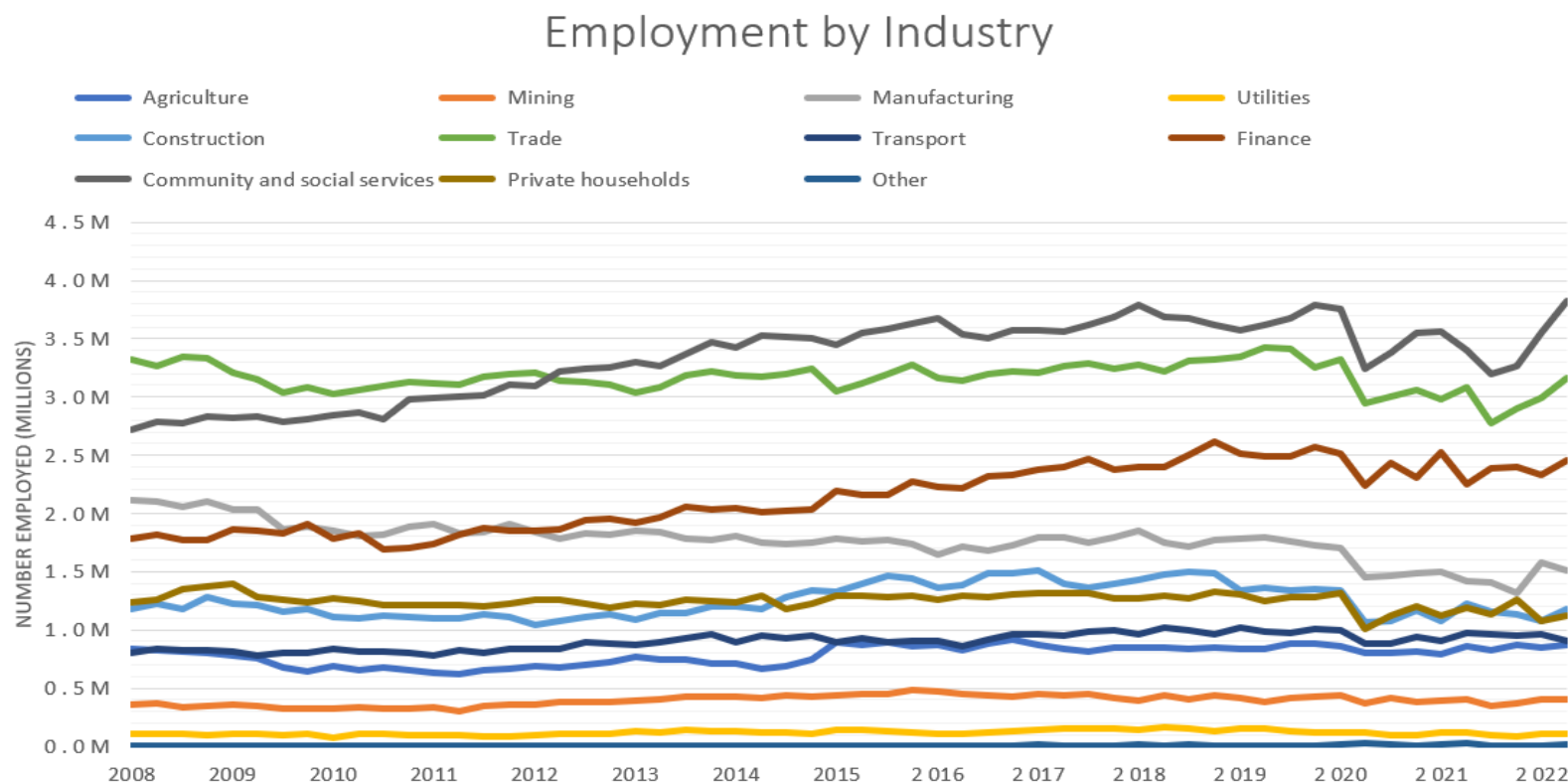
- Job-seekers who have **not completed secondary school** make up the largest proportion of unemployed South Africans within the labour force.
- There are currently over **740 000** unemployed job hunters with **tertiary education**.

Long Term Unemployment



- The number of job-seekers experiencing long-term unemployment has grown by **36.6%** between 2008 & 2022.
- This number represents **3.8 million people**.

Employment by Industry

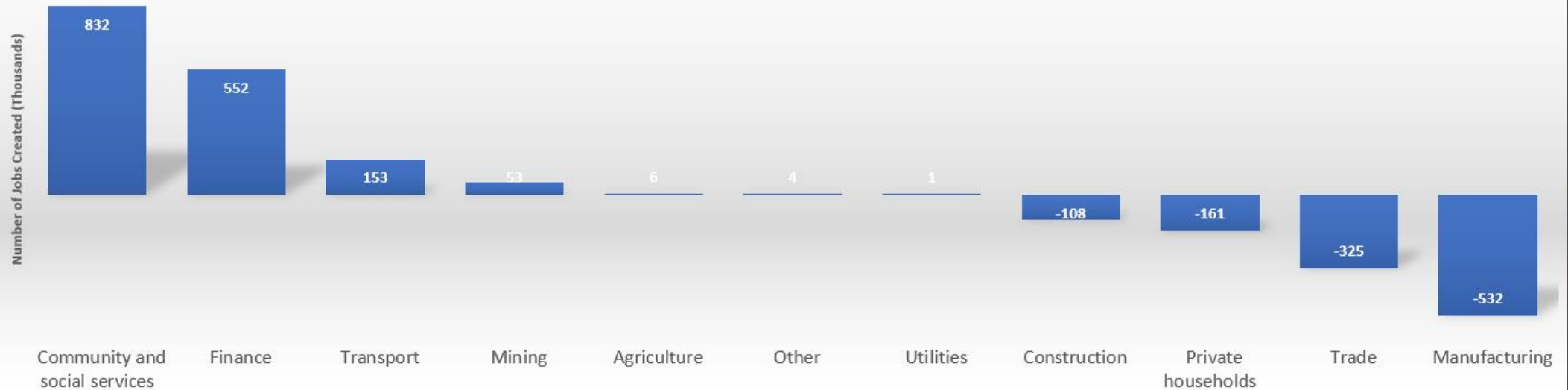


- Community and social services, Trade, and Finance employ the largest proportion of the labour force in 2022.
- Manufacturing employs **1.57 million** people, a decrease of **25%** from the **2.11 million** employed by the industry in 2008.

Industry Employment Changes

Employment Change by Industry

This chart shows the number of jobs that were created or lost in major industries in South Africa from 2008-2022



The Community and social services industry added **832000** new workers between 2008 & 2022 while manufacturing lost **532000** workers.

Areas of focus



Construction

According to [analysts](#), the global construction industry is expected to grow by \$1 trillion by 2027.

South Africa saw a steady rise in the number of jobs in the construction sector between 2012 and 2019, prior to the Covid pandemic.

Financial Services

South Africa has seen strong growth in the finance industry, with over 550 000 jobs added since 2008.

The industry now employs 2.5 million people and a focus on the finance industry can help to foster an environment that encourages economic growth.

How we get there



Encourage Careers in the Finance industry

- South Africa's finance industry is growing, currently employing 2.5 million workers.
- Apart from providing tax incentives and subsidies for companies operating in these sectors, the government must work with the private sector to invest in education and training that prepares job-seekers for careers in finance and create an environment that is conducive to the growth of the finance industry.



Diversifying the Economy

- Government should work to reduce the reliance that South Africa has on trade, finance and social services as leading employers.
- Industries like e-commerce, software and technology, tourism and hospitality, artificial intelligence, and digital and internet marketing are growing fast and are predicted to see continued growth.



A Focus on careers in STEM

- According to the Bureau of Labor Statistics, the number of jobs in STEM careers (Science, Technology, Engineering and Mathematics) is expected to grow by almost 11% by 2031.
- A focus on STEM can help drive economic growth by encouraging innovation, creating new industries, developing new technologies, and improving existing industries.
- STEM workers are in demand globally and, if equipped with the childhood education that would make it possible, encouraging workers to pursue these careers would give them a better chance of finding employment and stability in an industry with high-paying jobs and good job security.

Summary

South Africa saw an alarming **10.7%** rise in the unemployment rate between 2008 and 2022. This rise in unemployment has further excluded black Africans and particularly black African women, who are most affected, from the economy. The unemployed within the labour force now total more than **8 million** people, with more than **700 000** of those holding a tertiary degree.

Although the trend has been concerning, there is hope as the finance and community and social services industries have created more than **1.3 million jobs** between them since 2008.

Gauteng, KwaZulu-Natal, and the Eastern Cape have the highest number of unemployed workers, accounting for **59.14%** of the unemployed population.



Thank you

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Source: [Stats SA](#)

