

MEDIA STATEMENT

25 August 2021

Business Unity South Africa on the latest unemployment statics

The announcement by Statistics SA of the latest unemployment rate again emphasizes the severe crisis our country faces. BUSA has consistently indicated our country is in crisis and that we are at the precipice of a cliff. The latest unemployment data worryingly takes us on the verge of jumping off that cliff!

The official jobless rate is 34.4%, but the extended rate, including those that have given up looking for jobs, is at a staggering 44.4%. This translates to 7 826 000 people wanting to work, but not able to find a job, and an additional 4 074 000 people that have given up looking for a job.

The youth unemployment rate was recorded at 64.4% for ages 15-24 and 42.9% for ages 25-34. It is shocking that young people, at their most productive ages, are unable to find employment. The data further shows that the rate of unemployment amongst women is higher than men, which is also very concerning.

The SA unemployment rates are amongst the highest in the world, if not the highest. We have experienced unemployment rates of over 20% for the last two decades, which demonstrates that we have structural unemployment.

BUSA has been clear in its engagement with government and other social partners, and in its public statements, that the only sustainable way to address unemployment is to enable businesses to grow and be profitable. This requires an environment in which businesses are confident to make long-term job-creating investments.

We have consistently indicated government needs to make structural interventions in the economy to attract investment and make it easier for businesses to start, grow and employ people. Some of these interventions are changes to labour regulations, making it easier to start businesses, policy certainty, political stability, rule of law and security, releasing spectrum, moving with urgency towards renewable energy and others.

BUSA stands ready to work with government to promote businesses in SA, but the levers to energize the economy are with government and it must act decisively and urgently!

The unemployment data reflect a structural crisis and only swift and decisive action by government, and partnership with business and labour can address the crisis.

ENDS

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