

## 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.

The analysis is extended to include employment and unemployment dynamics for the two metropolitan cities in the province. The data used in the report is drawn from Statistics South Africa's Quarterly Labour Force Survey (QLFS). This issue covers the third quarter of 2022 (2022Q3).

## HIGHLIGHTS 2022Q3

The Eastern Cape unemployment rate **DECREASED** by **0.4 OF A PERCENTAGE POINT** to

# 42.4%

The number of employed people **INCREASED** by

# 1.3%

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

# 53.6%

Employment **INCREASED** significantly in the informal (non-agricultural) sector by

# 12.8%

In 2022Q3, **FEMALE** unemployment rate was

# 43.6%

In 2022Q3, **MALE** unemployment rate was

# 41.3%

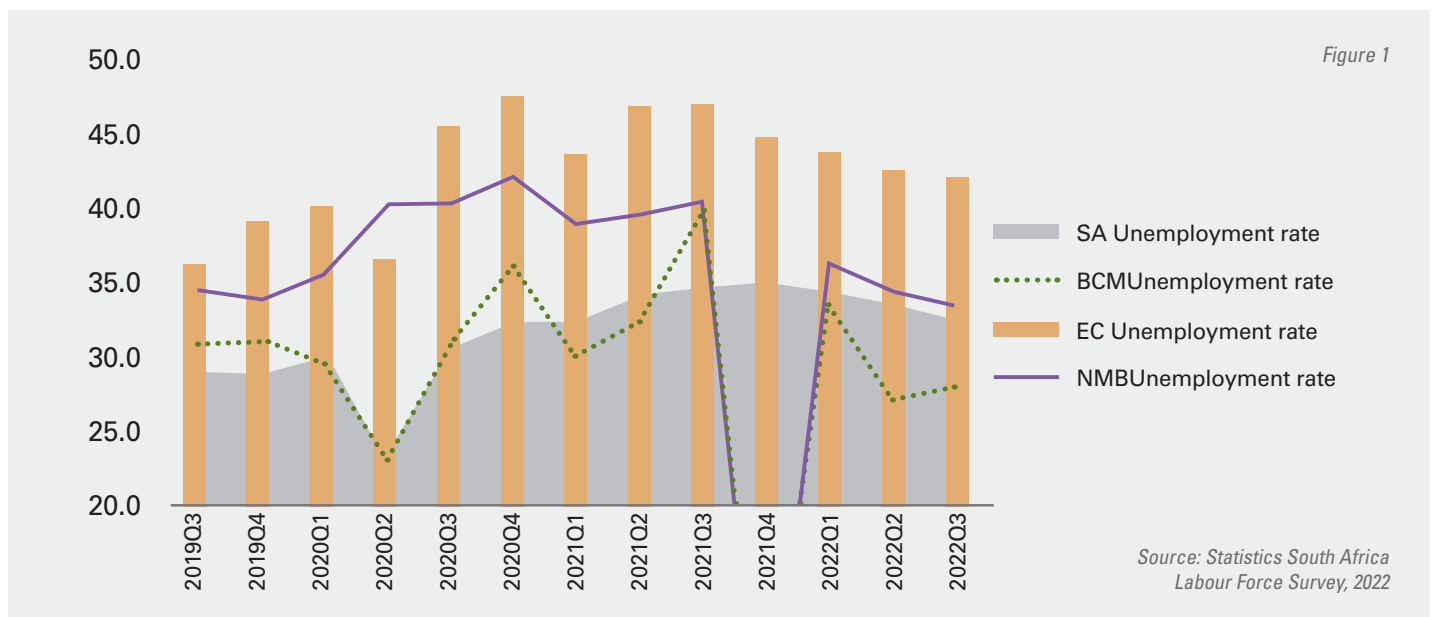
Within the unemployed people in the province,

# 55.6%

have not completed secondary education



# PROVINCIAL UNEMPLOYMENT RATE DECREASED IN 2022Q3



In 2022Q3, the official unemployment rate in South Africa decreased by 1.0 percentage point. However, this rate is lower than the 34.6% unemployment rate forecasted by the international Monetary Fund<sup>1</sup> for 2022, indicating that South Africa is performing better than expected. On a year-on-year basis, the national unemployment rate increased by 2.0 percentage points from 34.9% in 2021Q3.

In 2022Q3, the provincial unemployment rate (42.4%) was above the national level of 33.9%. On a QoQ basis at the sub-provincial level, the unemployment rate declined in the NMB (down by 1.1 percentage points) to 33.6%, whilst BCM recorded an increase of 0.8 of a percentage point from 27.3 in 2022Q2 to 28.1% in 2022Q3.

<sup>1</sup> World Economic Outlook (April 2022), The International Monetary Fund.

Due to the change in methodology to Computer Assisted Telephone Interviewing (CATI) to adapt to Covid-19 lockdown restrictions has had its limitations to the data collected. Low response rates were observed with national rates declining from an average of 76.9% in 2020Q2 to a low of 44.6% in 2021Q4. Metro-level data is not available for the fourth quarter of 2021.

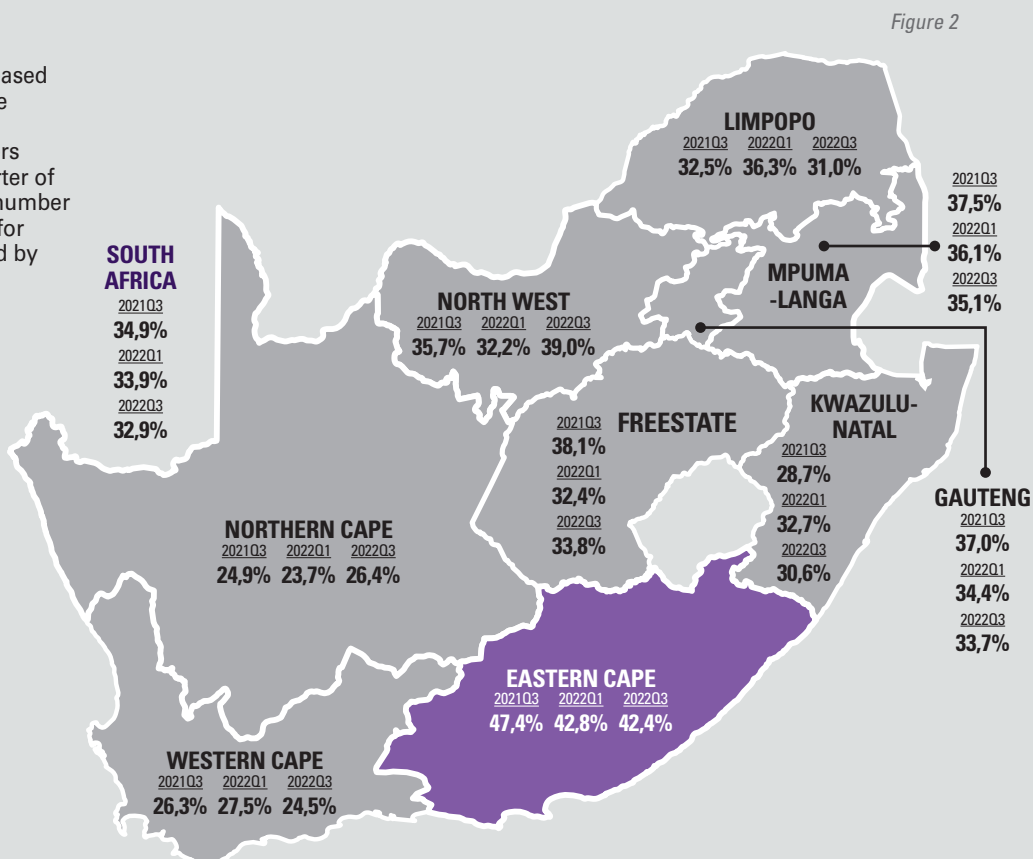
## UNEMPLOYMENT RATE

The unemployment rate in the Eastern Cape remains the highest in the country

In 2022Q3, both the number of unemployed persons and discouraged work-seekers decreased to 7.7 million and 3.5 million respectively. The number of unemployed persons decreased, reaching 7.7 million, discouraged work-seekers also decreased to 3.5 million in the third quarter of 2022 compared to the previous quarter. The number of people who were not economically active for reasons other than discouragement increased by 264 000 during the third quarter of 2022.

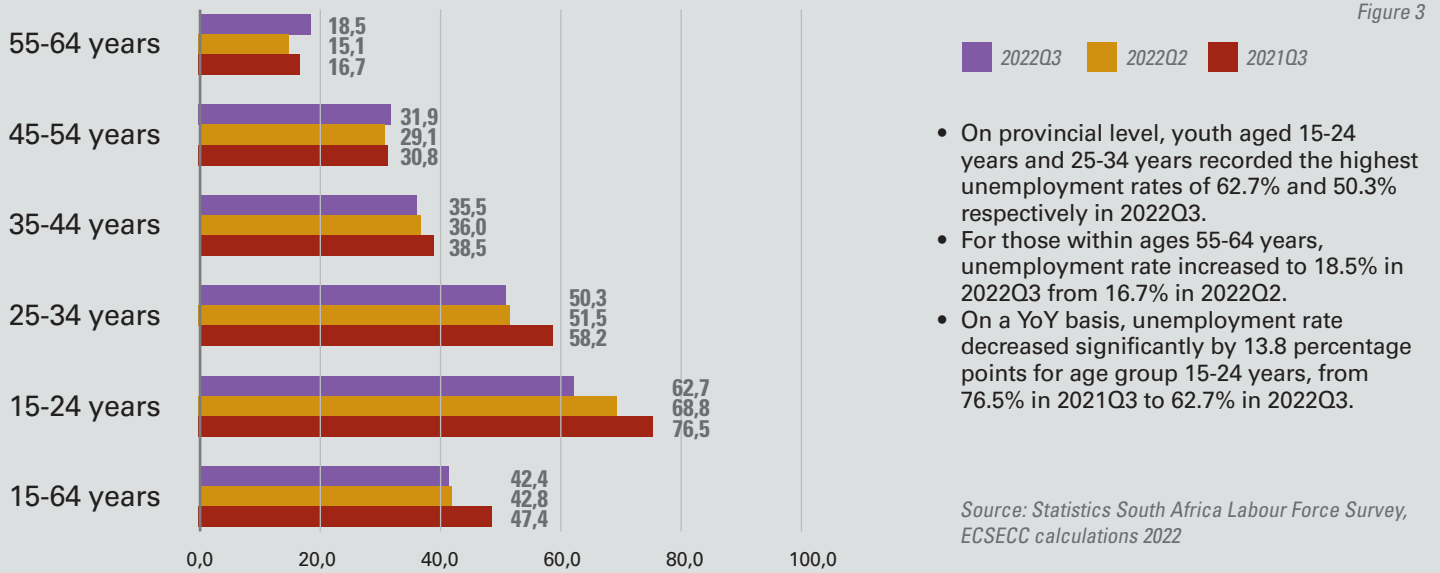
In the third quarter of 2022, the unemployment rate decreased in six out of nine provinces on a QoQ basis. The largest decreases were recorded in the following provinces: Limpopo (down by 5.3 percentage points to 31.0%), Western Cape (down by 3.0 percentage points to 24.5%) and KwaZulu-Natal (down by 2.1 percentage points to 30.6%). The unemployment rate increased significantly in North West (up by 6.8 percentage point) to 39.0% in 2022Q3 from 32.2% in 2022Q2.

On a year-on-year basis, country-wide, the largest declines in unemployment rate were recorded in the Eastern Cape. The largest increases in unemployment rate were recorded in North West (up by 3.3 percentage points) and in KwaZulu-Natal (up by 1.5 percentage points).

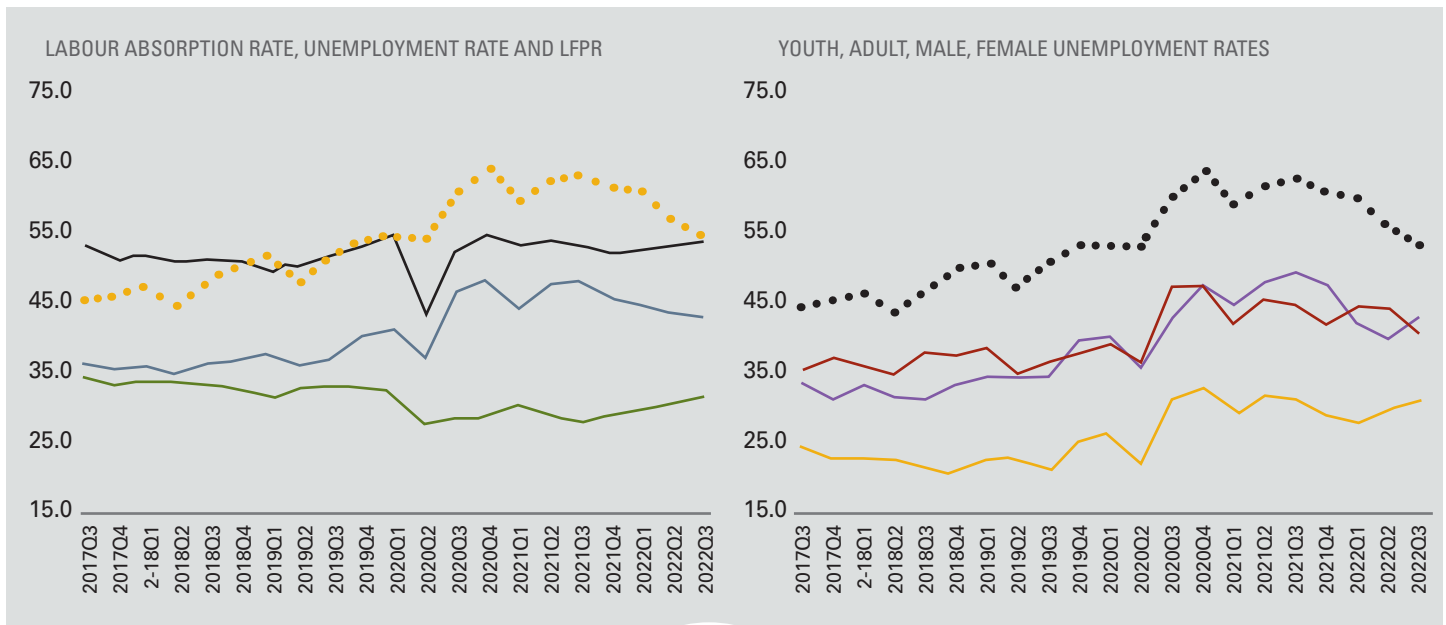


Source: Statistics South Africa Labour Force Survey, 2022

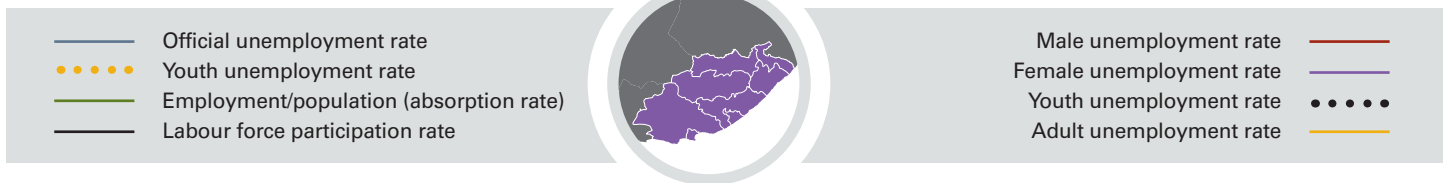
# UNEMPLOYMENT RATE (%) BY AGE GROUP



# PERFORMANCE AND PROMINENT TRENDS of the Eastern Cape Labour Market (%)



Source: Statistics South Africa Labour Force Survey, ECSECC calculations 2022



The above figures present a trend of the overall labour market status of the Eastern Cape from 2017Q3 to 2022Q3. Job creation improved in the third quarter especially for youth (aged 15 – 34 years), with the youth unemployment rate declining by 2.5 percentage points on a QoQ basis and by 9.0 percentage points on a YoY basis. In the third quarter of 2022, adult unemployment rate increased to 31.9%. On a YoY basis, adult unemployment decreased by 0.4 of a percentage point, from 32.4% in 2021Q3.

At provincial level, on a QoQ basis, the labour force participation rate increased by 0.1 of a percentage point to

53.0% in 2022Q3, from 52.9% 2022Q2. The absorption rate increased by 0.3 of a percentage point to 30.5% in 2022Q3 (from 30.2% in 2022Q2).

In terms of gender, on a QoQ basis, female unemployment rate increased by 3 percentage points to 43.6% in 2022Q3 while that of male decreased 3.4 percentage points to 41.3% in 2022Q3.

This indicates that females remain among the vulnerable groups in the labour market.

# CHANGES IN THE EASTERN CAPE LABOUR MARKET

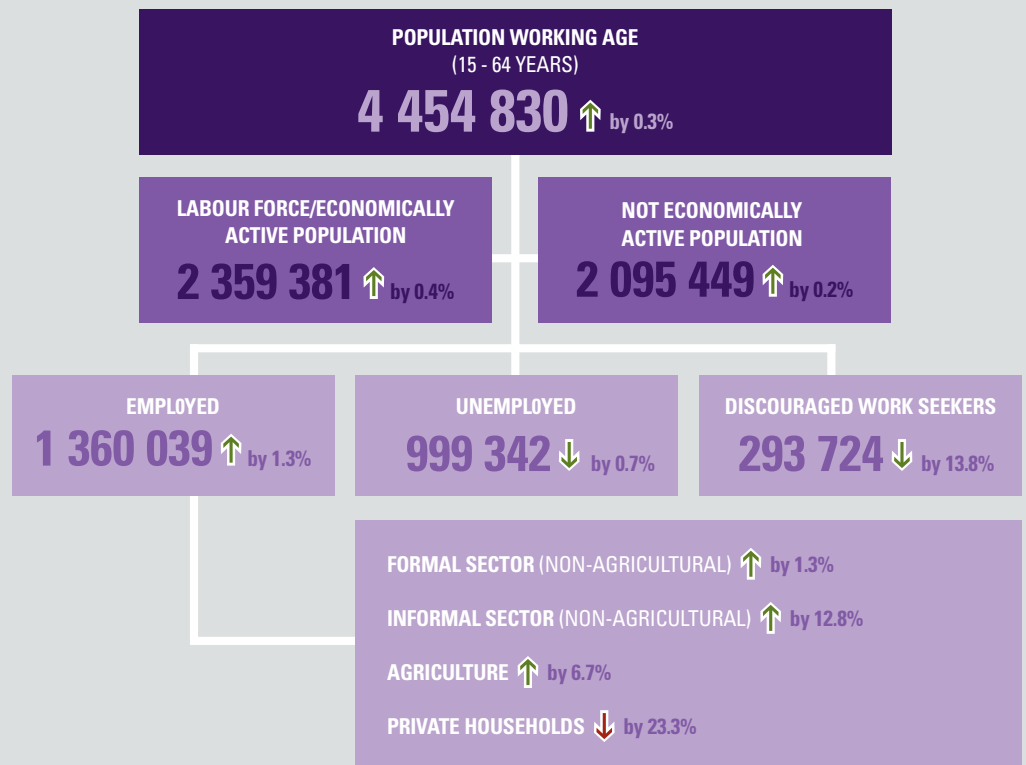
QoQ% changes, 2022Q3

Figure 5

Emerging from Figure 5 are salient changes in the Eastern Cape labour market.

Between 2022Q2 and 2022Q3:

- The working age population (15 – 64 years) increased by 0.3% to 4.4 million.
- The labour force increased by 0.4% to 2.4 million.
- The not economically active population increased by 0.2% to 2.1 million.
- The number of employed people increased by 1.3% to 1.4 million.
- The number of unemployed people decreased by 0.7% to 999 342.
- The number of discouraged work-seekers decreased by 13.8% to 293 724.

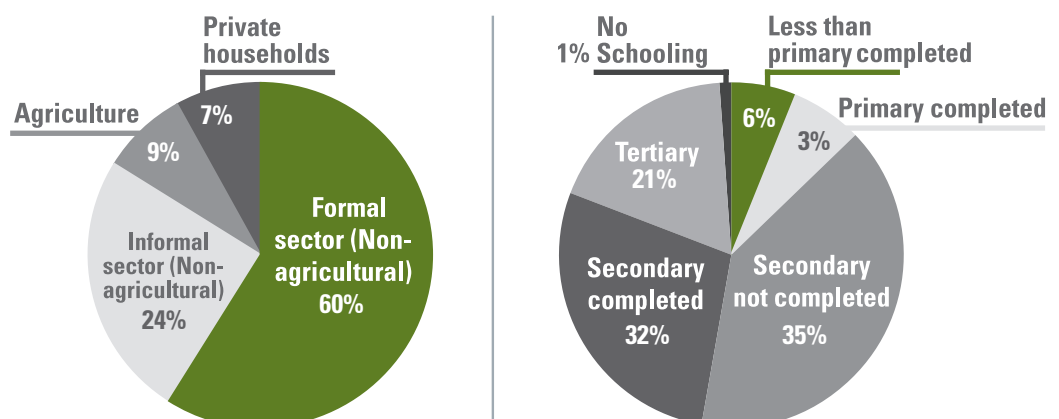
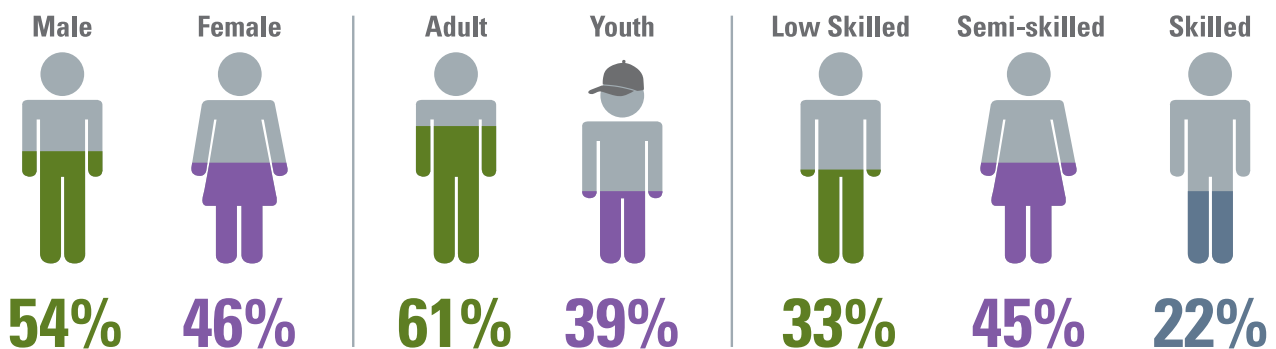


Source: Stats SA (QLFS, 2022), ECSECC (2022) own calculations

# CHARACTERISTICS OF EMPLOYMENT IN THE EASTERN CAPE

2022Q3 (%)

Figure 6



Source: Statistics South Africa Labour Force Survey ECSECC calculations 2022

# COMMUNITY SERVICES, TRADE, & MANUFACTURING SECTORS EMPLOY MORE THAN HALF OF ALL WORKERS IN THE PROVINCE

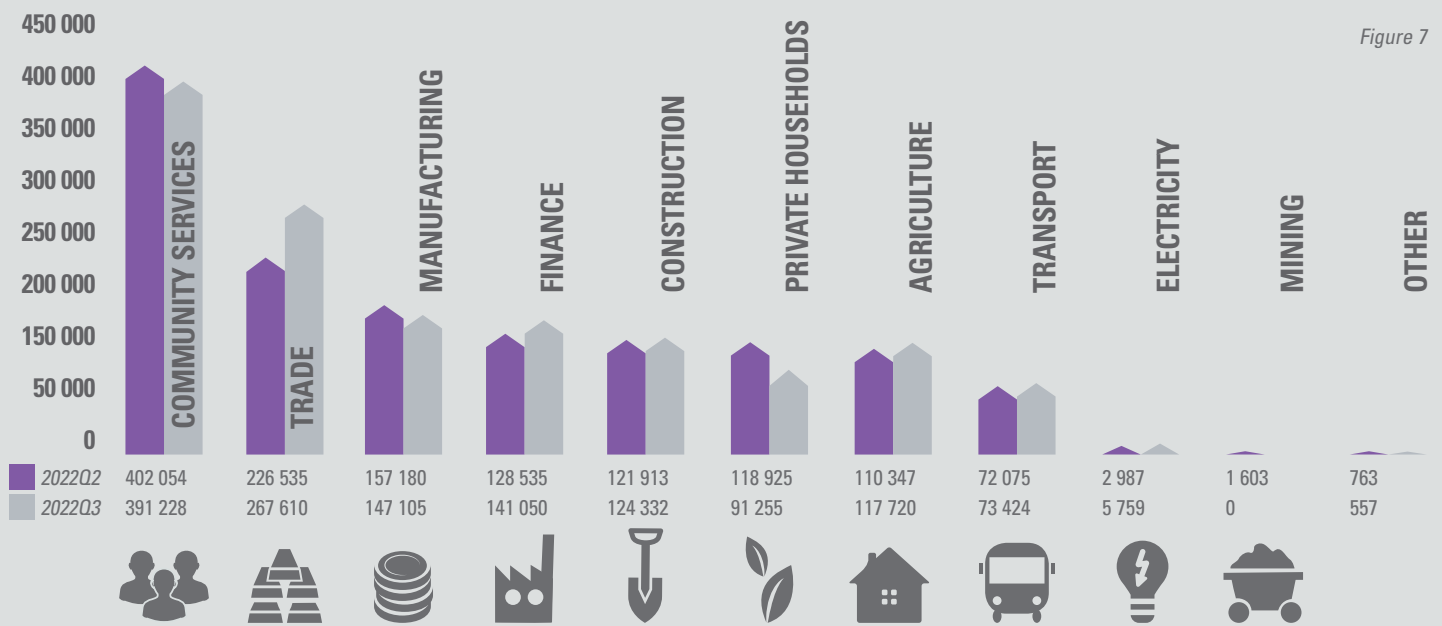


Figure 7

Source: Statistics South Africa Labour Force Survey, ECSECC calculations 2022

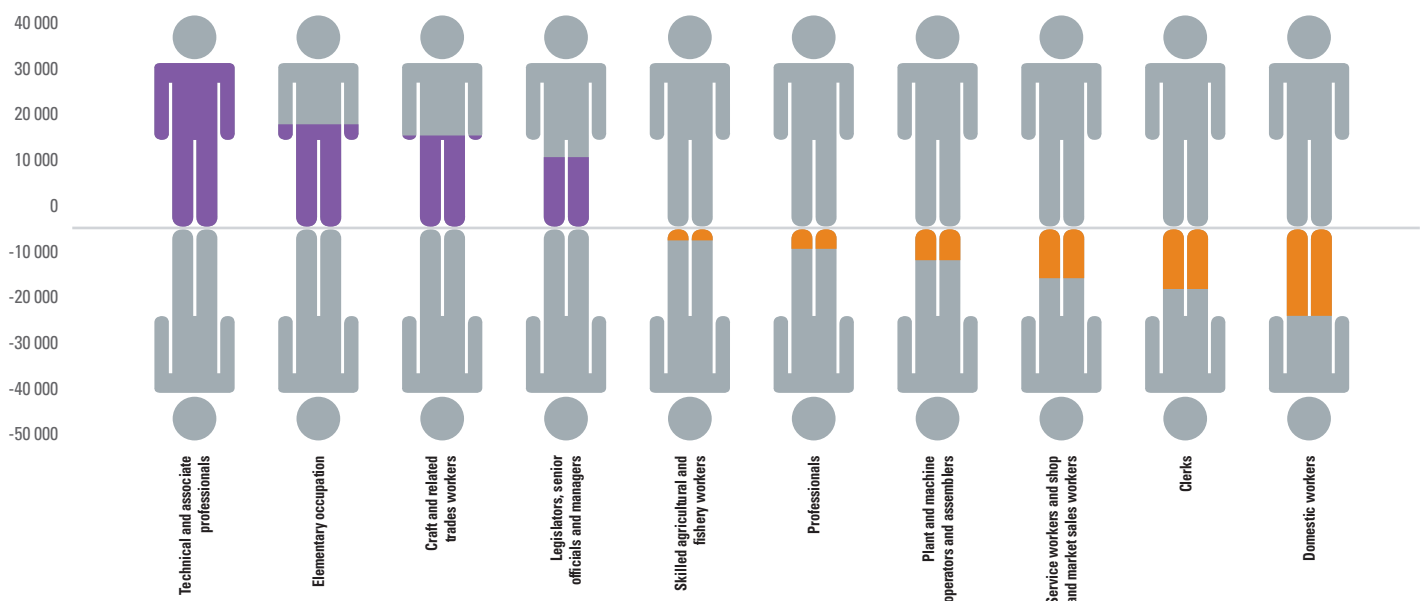
In 2022Q3, the Eastern Cape had a total of 1 360 039 employed persons. Community services (government) remained the largest employer in the province, hiring 28.8% of total employed persons. This was followed by trade (19.7%) and manufacturing (10.8%). Together these three industries employed 59.3% of the Eastern Cape's employees.

On a QoQ basis, a total of 17 124 jobs were created in the province. The largest job gains were recorded in the following industries: trade (41 075), finance (12 515) and agriculture (7 373). The following sectors shed jobs in the third quarter of 2022: private households (27 670), community services (10 826) and manufacturing (10 075).

## EMPLOYED BY OCCUPATION

QoQ% changes 2022Q3

Figure 8



Source: Statistics South Africa Labour Force Survey, ECSECC calculations 2022

The occupation that gained most jobs during the third quarter of 2022 was the "Technical and associate professionals" category, followed by the "Elementary Occupation" category. Workers in the "Technical and associate professionals" category increased by 32 050 (30.9%), from 103 614 in 2022Q2 to 135 664 in 2022Q3. There was a significant decline in the number of workers in the domestic workers occupation category, where 19 296 jobs were shed during the third quarter of 2022. In terms of skills levels, the semi-skilled category accounts for 45.1% of the total employment in the province, followed by low-skilled with (34.0%) and skilled workers (22.2%).

Looking at new jobs created by skill categories, 36 156 jobs were gained for skilled workers. Semi-skilled and low skilled workers category shed 16 993 and 2 039 jobs on a QoQ basis respectively.

# LABOUR MARKET EDUCATION STATUS 2022Q3

Table 1

EDUCATION STATUS	Working population (age 15+)	Labour force / economically active	Employed	Unemployed	Not economically active	Discouraged job seeker
NO SCHOOLING	1,6%	0,5%	0,6%	0,2%	3,0%	2,8%
LESS THAN PRIMARY COMPLETED	8,9%	7,5%	6,7%	8,6%	10,5%	7,0%
PRIMARY COMPLETED	6,3%	4,2%	3,6%	4,9%	8,7%	8,1%
SECONDARY NOT COMPLETED	<b>50,8%</b>	<b>44,0%</b>	<b>35,4%</b>	<b>55,6%</b>	<b>58,4%</b>	<b>56,4%</b>
SECONDARY COMPLETED	22,9%	28,5%	31,9%	23,9%	16,5%	23,1%
TERTIARY	<b>9,0%</b>	<b>14,6%</b>	<b>20,7%</b>	<b>6,3%</b>	<b>2,6%</b>	<b>2,3%</b>
OTHER	0,5%	0,8%	1,0%	0,0%	0,2%	0,3%
TOTAL	100,0%	100,0%	100,0%	99,5%	100,0%	100,0%

Source: Statistics South Africa Labour Force Survey, ECSECC calculations 2022

Table 2 above shows that in 2022Q3, the majority (58.4%) of the not economically active population have not completed secondary schooling. Of the 999 342 unemployed people in the province, 55.6% have secondary not completed, whilst only 6.3% have tertiary education. This indicates that education still plays a role in determining the position one will be in the competitive labour market. Overall, the labour force has a small share of people who have no schooling (0.5%), followed by those who completed less than primary education (7.5%). Only 2.3% of the discouraged job seekers have completed tertiary education in 2022Q3.

## 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

IN THE PROVINCES CAN BE FOUND ON THE FOLLOWING WEBSITES



**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**  
Better jobs. More often.

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