



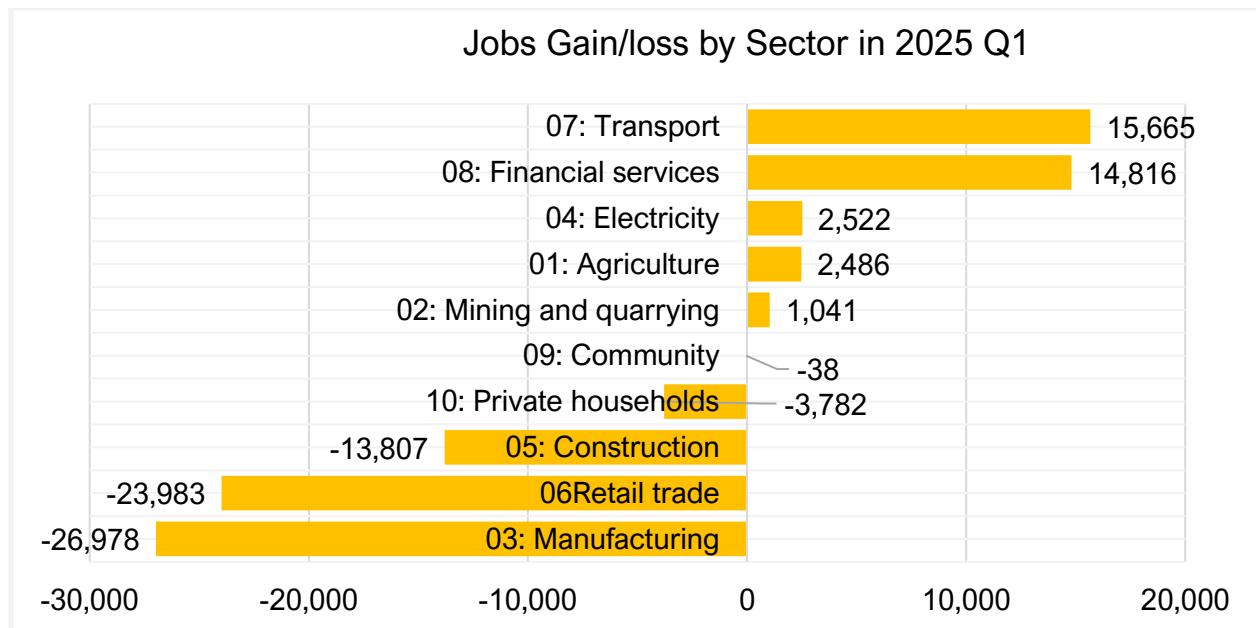
TRACKING LABOUR MARKET SHIFTS IN ETHEKWINI: Q1 2025 INSIGHTS

(EDGE Data Story)

1. Introduction: A Mixed Labour Market Outlook

The Q1 2025 labour market data for eThekweni, sourced from Statistics South Africa's Quarterly Labour Force Survey (QLFS), paints a complex picture of the city's employment landscape. The city experienced a quarter-on-quarter employment decline of approximately 32,000 jobs, representing a 2.4% contraction compared to Q4 2024. However, on a more positive note, the year-on-year data reveals a net employment gain of 28,000 jobs, equating to 2.2% growth compared to Q1 2024. This dual narrative suggests the labour market is still facing short-term pressures but also demonstrates a degree of resilience and underlying recovery.

Figure 1: Jobs Gain/Loss by Sector in 2025 Q1



Source: StatsSA Quarterly Labour Force Survey, 2025

2. Employment by Skill Level: Shifts in Occupational Demand

An in-depth examination of employment changes across skill levels highlights the differentiated impact of the labour market slowdown.

High-Skilled Workers

The high-skilled segment recorded a modest recovery of 3,524 jobs quarter-on-quarter, climbing from 307,569 in Q4 2024 to 311,093 in Q1 2025. This was primarily driven by a strong rebound in technical and associate professionals, which rose by 26,066 jobs. However, this gain was partially offset by losses in legislators (−13,613) and professionals (−8,928). The data suggests that technical and mid-tier professional roles, likely in engineering, IT, and applied sciences, remain in demand, while managerial and academic roles may be facing saturation or budget constraints.

Semi-Skilled Workers

The semi-skilled category faced a significant decline of 27,280 jobs, dropping from 685,339 in Q4 2024 to 658,059 in Q1 2025. The largest loss occurred in clerical roles, with −36,336 jobs, likely reflecting digital automation and administrative cost reductions. Conversely, service and sales occupations increased by 25,311 jobs, indicating ongoing strength in retail, personal services, and hospitality. Other notable movements include a +9,686 increase in plant and machine operators, while craft and related trades workers declined by −25,424, suggesting continued pressure in artisanal and industrial trades.

Low-Skilled Workers

Low-skilled employment decreased by 8,303 jobs, with total employment falling from 340,095 in Q4 2024 to 331,792 in Q1 2025.

Table 1: Employment changes across skill levels

Employed per Skill Level	2024Q1	2024Q4	2025Q1	Q-on-Q
H: Skilled	343,335	307,569	311,093	3,524
01: Legislators	122,393	137,668	124,055	-13,613
02: Professionals	79,196	61,027	52,099	-8,928
03: Technical and associate professionals	141,746	108,873	134,939	26,066
M: Semi-skilled	647,366	685,339	658,059	-27,280
04: Clerks	147,062	175,745	139,409	-36,336
05: Service workers and shop, and market sales workers	218,953	232,886	258,197	25,311
06: Skilled agricultural and fishery workers	4,434	3,731	3,214	-517
07: Craft and related trades workers	132,521	156,649	131,225	-25,424
08: Plant and machine operators and assemblers	144,395	116,329	126,015	9,686
L: Low-skilled	281,887	340,095	331,792	-8,303
09: Elementary Occupation	207,704	271,636	267,499	-4,137
10: Domestic workers	74,183	68,460	64,293	-4,166

Source: StatsSA Quarterly Labour Force Survey, 2025

3. Rising Unemployment: Seasonal Pressures and Participation Gaps

The Q1 2025 labour market indicators reveal intensifying short-term pressures, particularly evident in both youth and general unemployment metrics. While year-on-year data suggests underlying resilience, the recent spike in joblessness highlights structural barriers and the vulnerability of certain demographic groups, especially the youth.

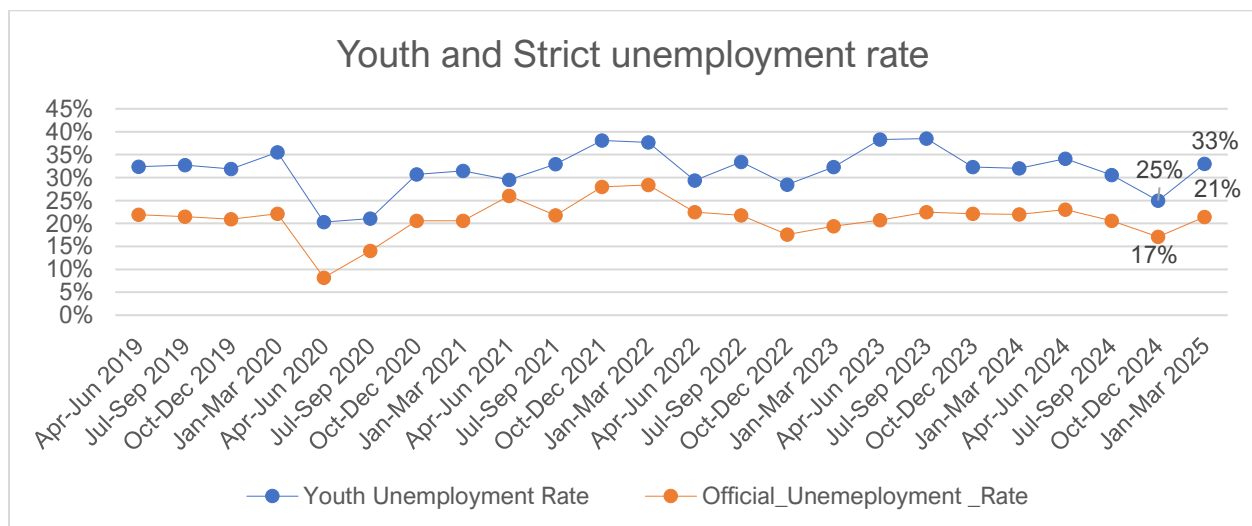
Strict Unemployment Trends

The official (strict) unemployment rate rose sharply from 17.1% in Q4 2024 to 21.4% in Q1 2025, a 4.3 percentage point quarter-on-quarter increase. However, compared to Q1 2024, this still represents a 0.6 percentage point decline, suggesting gradual long-term improvements. This quarterly surge likely reflects seasonal job shedding after the festive period, affecting industries such as retail, hospitality, and short-term contract work. The historical trend shown in the graph confirms that while the strict unemployment rate has hovered around 20% for much of the past three years, the Q1 2025 level (21%) is the highest in the past year, signaling renewed labour market strain.

Youth Unemployment Rate

Youth unemployment remains persistently high and significantly above the general unemployment rate. According to the graph, the youth unemployment rate in Q1 2025 stood at 33%, up from 25% in Q4 2024, a dramatic increase of 8 percentage points quarter-on-quarter. This jump underscores the heightened vulnerability of youth in the job market, especially in times of economic contraction. While youth unemployment had declined steadily in 2024, the Q1 2025 reversal highlights the precarious nature of young people's employment, often concentrated in short-term, seasonal, or informal positions.

Figure 2: Youth and Strict unemployment rate



Source: StatsSA Quarterly Labour Force Survey, 2025

Expanded Unemployment Rate

The expanded unemployment rate, which includes discouraged work seekers, also rose to 38% in Q1 2025, up from 35.6% in Q4 2024. This 2.4 percentage point increase reflects a growing number of economically active individuals who, although not actively seeking work, are available and willing to work. Year-on-year, the expanded unemployment rate increased by 0.8 percentage points, indicating some underlying fragility. However, this should be interpreted alongside the concurrent decline in the actual number of discouraged work seekers, which implies that some previously disheartened individuals are re-entering the job market, possibly encouraged by recent

4. Conclusion: Balancing Caution with Optimism

The Q1 2025 labour market data highlights a city navigating the complexities of structural employment challenges while showing early signs of recovery. The quarter-on-quarter loss of 32,000 jobs and a notable rise in unemployment, especially among semi- and low-skilled workers, point to immediate pressures facing the job market. However, these short-term setbacks are balanced by more positive year-on-year trends, including the creation of 28,000 jobs, a stable labour force participation rate, and a decline in discouraged work seekers. These indicators reflect a labour market that, while strained, is beginning to recover.

Encouragingly, growth in high-skill technical occupations and increased employment in service-related roles signal shifts toward more resilient and opportunity-rich sectors. The improvement in labour market confidence, as evidenced by declining discouraged work seekers, adds to the sense of cautious optimism.

To build on this momentum, labour policies in eThekweni must be agile, inclusive, and firmly grounded in data. Strategic focus should be placed on expanding skills development, strengthening employment pathways, and supporting sectors that show job-creating potential. Importantly, flexible job creation and wage subsidy programmes should be designed to anticipate seasonal downturns and provide alternative employment during periods of low demand.

Ultimately, Durban's ability to create and sustain inclusive, quality employment will be central to its broader economic recovery. With the right interventions, the city can transition from short-term resilience to long-term, sustainable growth, ensuring that no segment of the labour force is left behind

Reference List

Statistics South Africa. (2025). Quarterly labour force survey. (Online)
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