

OVERVIEW

The Quarterly Review of the Eastern Cape Labour Market (QRELM) is a statistical release compiled by the Eastern Cape Socio-Economic Consultative Council (ECSECC).

The aim of the publication is to analyse the latest developments in the Eastern Cape labour market, with an extension to include employment and unemployment dynamics for the two metropolitan cities in the province. The data used in the report are drawn from Statistics South Africa's Quarterly Labour Force Survey (QLFS). This issue covers key findings of the QLFS conducted from January to March 2024 (2024Q1).

HIGHLIGHTS 2024Q1

The Eastern Cape unemployment rate remains **ABOVE 40%**

Employment in the formal (non-agricultural) sector increased by

4.4%

The Eastern Cape youth unemployment rate (aged 15 - 34 years) **INCREASED** to

53.3%

The **MALE** unemployment rate

(43.8%)

was higher than that of **FEMALES**, recorded at

40.7%

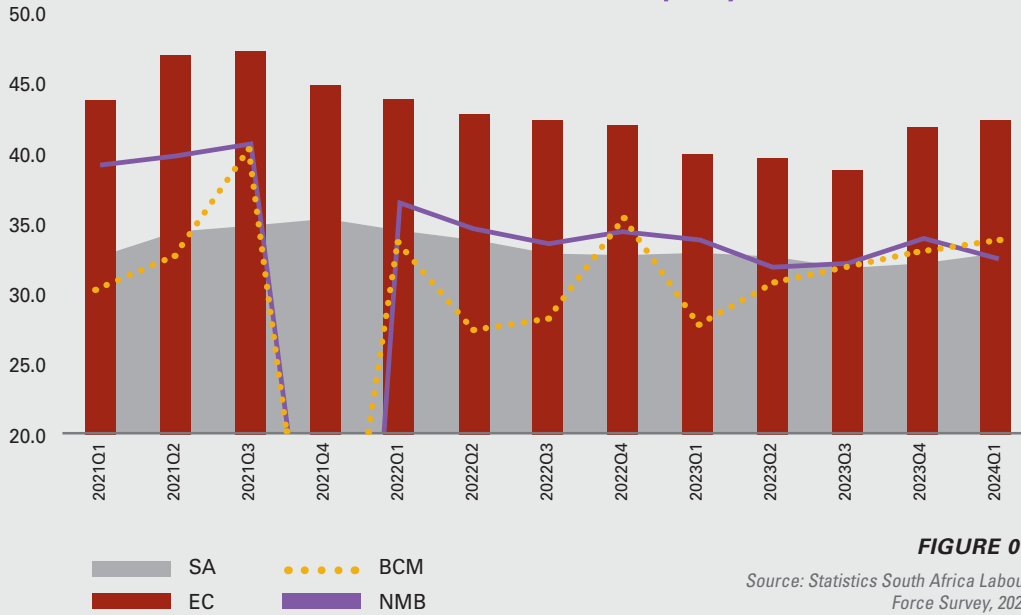
The unemployment rate for those with tertiary education reached

20%



NMB UNEMPLOYMENT RATE DECREASED IN 2024Q1

Official Unemployment Rates (%)



The official unemployment rate for South Africa increased to 32.9% in 2024Q1. However, this rate is 0.6 of a percentage point lower than the 33.5% unemployment rate forecasted by the International Monetary Fund for 2024.

The provincial unemployment rate stood at 42.4% in 2024Q1, reaching the 2022Q3 levels. At the sub-provincial level, the unemployment rate increased in Buffalo City Metropolitan Municipality (BCM) by 0.8 of a percentage point to 33.8% in 2024Q1. Meanwhile, the Nelson Mandela Bay (NMB) recorded a decline of 1.5 percentage points in the same quarter.

FIGURE 01

Source: Statistics South Africa Labour Force Survey, 2024

OFFICIAL UNEMPLOYMENT RATE

Unemployment rate remains above the 40% mark

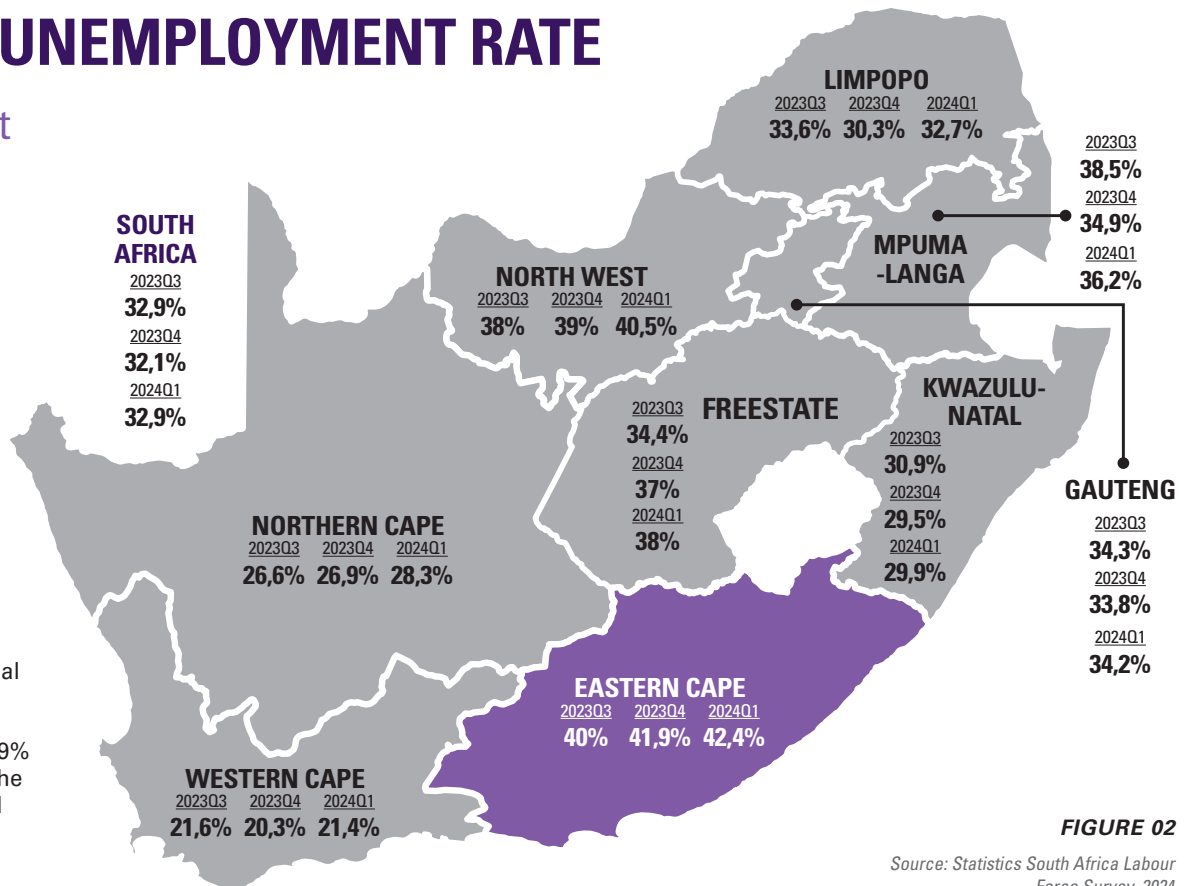


FIGURE 02

Source: Statistics South Africa Labour Force Survey, 2024

The South African official unemployment rate increased by 0.8 of a percentage point to 32.9% in 2024Q1. Nationally, the number of unemployed persons rose to 8.2 million during the same quarter.

The number of people who were not economically active for reasons other than discouragement decreased to 13.1 million, while discouraged work-seekers decreased to 3.0 million. Consequently, this resulted in a net decrease of 215 000 in the not economically active population.

The official unemployment rate increased in all provinces on a quarter-on-quarter (QoQ) basis. The largest increases were

recorded in Limpopo (up by 2.4 percentage points to 32.7%), followed by North West (up by 1.5 percentage points to 40.5%) and Northern Cape (up by 1.4 percentage points to 28.3%). The Eastern Cape province recorded an increase of 0.5 of a percentage point, reaching 42.4% in 2024Q1.

On a year-on-year (YoY) basis, the South African official unemployment rate remained unchanged at 32.9%. At the

provincial level, the largest declines in the unemployment rate were recorded in Mpumalanga (down by 2.3 percentage points), KwaZulu Natal (down by 1.0 percentage point), and Limpopo (down by 0.9 percentage points). The Free State (up by 3.6 percentage points), followed by North West (up by 2.5 percentage points) and Eastern Cape (up by 2.4 percentage points) recorded the largest increases in the unemployment rate.

CHANGES IN THE EASTERN CAPE LABOUR MARKET

QoQ% changes, 2024Q1

Emerging from the figure above are salient changes in the Eastern Cape labour market between 2023Q4 and 2024Q1:

- The working age population (15 – 64 years) increased by 0.3% to 4.5 million.
- The labour force decreased by 0.5% to 2.3 million.
- The not economically active population increased by 0.1% to 2.2 million.
- The number of employed people decreased by 0.3% to 1.3 million.
- The number of unemployed people increased by 1.6% to 988 039.
- The number of discouraged work-seekers increased significantly by 3.6% to 224 357.
- Employment only decreased largely in the private households' sector by 18.8%.

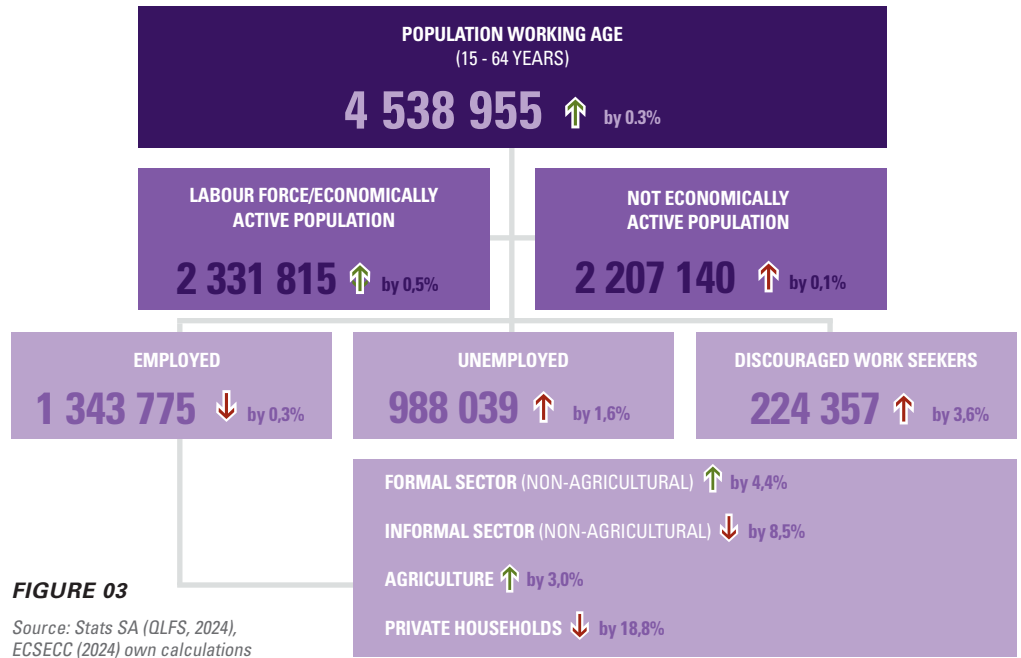


FIGURE 03

Source: Stats SA (QLFS, 2024), ECSECC (2024) own calculations

PERFORMANCE AND PROMINENT TRENDS IN THE EC LABOUR MARKET (%)

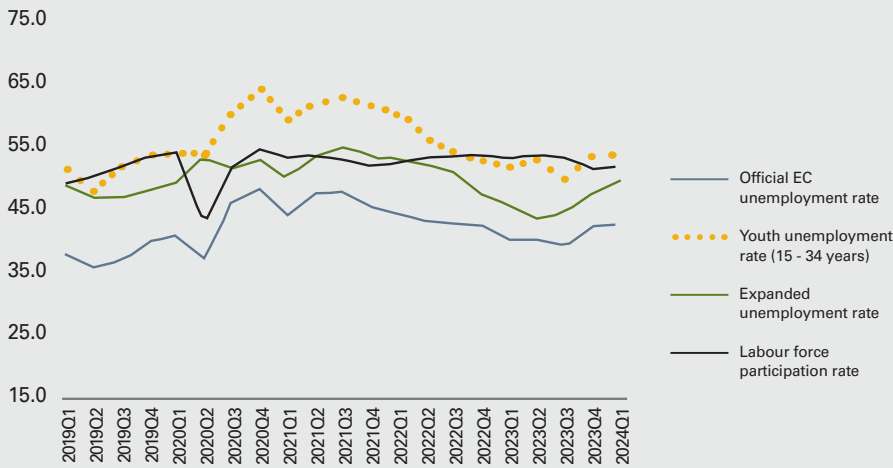
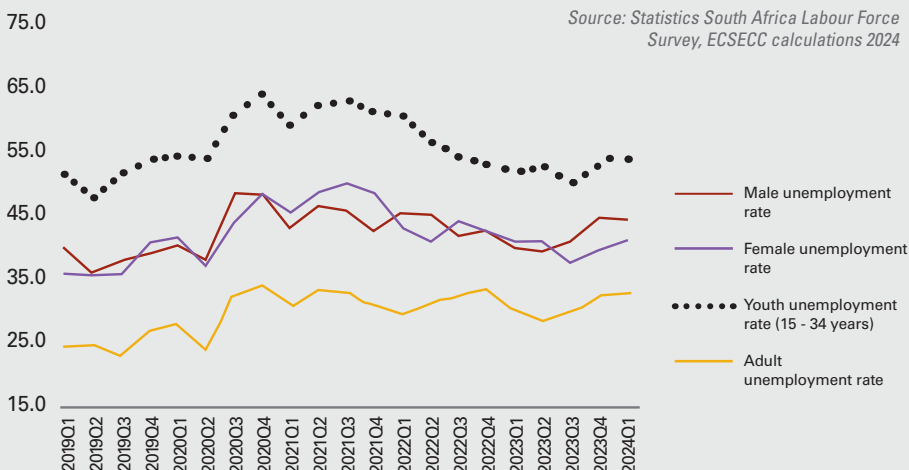


FIGURE 04

Source: Statistics South Africa Labour Force Survey, ECSECC calculations 2024



The figures above depict the trend in the overall labour market status of the Eastern Cape between 2019Q1 and 2024Q1. The labour participation rate increased slightly to 51.4% in the first quarter of 2024 from 51.3% in the fourth quarter of 2023. Furthermore, the expanded definition of the unemployment, which includes discouraged job seekers, rose significantly by 2.1 percentage points to 49.1% on a quarter-on-quarter (QoQ) basis. This is the highest rate that the expanded unemployment has reached (50.6%) since 2022Q3.

For the youth (aged 15 - 34 years), the youth unemployment rate increased by 0.2 of a percentage point to 53.3% in the fourth quarter of 2024. The unemployment rate among adults (aged 35 - 64 years) increased by 0.3 of a percentage point to 32.2% during the same quarter. On a year-on-year (YoY) basis, both the youth and adult unemployment rate increased by 2.0 percentage points and 2.6 percentage points, respectively.

In terms of gender disparity, on a QoQ basis, females recorded an unemployment rate of 40.7% (up by 1.6%) in 2024Q1. This rate was lower than the unemployment rate for males, which stood at 43.8% (down by 0.5 of a percentage point QoQ) in same period. This new trend of higher male unemployment can be traced back to the first quarter of 2023, where male unemployment began to surpass that of females. On a YoY basis, male unemployment increased significantly by 4.2 percentage points, from 39.6% in 2023Q1, while the female unemployment rate increased by 0.4 of a percentage point from 40.3% in 2023Q1.

UNEMPLOYMENT RATE (%) BY AGE GROUP



FIGURE 05

Source: Statistics South Africa Labour Force Survey, ECSECC calculations 2024

CHARACTERISTICS OF THE EMPLOYED AND EMPLOYMENT IN THE EASTERN CAPE, 2024Q1 (%)

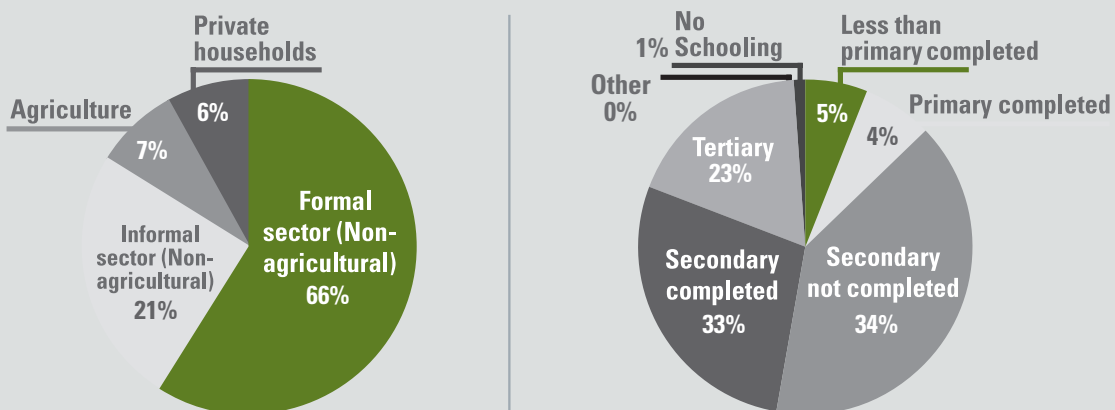
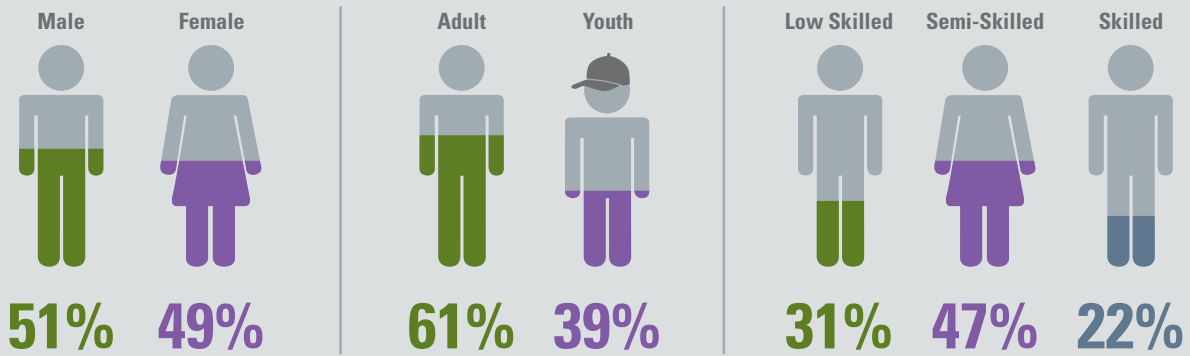
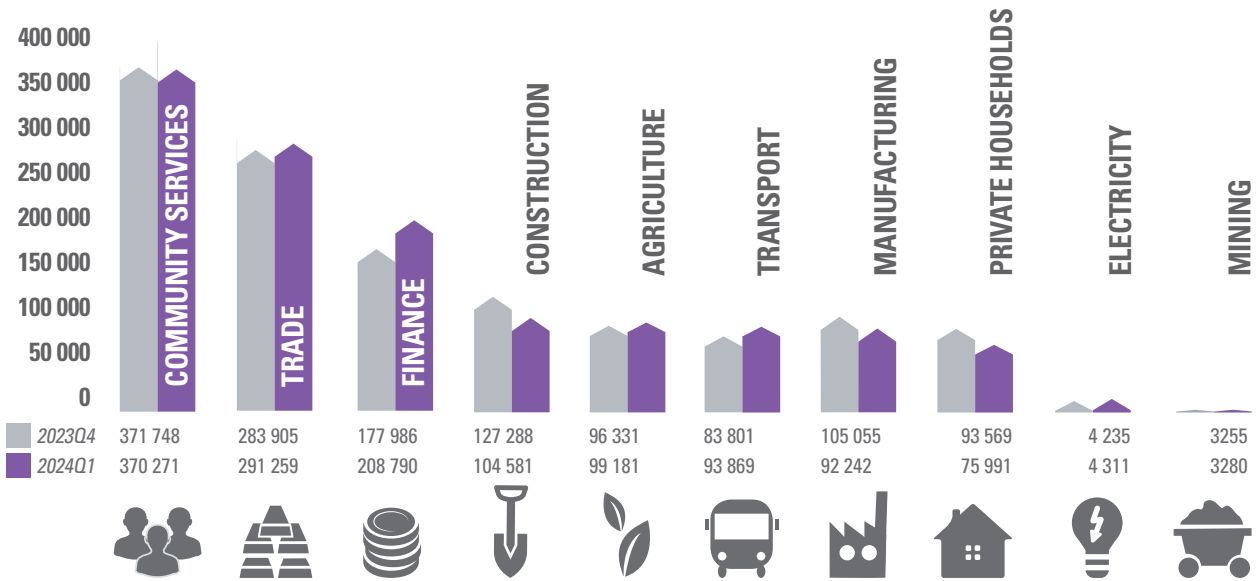


FIGURE 06

Source: Statistics South Africa Labour Force Survey ECSECC calculations 2024

FINANCE INDUSTRIES GAINED MOST JOBS IN Q1

EASTERN CAPE EMPLOYMENT BY INDUSTRY



In 2024Q1, the Eastern Cape had a total of 1 343 775 employed persons. Community services (government) remained the largest employer in the province, employing 27.6% of the total workforce, followed by trade (21.7%) and finance (15.5%). Together, these three industries employed 64.8% of the Eastern Cape's workforce.

On a QoQ basis, the largest job increases were recorded in the following industries: finance (30 804), transport (10 068), and trade (7 354). Conversely, the construction, private households, and manufacturing industries experienced significant job losses, with 22 708, 17 578, and 12 813 jobs lost respectively in 2023Q4.

FIGURE 07

Source: Statistics South Africa
Labour Force Survey ECSECC
calculations 2024

EC EMPLOYED BY OCCUPATION QoQ changes 2024Q1

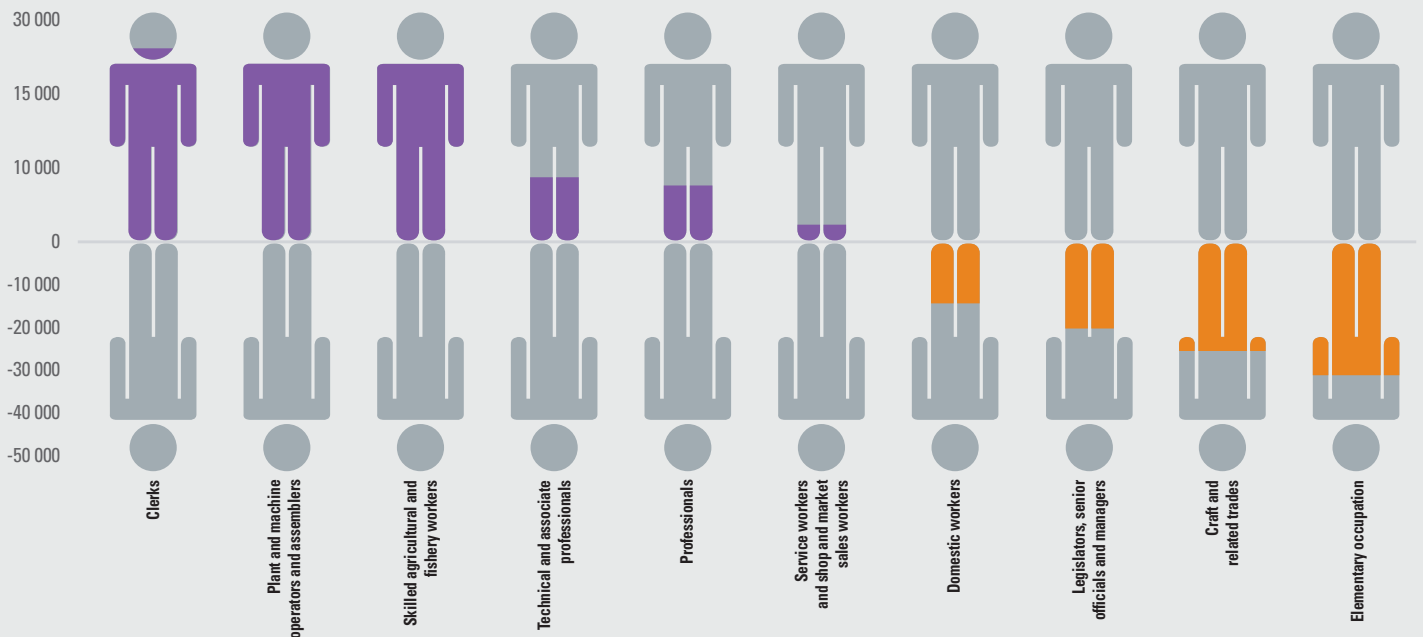


FIGURE 08 Source: Statistics South Africa Labour Force Survey, ECSECC calculations 2024

Figure 8 shows that between 2023Q4 and 2024Q1, six out of the ten occupational categories recorded employment gains. Significant employment increases were recorded in clerical occupations (23 121), plant and machine operators and assemblers (21 528), and skilled agricultural and fishery workers (21 452). During the same period, job losses were observed in elementary occupations (down by 31 391), craft and related trades (down by 25 038), legislators, senior officials and managers (down by 19 516), and domestic workers (down by 13 637).

Looking at new jobs created by skill level categories, 42 881 jobs were gained for semi-skilled workers in 2024Q1. In contrast, 45 029 and 1 687 jobs were lost in the low-skilled and high-skilled categories on a QoQ basis, respectively. The semi-skilled occupation category accounted for 47.3% of total employment in 2024Q1, followed by low-skilled workers (31.0%) and skilled workers (21.7%).

LABOUR MARKET EDUCATION STATUS 2024Q1

EDUCATION STATUS	Working population (age 15+)	Labour force / economically active	Employed	Unemployed	Not economically active	Discouraged job seeker	Unemployment Rate
NO SCHOOLING	1,7%	0,6%	0,7%	0,4%	2,8%	2,5%	30,8
LESS THAN PRIMARY COMPLETED	10,0%	7,3%	5,2%	10,1%	12,8%	8,3%	58,7
PRIMARY COMPLETED	5,0%	4,1%	3,5%	4,9%	6,0%	7,8%	50,9
SECONDARY NOT COMPLETED	48,0%	41,6%	34,2%	51,7%	54,9%	59,0%	52,6
SECONDARY COMPLETED	24,7%	29,6%	33,2%	24,6%	19,5%	19,2%	35,3
TERTIARY	9,9%	16,3%	22,7%	7,7%	3,1%	3,2%	20,1
OTHER	0,7%	0,5%	0,5%	0,0%	1,0%	0,0%	44,8
TOTAL	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	42,4

TABLE 02

Source: Statistics South Africa Labour Force Survey, ECSECC calculations 2024

Table 2 above presents the labour market status by education levels of the population in the EC province. The table shows that in 2024Q1, the majority (48.0%) of the working population have not completed secondary schooling. Of the 988 039 unemployed people in the province, only 7.7% have tertiary education, while 24.6% have completed secondary school. The unemployment rate is above the 50% mark for those with less than primary (58.7%), individuals with secondary school not completed (52.6%) and those who have completed primary education (50.9%). This data underscores the importance of higher education levels in reducing the likelihood of unemployment and unemployability.

DEFINITIONS

The **labour force** comprises all persons who are employed plus all unemployed persons.

The **working-age population** comprises all persons aged 15–64 years.

The **unemployment-to-population ratio (labour absorption rate)** is the proportion of the working-age population that is employed.

The **unemployment rate** is the proportion of the labour force that is unemployed.

Labour force participation rate is the proportion of the working-age population that is either employed or unemployed.

A **discouraged work-seeker** is a person who was not employed during the reference period, wanted to work, was available to work/start a business but did not take active steps to find work during the last four weeks, 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.

Unemployed persons (aged 15–64 years) are those who:

- Were not employed in the reference week; **and**
- Actively looked for work or tried to start a business in the four weeks preceding the survey interview; **and**
- Were available for work, i.e., would have been able to start work or a business in the reference week; or
- Had not actively looked for work in the past four weeks but had a job or business to start at a definite date in the future and where available.

Unemployment and not in employment, education, or training (NEET): Those young people (15-24 years) who are categorised as NEET are disengaged from both work and education.

Expanded unemployment is the unemployment rate that includes discouraged work-seekers.

VACANCIES

VISIT THE FOLLOWING WEBSITES FOR POTENTIAL JOB OPPORTUNITIES



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

<http://www.dpsa.gov.za/dpsa2g/vacancies.asp>



employment & labour

Department:
Employment and Labour
REPUBLIC OF SOUTH AFRICA

<https://www.labour.gov.za/vacancies>

PNET

<https://www.pnet.co.za/jobs/Eastern-Cape.html>

Career Junction
co.za
Better jobs. More often.

<https://www.careerjunction.co.za/jobs/eastern-cape>

careers24

<https://www.careers24.com/jobs/lc-eastern-cape/>