

Unemployment drops again after year of job gains

By [Promit Mukherjee](#)

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South Africa's official unemployment rate declined for the fourth consecutive quarter in October-to-December last year, falling further from a record high hit during the Covid-19 pandemic, data showed on Tuesday, 28 February 2023.



Social grant recipients stand in a queue outside a post office, as joblessness takes its toll in Meadowlands, a suburb of Soweto, South Africa, 24 February 2022. Reuters / Siphwe Sibeko

Unemployment fell to 32.7% in the final three months of 2022 from 32.9% in the preceding quarter, Statistics South Africa said.

“The unemployment rate according to the expanded definition of unemployment also decreased by 0.5 of a percentage point to 42.6% in Q4:2022 [the fourth quarter] compared to Q3:2022 [the third quarter],” Stats SA said.

Sectors leading employment gains were those in finance, private households, trade and transport while jobs were lost in community and social services, agriculture and construction.

"In the four quarters of 2022, one of the things that we have seen sustaining is the number of jobs that the market continues to reclaim," said Risenga Maluleke, Statistician-General.

"Even before Covid, it was not common that we saw four quarters in a row of gaining jobs."

But the agency stopped short of calling rising employment a sustainable trend given the potential for unforeseen events such as recent floods in the eastern part of the country and the impact of rolling blackouts.



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Africa's most industrialised economy has one of the highest unemployment rates in the world, with a yawning divide between the rich and poor almost three decades after the end of apartheid.

The apartheid system of city planning is one of the reasons why people in rural areas do not get jobs as they are far away from job centres, Maluleke said, adding the unemployment rate among Black Africans was higher than the national average.

South Africa's employment to population ratio, or absorption rate, at 39.4% is comparable to that of war-torn Afghanistan.

Maluleke told *Reuters* the country's failure to absorb unskilled workers, who constitute almost a third of the labour force, was a looming risk for policymakers.

A major concern is the level of youth unemployment at 43.4%, as those in the 15-34 age range account for over half the country's employable population of 40.46 million aged between 15 and 64.

According to an expanded definition of unemployment that includes those discouraged from seeking work, 42.6% were without work in the fourth quarter, down from 43.1% in the third quarter.

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