



RECOVERIES IN THE LABOUR MARKET BUT YOUTH REMAIN VULNERABLE

1. INTRODUCTION

While the past year has been devastating for job seekers, the last quarter of 2020 saw some continued, significant recoveries in job creation. While this is a relief, it is important to understand whether this growth was equitably shared across all demographic groups. This data story will give a brief overview of national unemployment and a breakdown of the City's labour market racial and gender composition. It concludes that emerging from lockdown in 2020, the youth remains neglected as the labour force absorbs the post youth adult population (35 – 54 years) as opposed to youth (age below 35 years).

2. A REVIVED JOB MARKET NATIONALLY

Nationally, employment increased by 333 000 in 2020 Q4 following an increase of 543 000 in the previous quarter. The figure shows that employment has always increased in the fourth quarter of each year since 2014 except a decline that was observed in 2017. The results further confirm that this is the third largest increase in employment since the inception of the QLFS. This suggests that the easing of lockdown restrictions has been significantly positive in reviving the job market. National strict unemployment rates for Q4 reached an all time high of 32,5%; the highest rate since the beginning of the QLFS survey in 2008. The number of unemployed people increased by 701 000 to 7,2 million compared to 2020 Q3, meaning more people in the country are actively job hunting. However, the (number) increase in the unemployed was more than double the increase in number of the employed, meaning there is still significant positive growth in the job market required.

3. NATIONALLY, UNEMPLOYMENT WORST AMONGST BLACK WOMEN

The unemployment rate amongst the country's black population group is the highest (36,5%) when compared to other racial groups, which tends to be higher than the national average of 32,5%. This is more poignant for women. While the working aged population is mostly comprised of women, this gender remained disproportionately vulnerable even in 2020 Q4. Unemployment is more highlighted amongst black women, with an unemployment rate of 38,5%. This is an indication that not enough black women are participating in the labour force and that they remain vulnerable despite South Africa's legislative measures.

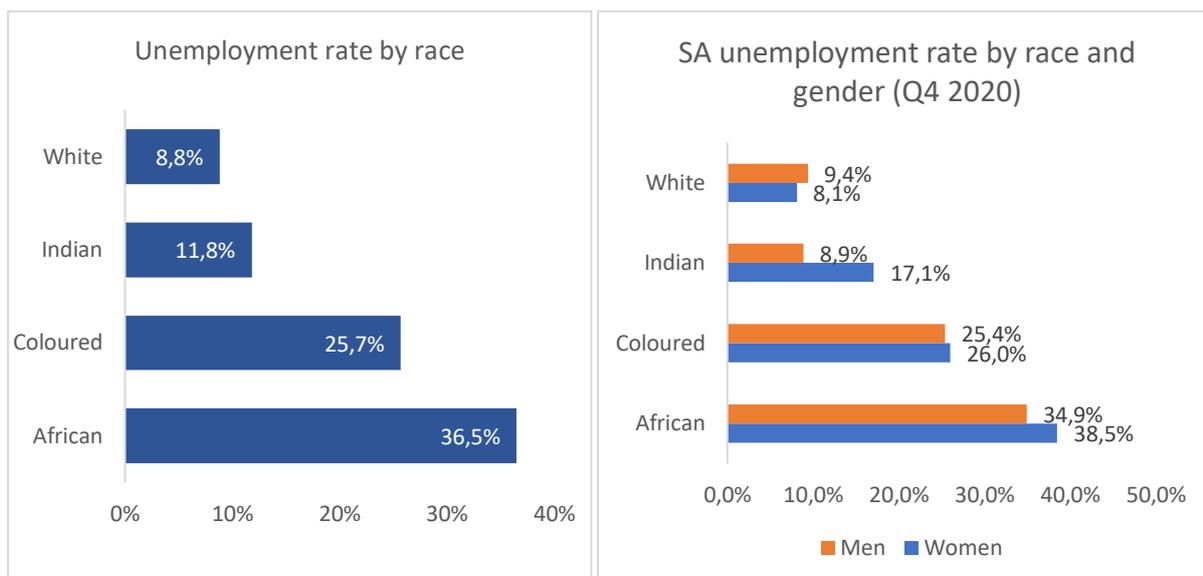


Figure 1: unemployment by race and gender

Source: StatsSA QLFS, 2020Q4

4. DURBAN JOBS ON THE RISE, BUT YOUTH STILL LEFT OUT

In Durban, the chances of finding a job have risen more than the national average as the employment absorption rate has increased by 2% from 42,6% to 44,6% (compared to the national average of 0,7%). Almost all 164 000 people who joined the labour market last quarter were previously not economically active (e.g. students, homemakers, etc.) while nationally, 69% of all the newly unemployed people were youth under the age of 35.

The Durban unemployment rate has risen sharply from 14% in 2020 Q3 to 20,5% in 2020 Q4, which translates to 115 000 more people looking for work. This is drastic and suggests that Durbanites are now more able to look for work. However, the hope of finding work does not appear to be met by enough job opportunities - only 49 000 more people found jobs from last quarter. For every 1 person who found a job last quarter, 2,4 more people were left looking for work. Of interest is who those struggling to find jobs are.

The graphs below indicate that more than half (54%) of the newly employed for Q4 are between age (45 -54 years) and one third (33%) is between the age of (34 – 44 years). However, while employment in other age groups increased, the percentage of youth (15 – 34 years) employed decreased by -1%. The biggest increase in the unemployed for Q4 is seen amongst the youth (at 69%). This suggests that youth are more likely to be affected by unemployment.

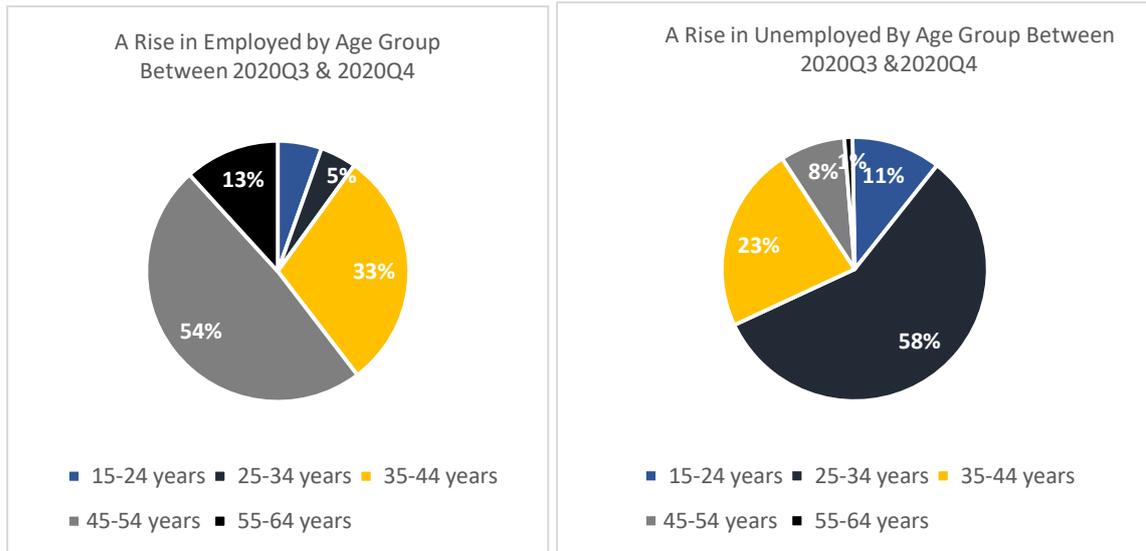


Figure 3: rise in employed and unemployed between Q3 & Q4

Source: StatsSA QLFS, 2020Q4

5. CONCLUSION

2020Q4 brought some of the highest employment increases in the job market since the inception of the QLFS. This was due to lifting of lockdown regulations, and also led to an increase in unemployment as more people rejoined the job market and looked for work. While positive developments were notable in this quarter, youth, as well as mainly black women were still more vulnerable than the other groups as they remained more likely to be unemployed, and less likely to be absorbed back into employment

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