

# FreeFACTS

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## Unemployment – the crisis continues

**South Africa's unemployment crisis shows no sign of abating.**

Year after year the ranks of the unemployed continue to grow, swelled not only by people who have lost work through the closure of businesses or other reasons, but also by those leaving school and university.

The numbers in this latest edition of *FreeFACTS* make for sobering reading. In 2021 the proportion of South Africans that were unemployed was more than a third. If we include those who have given up work but would do so if the opportunity arose, then 44.4% of South Africans are unemployed (the so-called 'expanded' definition of unemployment).

There is also a clear racial split in unemployment – unsurprising given the history of this country. In 2021, on the expanded definition nearly half of all black South Africans did not work, compared to 36.7% of coloured people, a quarter of Indian people, and just over 10% of white South Africans.

People living in cities also had lower rates of unemployment than those who lived in rural South Africa. Unemployment in South Africa's eight metros ranged from 26% in eThekweni to 39.8% in Nelson Mandela Bay (Port Elizabeth/Gqeberha), compared to an unemployment rate of over 50% in the rural Eastern Cape.

The only way to describe this situation is a crisis. We have already seen that South Africa is very close to exploding and some would argue that it already has, if the unrest from July is considered.

At the same time, these figures are not simply numbers on a page or a computer screen, each represent a person who must suffer the indignity of not being able to provide for themselves and their families.

But what is the solution?

To most people reading this the answer will be simple – get rid of growth-stifling economic policies such as BEE, cut red tape, make it easier to appoint and dismiss workers, and back down on policies such as Expropriation without Compensation and National Health Insurance.

On current evidence, however, the government is unlikely to do this, which means our unemployment crisis is likely to end anytime soon.

— **Marius Roodt**

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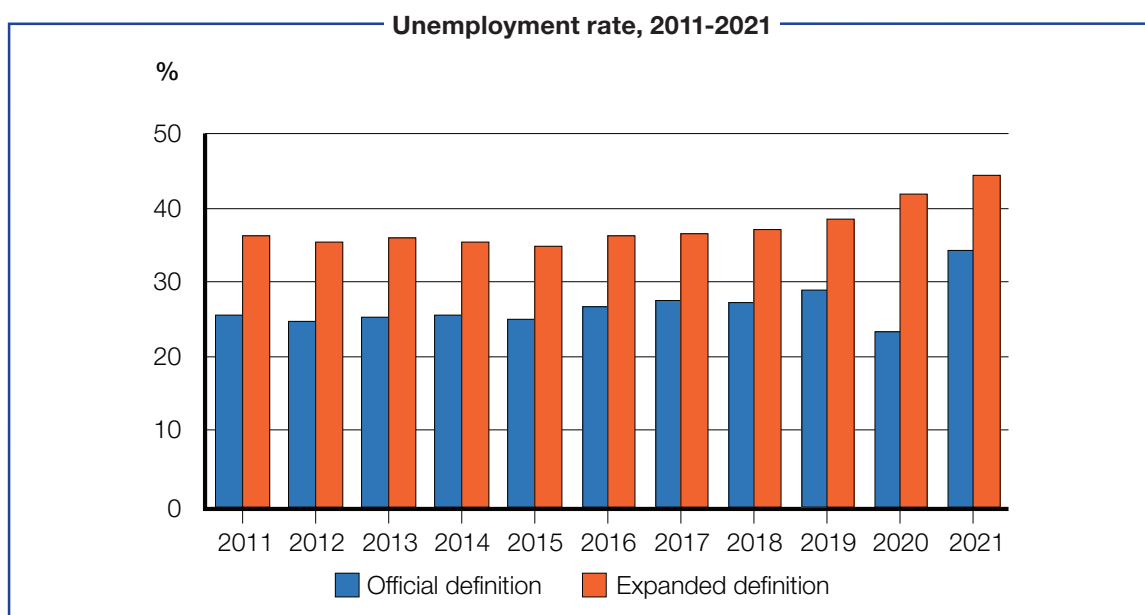
The IRR is an advocacy group that fights for your right to make decisions about your life, family and business, free from unnecessary government, political, and bureaucratic interference. *FreeFACTS* publishes evidence that communities are better off when individuals are free to make decisions about how they want to live, be educated, work, access healthcare, think, speak, own property, and protect their communities. If you agree with the issues we stand for, welcome to the team. There are millions of people just like you who are tired of South African politicians, activists, and commentators attempting to rein in your freedom to decide. Take control and make sure your voice is heard by becoming a friend of the IRR.

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# Unemployment

Year	Official definition		Expanded definition	
	Number	Rate	Number	Rate
1994	1 988 000	20.0%	3 672 000	31.5%
1995	1 644 000	16.9%	3 321 000	29.2%
1996	2 019 000	21.0%	4 197 000	35.6%
1997	2 238 000	22.9%	4 551 000	37.6%
1998	3 163 000	25.2%	5 634 000	37.5%
1999	3 158 000	23.3%	5 882 000	36.2%
2000	4 333 000	26.7%	6 553 000	35.5%
2001	4 081 000	24.6%	6 609 000	34.6%
2002	4 603 000	27.7%	7 490 000	38.4%
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%
<b>1994-2021</b>	<b>293.7%</b>	<b>—</b>	<b>224.7%</b>	<b>—</b>

Source: Stats SA, *Quarterly Labour Force Survey Quarter 2: 2021*, Statistical release P0211, 24 August 2021, pp21, 37; *Socio-Economic Survey of South Africa 2021*, p292



## Unemployment

Unemployment rate <sup>a</sup> by race (official definition), 1994-2021					
Year	Black	Coloured	Indian/Asian	White	Total
1994	24.7%	17.6%	10.2%	3.0%	20.0%
1995	20.7%	16.5%	8.3%	2.8%	16.9%
1996	27.4%	13.1%	12.1%	4.0%	21.0%
1997	29.3%	16.0%	10.2%	4.6%	22.9%
1998	32.0%	15.8%	14.7%	4.4%	25.2%
1999	29.2%	15.2%	15.6%	4.7%	23.3%
2000	31.6%	20.4%	19.9%	6.8%	26.7%
2001	28.4%	22.6%	15.3%	7.6%	24.6%
2002	32.3%	25.6%	18.9%	7.3%	27.7%
2003	34.6%	23.8%	19.3%	7.8%	29.3%
2004	31.7%	19.8%	16.5%	5.4%	26.4%
2005	28.6%	20.0%	14.0%	5.7%	24.2%
2006	27.1%	20.2%	9.4%	5.8%	23.1%
2007	27.6%	21.4%	10.9%	4.4%	23.6%
2008	26.4%	19.5%	12.1%	4.5%	22.6%
2009	27.3%	19.4%	10.9%	4.6%	23.2%
2010	29.1%	22.6%	9.7%	6.5%	25.1%
2011	29.7%	23.1%	10.9%	5.0%	25.6%
2012	28.3%	24.0%	9.3%	5.7%	24.8%
2013	28.6%	25.3%	12.9%	6.0%	25.3%
2014	28.3%	25.3%	12.1%	8.1%	25.5%
2015	27.9%	24.4%	13.4%	7.0%	25.0%
2016	30.1%	23.2%	11.7%	6.6%	26.6%
2017	31.3%	23.6%	13.3%	5.7%	27.7%
2018	30.5%	23.3%	10.4%	8.0%	27.2%
2019	32.7%	22.5%	11.2%	7.4%	29.0%
2020	26.3%	19.0%	14.4%	6.1%	23.3%
2021	38.2%	28.5%	19.5%	8.6%	34.4%

Source: Stats SA, *Quarterly Labour Force Survey Quarter 2: 2021*, Statistical release P0211, 24 August 2021, pp21-22; *Socio-Economic Survey of South Africa 2021*, p299

a From 1994 to 1999, the data is based on October *Household Surveys*. For 2000, the data is from the February 2000 LFS. From 2001 to 2007, the data is based on the revised LFS March series. For 2008 to 2013, the data is based on revised QLFS series. The data for 2001 to 2021 is strictly comparable.

# Unemployment

**Unemployment rate<sup>a</sup> by race (expanded definition)<sup>b</sup>, 1994-2021**

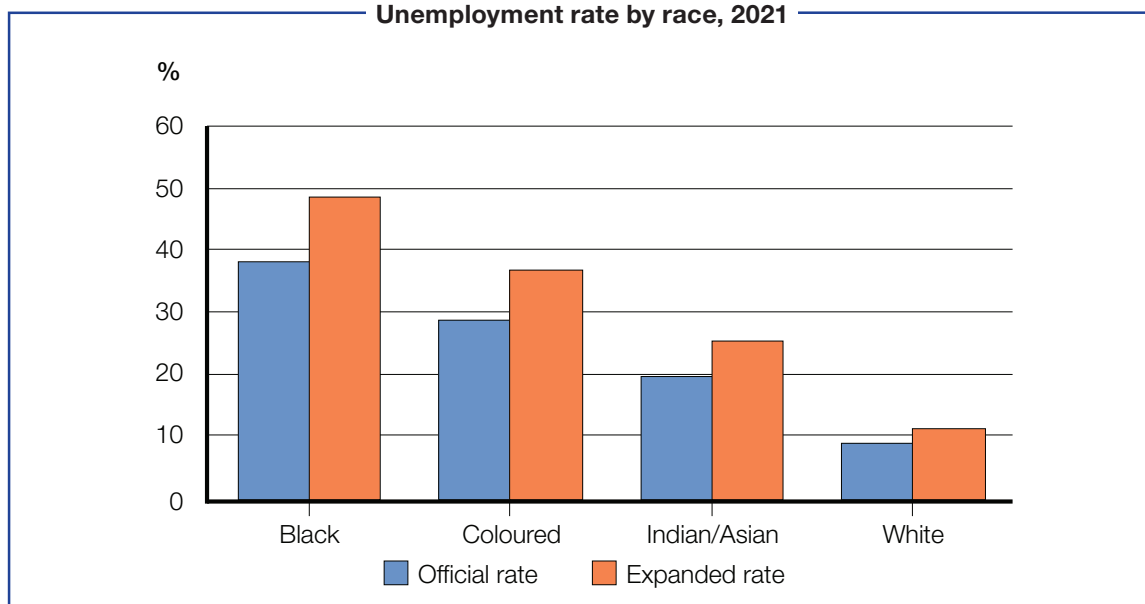
Year	Black	Coloured	Indian/Asian	White	Total
1994	39.2%	21.7%	12.9%	3.9%	31.5%
1995	36.0%	22.9%	10.1%	3.4%	29.2%
1996	45.0%	20.6%	16.6%	5.7%	35.6%
1997	46.8%	23.0%	13.5%	6.7%	37.6%
1998	46.0%	23.8%	19.4%	6.4%	37.5%
1999	44.0%	23.6%	20.2%	6.8%	36.2%
2000	41.2%	27.1%	27.3%	10.1%	35.5%
2001	39.6%	30.2%	20.4%	10.5%	34.6%
2002	44.4%	31.5%	24.0%	10.0%	38.4%
2003	47.4%	29.4%	22.1%	10.4%	40.6%
2004	47.0%	27.3%	20.7%	8.3%	40.0%
2005	44.2%	28.0%	21.4%	9.0%	38.0%
2006	41.4%	29.6%	19.6%	9.4%	36.1%
2007	41.3%	30.2%	17.0%	7.7%	36.0%
2008	34.5%	22.4%	13.9%	5.8%	29.5%
2009	37.2%	22.4%	15.3%	5.8%	31.7%
2010	40.8%	27.0%	12.6%	8.6%	35.2%
2011	41.8%	29.0%	14.8%	7.1%	36.3%
2012	40.8%	28.3%	12.9%	7.5%	35.6%
2013	41.0%	29.5%	16.5%	7.9%	36.1%
2014	39.9%	29.4%	17.7%	9.8%	35.6%
2015	39.0%	28.6%	19.3%	8.3%	34.9%
2016	40.9%	28.0%	16.6%	8.6%	36.4%
2017	40.9%	30.0%	19.8%	7.9%	36.6%
2018	41.5%	27.7%	16.4%	11.7%	37.2%
2019	43.0%	29.2%	15.5%	9.8%	38.5%
2020	46.3%	33.1%	26.2%	14.3%	42.0%
2021	48.7%	36.7%	25.2%	11.2%	44.4%

Source: Stats SA, *Quarterly Labour Force Survey Quarter 2: 2021*, Statistical release P0211, 24 August 2021, pp39-40; *Socio-Economic Survey of South Africa 2021*, p299

a See previous table

b 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 rate by race, 2021**



# Unemployment

## Unemployment by highest level of education, 2009, 2020 and 2021

Highest level of education	Number unemployed			Proportion of total <sup>a</sup>	Unemployment rate <sup>b</sup>
	2009	2020	2021		
No schooling	105 000	36 000	56 000	0.7%	22.4%
Less than primary completed	409 000	205 000	288 000	3.7%	28.6%
Primary completed	217 000	163 000	224 000	2.9%	30.4%
Secondary not completed	1 947 000	1 879 000	3 467 000	44.3%	41.5%
Secondary completed	1 408 000	1 561 000	2 972 000	38.0%	36.6%
Tertiary	226 000	415 000	779 000	10.0%	18.8%
Other	29 000	35 000	40 000	0.5%	24.7%
<b>Total</b>	<b>4 341 000</b>	<b>4 295 000</b>	<b>7 826 000</b>	<b>100.0%</b>	<b>34.4%</b>

Source: Stats SA, *Quarterly Labour Force Survey Quarter 2: 2021*, Statistical release P0211, 24 August 2021, p82-83; *QLFS trends 2009-21*, accessed 14 September 2021

a Proportion of the total number of unemployed people who are in each level of education category.

b Proportion of people in each education category who are unemployed.

## Unemployment by duration, 2020 and 2021

Length of unemployment	2020	2021	—Change—		Proportion of labour force	Proportion of unemployed
			Number	Percentage		
Long-term unemployment (1 year and more)	2 878 000	5 987 000	3 109 000	108.0%	15.1%	76.5%
Short-term unemployment (less than 1 year)	1 417 000	1 839 000	422 000	29.8%	4.6%	23.5%
<b>Total unemployed</b>	<b>4 295 000</b>	<b>7 826 000</b>	<b>3 531 000</b>	<b>82.2%</b>	<b>19.8%</b>	<b>100.0%</b>

Source: Stats SA, *Quarterly Labour Force Survey Quarter 2, 2021*, Statistical release P0211, 24 August 2021, p72

## Reasons for termination in commercial employment as reported to the UIF, 2007/08-2019/20

Year	Business closed	End of contract	Retrenched	Dismissed
2007/08	3 005	17 092	85 247	28 899
2008/09	4 462	139 867	30 252	42 581
2009/10	3 502	126 582	29 292	35 298
2010/11	3 141	129 211	25 033	33 712
2011/12	42 716	246 401	53 081	84 935
2012/13	14 539	238 727	90 254	119 135
2013/14	18 486	235 470	79 552	111 062
2014/15	47 340	94 306	48 004	142 507
2015/16	15 361	223 804	81 356	101 978
2016/17	19 332	259 710	102 109	134 426
2017/18	18 749	287 711	105 358	144 081
2018/19	17 788	223 996	206 725	96 819
2019/20	23 308	305 757	130 860	170 007
<b>2007/08-2019/20</b>	<b>675.6%</b>	<b>1689%</b>	<b>53.5%</b>	<b>488.3%</b>

Source: Department of Labour, *Job Opportunities and Unemployment in the South African Labour Market 2019-20*, 23 February 2021, Figure 8, p24; *Socio-Economic Survey of South Africa Survey 2021*, p308

# Unemployment

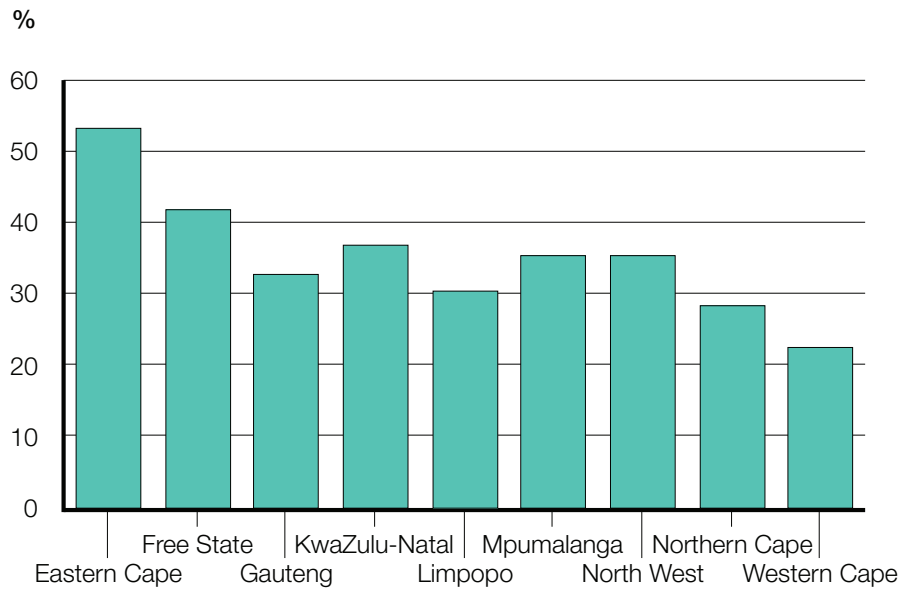
Labour market status by non-metro and metro municipality <sup>a</sup> , 2021				
<b>Eastern Cape</b>	<b>Non-metro</b>	<b>Buffalo City</b>	<b>Nelson Mandela Bay</b>	
Unemployment rate	53.0%	32.6%	39.8%	
Labour market participation rate <sup>b</sup>	48.7%	59.9%	65.2%	
Labour absorption rate <sup>c</sup>	22.9%	40.4%	39.2%	
<b>Free State</b>	<b>Non-metro</b>	<b>Mangaung</b>		
Unemployment rate	41.6%	23.0%		
Labour market participation rate	61.3%	54.5%		
Labour absorption rate	35.8%	42.0%		
<b>Gauteng</b>	<b>Non-metro</b>	<b>Ekurhuleni</b>	<b>Johannesburg</b>	<b>Tshwane</b>
Unemployment rate	32.6%	33.1%	37.3%	35.8%
Labour market participation rate	52.7%	66.8%	68.5%	72.0%
Labour absorption rate	35.5%	44.7%	42.9%	46.2%
<b>KwaZulu-Natal</b>	<b>Non-metro</b>	<b>eThekweni</b>		
Unemployment rate	36.8%	26.0%		
Labour market participation rate	44.4%	57.7%		
Labour absorption rate	28.1%	42.7%		
<b>Limpopo</b>	<b>Non-metro</b>			
Unemployment rate	30.4%			
Labour market participation rate	46.6%			
Labour absorption rate	32.4%			
<b>Mpumalanga</b>	<b>Non-metro</b>			
Unemployment rate	35.2%			
Labour market participation rate	59.3%			
Labour absorption rate	38.4%			
<b>North West</b>	<b>Non-metro</b>			
Unemployment rate	35.2%			
Labour market participation rate	56.4%			
Labour absorption rate	36.5%			
<b>Northern Cape</b>	<b>Non-metro</b>			
Unemployment rate	28.1%			
Labour market participation rate	43.6%			
Labour absorption rate	31.4%			
<b>Western Cape</b>	<b>Non-metro</b>	<b>Cape Town</b>		
Unemployment rate	22.3%	27.6%		
Labour market participation rate	59.0%	65.5%		
Labour absorption rate	45.8%	47.4%		

Source: Stats SA, *Quarterly Labour Force Survey Quarter 2, 2021*, Statistical release P0211, 24 August 2021, pp25-36;

- a Limpopo, Mpumalanga, the North West, and the Northern Cape do not have metropolitan municipalities.
- b Measures the proportion of the working-age population that is economically active, since it distinguishes between economic activity (the employed plus the unemployed) and non-activity (including full-time students, homemakers, and pensioners).
- c Measures the proportion of the working-age population that is employed — in other words, all those who do any work for pay, profit or family gain.

# Unemployment

Unemployment rate by province (non-metro)



Unemployment rate by metro

