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**A TYPOLOGY OF THE UNEMPLOYMENT:
A POLICY-ORIENTED APPROACH**

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A typology of the Unemployed: A Policy Orientated Approach

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ABSTRACT

Unemployment is one of the most widespread concerns at present. Policy measures to combat unemployment, however, should be quite diverse in nature. For example, young unemployed individuals with some education but no experience would require the implementation of a different policy measure, when compared to older individuals, who may have experience but lack the proper education. Similarly, individuals with no experience who have been in long-term unemployment would require a much more active approach to appropriate policy action, than individuals who are highly educated with no experience. These highly educated individuals are much more likely to find a job, given their level of skills thus aggressive policy measures are not a priority in their case when compared to the inexperienced long-term unemployed.

This paper takes a look at unemployment by dividing it up into different working categories. The Labour Force Survey of September 2001 will be used to gather data for this task. Once these categories have been identified, this paper will suggest certain policy measures to deal with each section of unemployment appropriately.

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1. INTRODUCTION

South Africa has currently one of the highest unemployment rates in the world. This does not seem to be decreasing, due to the fact that as certain sectors show an increase in the level of job opportunities, there are perhaps double this amount that are being lost in other sectors. The measurement of the level of unemployment is also something that needs to be considered, as there are currently so many sources to get this information from, yet each of these gives fairly different values. Three of the most commonly quoted employment series are the CSS Employment Series, the annual estimates of the CSS October Household Survey (OHS) and the Standardised Employment Series (Klasen & Woolard, 1999). The problem with these methods of estimating unemployment figures is that they do not take into account the different reasons why individuals may be unemployed. There is no way to determine which of these individuals are unemployed due to physical disabilities or due to lack of transport for instance. Clearly these two reasons are very different in nature and would require separate policy approaches for obtaining some sort of poverty relief.

There is a definite lack of knowledge when it comes to categorising unemployment figures according to the different reasons for said unemployment.

The primary objective of this study is to analyse the current unemployment situation with respect to certain relevant criteria. This analysis will facilitate the formulation of estimates as to how these criteria will affect unemployment in the

future. The secondary objective, which will be achieved during the different stages of research, is to categorise unemployment into working areas. These working areas will ultimately give a clearer, more accurate portrayal of the real level of unemployment and thus facilitate a more policy-orientated approach.

2. METHODOLOGY

Research Hypotheses

The following hypotheses will be tested:

- The unemployed cannot be thought of as a heterogeneous group.
- It is necessary to categorise unemployment for the implementation of effective policy measures.

Data Analysis

The data that will be analysed is the Labour Force Survey of September 2001. (LFSSep2001). This survey constitutes a sample of 10 000 households drawn in enumerated areas. The sample was based on the 1996 population Census enumerator areas and the estimated number of households from the 1996 Population Census as well. The sampled population of this survey has been segmented by province and area type, being either urban or rural.

The information from this survey has been grouped into three separate data files.

These are called 'Person', 'Worker' and 'House'. 'Person' contains personal

information about the sampled individual including things like gender, age and home province. 'Worker' contains information about the individuals work habits i.e. whether employed or unemployed and perhaps reasons for said situation. 'House' contains household variables and geographical information, for example, number of individuals in a household and which of these said individuals brings in the most money.

The data files that will be focused on throughout this process will be the worker file and the person file. The analysis will be run using Stata.

3. LITERATURE REVIEW

3.1 Unemployment Overview

The initial difficulty of dealing with unemployment is identifying an appropriate definition. Standing, Sender & Weeks(1996) state: ' Unemployment for economists is primarily a flow concept- an offer of supply which is a function of price- whereas for labour statisticians it is a stock- a given number of people in a defined state.' Unemployment is hard to define partly because it combines a condition (being without employment), a need (for work or for income), an attitude (desire for paid work), a capacity (ability to accept an opportunity, or at least availability to do so), and an activity (searching for work). (Standing et. al, 1996) The definition has such been split into two groups, namely the official (strict) definition of unemployment and the expanded (broad) definition of unemployment. Stats SA uses the following definition of unemployment as its

official definition when running surveys.

The unemployed are those people within the economically active population who a) did not work during the seven days prior to the interview, b) want to work and are available to start work within a week of the interview and c) have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview. Similarly, Stats SA uses the same definition for the expanded unemployment rate when conducting surveys, except they exclude criterion c) from the equation. Among those who are also included in the expanded definition of unemployment are discouraged job seekers, who are unemployed but have not taken active steps to find work in the four weeks prior to the interview. The expanded definition shall be focused on in this case, as with our current level of unemployed, the level of discouraged workers will be very high. It is important that we include these individuals in our analysis as they form a large portion of the unemployed in South Africa.

There has been a major focus on unemployment in South Africa of late and thus the amount of information gathered on this subject is quite extensive. Research councils continuously run surveys in order to obtain a better idea of the existing unemployment crisis and thus develop certain policy measures for implementation. This is a daunting task, however, as the different surveys seem to come up with statistics that do not always agree. Is it better to rely on one data source, or would it be better to integrate these data sources for a more

holistic view? A brief overview of the different surveys results seems appropriate.

October Household Survey 1999

When looking at the statistics for the October Household Survey 1999, we can note the following:

- The unemployment rate stands at 35.85% according to the expanded definition.
- The unemployed women amounted to 42.8% in comparison to the unemployed men. They amount to 29.7%.
- Africans have the highest unemployment rate once again with a figure of 43.7%. This is compared to coloureds with 23.4%, Asians with 20% and lastly whites with 6.7%.
- The highest level of unemployment when it comes to the level of education seems to be with those individuals who have less than a matriculation pass. They account for 42.1% of the unemployed. Tertiary educated individuals once again have the lowest level of unemployment. They account for 11.5% of the unemployed.

Mesebetsi Labour Force Survey

When looking at the Mesebetsi Labour Force Survey 2000, the following can be noted:

- Total unemployment reached 45% under the expanded definition and nearly 32% under the official definition.
- Unemployment with respect to woman amounted to approximately 53%, whereas unemployed men were much lower at about 38%.
- African unemployment is the highest out of the recognised races with a figure of 52%. This is compared to coloureds, with a figure of 37%, indian/Asians with a figure of 23% and lastly whites, with a figure of 13%.
- The highest level of unemployment with respect to education stands at 39%. This level reflects the individuals who have schooling up to grades 10 to 12, yet are unable to find work. The lowest level of unemployment is found with individuals who have tertiary education, namely 11%.

Labour Force Survey (February 2000)

When looking at the LFS (Feb 2000), the following can be noted:

- Total unemployment according to the expanded definition is given as 35%. This is in contrast to the official definition, which stands at 26.7%.
- Females have an unemployment rate of 39.3% compared to males who sit at a rate of 31.9%. This difference seems decidedly smaller than the other surveys.
- The African unemployment rate of 41.2% is still the highest. This is followed by the Indian/ asian rate of 27.3%, the coloured rate of 27.1% and lastly the white rate of 10.1%.

- The highest level of unemployment with respect to education is those individuals with a grade 9 or lower. This is given by 39.9%. Once again, the individuals with a tertiary qualification of some kind still have the lowest percentage of unemployed. They stand at 10.4%.

What can ultimately be seen from the data analysed above, is that unemployment is increasing. There is a definite upward trend from the October Household Survey of 1999, through to the Labour Force Survey of February 2000, where it can be seen that unemployment is on the rise.

3.2 Factors affecting the level of unemployment in South Africa

When looking at the analysis above, the question one needs to ask is why this is taking place. Why is the level of unemployment growing in South Africa? According to the October Household Survey (1999), South Africa has experienced an increase in both the demand and supply of labour since 1995. The growth in supply, however, has outstripped the growth in demand, which has led to an ever-worsening employment gap.

Looking at this in context, there has been a rise in employment of over 1.13 million jobs since 1995. The problem is that this is insufficient to absorb the additional 3.13 million workers that entered the labour force during that time.

There have also been a large number of female entrants into the labour force. This suggests that women are no longer able to rely on more traditional sources

of income, perhaps due to the fact that a higher proportion of men are unemployed than before. Thus women are in a way, being 'forced' into the labour market.

The level of mismatched skills in the economy is also a factor to be taken into account when considering why unemployment is so high. The mismatch is so diverse that it is highly unlikely that the older unskilled 'labour pool', for instance, will ever be able to find long term employment, thus indicating a place perhaps for active policy implementation.

This skill bias can also be related to South Africa within a global context. With the implementation of trade liberalisation, through the relaxation of certain import and export tariffs, the level of actual imports and exports have also had an affect on the level of unemployment. Labour-intensive imports from low-wage countries are growing sharply, while South African exports in these categories, usually high-unskilled labour categories, are contracting. Capital-intensive skilled labour exports are rising in the sectors and capital-intensive imports are experiencing a downward trend. This is a direct result of South Africa's high wage level relative to productivity, which puts us at a competitive disadvantage in the low-wage, unskilled, labour-intensive activities. Unfortunately for South Africa, this type of labour is in abundance, thus ultimately aggravating the unemployment problem from a global perspective. This is a generalised statement yet if we consider the effect of jobs created in the skilled exporting sectors compared to the jobs lost in the unskilled importing sectors, we will no doubt see that the net effect is an

increase in the level of unemployment. The increase in the imports of unskilled, labour-intensive goods and the increase in the amount of skilled, capital-intensive exports do suggest the possibility that there is indeed a trade-off between trade liberalisation and employment.

Taking all these factors into account can only lead to the conclusion that most of these individuals in the South African labour force are involuntary unemployed. Given the opportunity to do any type of work, whether short or long term, most of these individuals would readily accept the offer. The problem therefore lies in developing and implementing policy measures to handle the unemployment issue at hand. The character of the 'unemployment problem', however, should be explored before policies are launched to deal with it, as the policies for responding to one form of unemployment could be quite different from those required for other forms (Standing et. Al, 1996).

4. THE DATA

4.1 GENERAL OVERVIEW

The following tables, analysing the data from the Labour Force Survey of September 2001, will give a better idea of the current problems South Africa is experiencing at the moment with regards to unemployment.

Table 1A:

Education Group	Agegroup					Total
	15-25	26-35	36-45	46-55	56-65	
No Schooling	2.2	3.57	10.48	19.84	23.6	5.5
Primary	22	23.52	39.81	45.41	38.06	27.15
Incomp. Secondary	43.9	42.43	35.88	27.2	28.01	40.76
Comp. Secondary	31.32	28.92	12.78	6.82	8.36	25.55
Tertiary	0.58	1.56	1.05	0.72	1.98	1.04
Total:	100	100	100	100	100	100

Of the unemployed between the ages of 15 and 25, the majority seem to have incomplete secondary school. As the age group rises, the 26 to 35 year olds also seem to have the highest percentage of unemployed with incomplete secondary school. From this stage on, however, the problem seems to come in at primary school level with the majority of the unemployed above the age of 35 lacking in proper primary school education. In total, however, the majority of the unemployed lack proper secondary school education.

Table 1B:

Education Group	Agegroup					Total
	15-25	26-35	36-45	46-55	56-65	
No Schooling	15.96	23.52	30.23	23.59	6.7	100
Primary	32.3	31.34	23.25	10.93	2.19	100
Incomp. Secondary	42.95	37.66	13.96	4.36	1.07	100
Comp. Secondary	48.87	40.94	7.93	1.74	0.51	100
Tertiary	22.3	54.17	16.03	4.53	2.96	100
Total:	39.87	36.18	15.86	6.53	1.56	100

From a different perspective, one can see that the level of unemployment is highest from the ages to 25. They have the highest percentage of unemployed as stated at 39.87% of the total unempl

Table 2:

Education Group	Gender		
	Male	Female	Total
No Schooling	40.42	59.58	100
Primary	48.14	51.86	100
Incomp. Secondary	41.35	58.65	100
Comp. Secondary	41.64	58.36	100
Tertiary	40.13	59.87	100
Total	43.21	56.79	100

It is clear to see that given the fact that the majority of the unemployed lack proper secondary education, it is the females that have the lowest level of education when compared to the males. We can see though that the biggest discrepancy is between males with tertiary education and females with tertiary education.

Table 3:

Education Group	Area Type		
	Urban	Rural	Total
No Schooling	30.29	69.71	100
Primary	42.69	57.31	100
Incomp. Secondary	59.07	40.93	100
Comp. Secondary	63.73	36.27	100
Tertiary	72.2	27.8	100
Total	54.37	45.63	100

Table 3 clearly shows that the majority of the unemployed are situated in urban areas when it comes to those with incomplete secondary school and above. The rural area unemployment problem is mainly concerned with those individuals with lower than primary school education.

Table 4:

Education Group	Race				Total
	African	Coloured	Indian/Asian	White	
No Schooling	96.33	3.67	0	0	100
Primary	91.7	7.57	0.54	0.19	100
Incomp. Secondary	86.79	9.15	1.59	2.47	100
Comp. Secondary	85.71	6.03	3.71	4.55	100
Tertiary	68.95	0.84	13.38	16.83	100
Total:	88.19	7.54	1.88	2.4	100

The African population group seems to have by far the highest level of unemployment at all education levels, as well as in total, compared to other population groups. This can only indicate that there are definite needs in the economy for inequality reduction and equitable policy solutions.

Table 5:

Race	Area Type		
	Urban	Rural	Total
African	80.27	97.62	88.19
Coloured	12.21	1.97	7.54
Indian/Asian	3.39	0.09	1.88
White	4.14	0.32	2.4
Total	100	100	100

With the majority of the unemployed being located in urban areas, we can see that the majority of these urban unemployed individuals are in fact african. The same can be said for the level of unemployment of africans in rural areas.

Table 6:

Gender	Marital Status		
	Married	Single	Total
Male	22.84	77.16	100
Female	37.07	62.93	100
Total	30.92	69.08	100

Looking at marital status of the unemployed, we see that the majority of the unemployed are single whether they be females or males. A greater percentage of unemployed males are single, however when compared to females. In contrast, a greater percentage of unemployed females are married compared to males.

Table 7A:

Welfare Support	Percent
Yes	0.7
No	99.3
Total	100

Table 7B:

UIF Support	Percent
Yes	0.59
No	99.41
Total	100

Table 7C:

Pension Support	Percent
Yes	0.56
No	99.44
Total	100

Table 7D:

Household Support	Percent
Yes	84.36
No	15.64
Total	100

These tables show the level of support for the unemployed as stated by the survey. It is clear that the levels occurring at the moment are completely inadequate and do not really provide for any real safety net for the unemployed. It is clear that the households provide the most support for their unemployed. This tends to be a huge problem at the moment as there is evidence of large numbers of unemployed individuals being supported by a small number of employed individuals, within the household context.

Table 8A:

Race	Province					
	WC	EC	NC	FS	KN	NW
African	38.74	90.09	41.64	93.86	91.38	96.1
Coloured	54.95	8.6	55.14	3.49	1.48	1.36
Indian/Asian	0.4	0.25	0	0.28	6.16	0.37
White	5.91	1.06	3.23	2.37	0.98	2.17
Total	100	100	100	100	100	100

Race	Province			
	Gaut	Mpum	NP	Total
African	89.5	96.02	98.88	88.19
Coloured	3.68	0.76	0.18	7.54
Indian/Asian	1.6	0.27	0.57	1.88
White	5.22	2.95	0.37	2.4
Total	100	100	100	100

Even though we have already noted that africans have the highest % levels of unemployment in S Africa, it is also noteworthy to see where all the unemployed are situated according to their race. Western Cape and Northern Cape regions experience the highest % levels of unemployment among the coloured population group. The other regions, however, are mainly dominated by african unemployment.

Table 8B:

Race	Province					
	WC	EC	NC	FS	KN	NW
African	3	15.52	0.9	6.46	23.18	9.95
Coloured	49.8	17.34	13.99	2.81	4.39	1.65
Indian/Asian	1.46	2.05	0	0.91	73.17	1.78
White	16.84	6.69	2.57	6.02	9.15	8.26
Total	6.83	15.2	1.91	6.07	22.37	9.13

Race	Province			
	Gaut	Mpum	NP	Total
African	18.75	7.25	14.98	100
Coloured	9.03	0.68	0.32	100
Indian/Asian	15.65	0.94	4.04	100
White	40.21	8.19	2.07	100
Total	18.47	6.66	13.36	100

Looking at table 8b, we can pin-point where the highest % level of unemployment is found. This seems to be the Kwazulu-Natal region, followed not too far behind by Gauteng.

4.2 CATEGORICAL OVERVIEW

4.2.1 Policy Group 1: Young Unemployed (Weighted)

Number of unemployed individuals: 5556041
 Percentage of the total unemployed: 76.05

Table 9:

Education Group	Race				Total
	African	Coloured	Indian/Asian	White	
No Schooling	96.48	3.52	0	0	100
Primary	91.91	7.63	0.32	0.15	100
Incomp. Secondary	88.24	8.79	1.21	1.76	100
Comp. Secondary	87.54	5.87	3.49	3.09	100
Tertiary	74.78	0.78	12.45	11.99	100
Total:	88.96	7.41	1.78	1.85	100

Table 10:

Race	Gender		
	Male	Female	Total
African	42.25	57.75	100
Coloured	42.83	57.17	100
Indian/Asian	44.69	55.31	100
White	39.73	60.27	100
Total	42.29	57.71	100

Table 11:

Education Group	Area Type		
	Urban	Rural	Total
No Schooling	30.29	69.04	100
Primary	39.48	60.52	100
Incomp. Secondary	55.55	44.45	100
Comp. Secondary	62.18	37.82	100
Tertiary	68.83	31.17	100
Total	53.34	46.66	100

4.2.2 Policy Group 2: Long-term unemployed-No experience (Weighted)

Number of unemployed individuals: 1169366
 Percentage of the total unemployed: 16.01

Table 12:

Education Group	Race				Total
	African	Coloured	Indian/Asian	White	
No Schooling	98.27	1.73	0	0	100
Primary	95.23	4.23	0.54	0	100
Incomp. Secondary	87.09	6.7	1.61	4.6	100
Comp. Secondary	77.45	4.15	5.05	13.35	100
Tertiary	59.62	2.26	10.79	27.33	100
Total:	91.05	4.63	1.33	3	100

Table 13:

Race	Gender		
	Male	Female	Total
African	43.71	56.29	100
Coloured	43.16	56.84	100
Indian/Asian	38.52	61.48	100
White	31.18	68.82	100
Total	43.24	56.76	100

Table 14:

Education Group	Area Type		
	Urban	Rural	Total
No Schooling	27.71	72.29	100
Primary	44.5	55.5	100
Incomp. Secondary	71.33	28.67	100
Comp. Secondary	76.17	23.83	100
Tertiary	80.9	19.1	100
Total	54.01	45.99	100

4.2.3 Policy Group 3: Unemployed-Have experience (Weighted)

Number of unemployed individuals: 580726
 Percentage of the total unemployed: 7.95

Table 15:

Education Group	Race				Total
	African	Coloured	Indian/Asian	White	
No Schooling	90.96	9.04	0	0	100
Primary	82.86	14.52	1.81	0.81	100
Incomp. Secondary	69.06	17.97	5.96	7.01	100
Comp. Secondary	56.92	12.57	6.64	23.88	100
Tertiary	41.95	0	21.08	36.96	100
Total:	75.04	14.6	3.98	6.38	100

Table 16:

Race	Gender		
	Male	Female	Total
African	51.51	48.49	100
Coloured	52.15	47.85	100
Indian/Asian	56.84	43.16	100
White	52.4	47.6	100
Total	51.87	48.13	100

Table 17:

Education Group	Area Type		
	Urban	Rural	Total
No Schooling	35.4	64.6	100
Primary	56.61	43.39	100
Incomp. Secondary	78.1	21.9	100
Comp. Secondary	79.38	20.62	100
Tertiary	85.09	14.91	100
Total	64.97	35.03	100

5. A TYPOLOGY OF THE UNEMPLOYED

When looking at all the information reflected in the tables above, we can see that there are some definite characteristics present of the unemployed. The unemployment problem is serious at the moment and what is desperately needed is a way to perhaps make the appropriate policy interventions as effective as possible. This implies that it may be useful to classify unemployment into working groups according to certain characteristics of unemployment. These characteristics include the following.

- Location, i.e. whether the area is considered to be urban or rural.
- Level of education, i.e. what level of education has the highest unemployment rate.
- Work experience, i.e. whether the individual has worked before at a job and perhaps learnt some skills necessary for keeping on track.
- Age plays an important factor, i.e. what age group is experiencing the highest level of unemployment and are there any underlying reasons for this.
- Gender is also a consideration as most of the unemployed females do not receive the necessary opportunities in order to better their situations, when compared to their male counterparts.

Making use of the data shown above, the following types of unemployed groups have presented themselves as being the most necessary groups to

consider when determining appropriate policy measures. The unemployed have been divided into three groups and quantitative data on these groups has been presented from tables 9 through 17.

5.1 Young unemployed (Policy Group 1):

These are the young unemployed individuals under the age of 35, who have some form of secondary or post-secondary education. Looking at tables 9 through 11, we can see that this group is female-dominated and consists largely of Africans situated in mainly urban areas. This group is also particularly focused in the provinces of Kwazulu-Natal, Gauteng and Eastern Cape.

5.2 Long-term unemployed-No experience (Policy Group 2):

These are the unemployed individuals who are older than 35 years of age and have less than complete primary education. They have no experience at all and have not worked in the past three years or have never held a job. These are the most difficult individuals to introduce into the labour market as they have become fairly intractable due to their long period of time out of action. Looking at tables 12 through 14, we can see that this group is heavily dominated by African females and also situated in fairly urban areas. The provinces where this group is drawn from include the Eastern Cape, Gauteng, Kwazulu-Natal and North Province.

5.3 Unemployed-Have experience (Policy Group 3):

These are the unemployed individuals over the age of 35, who have completed the primary schooling but lack complete secondary schooling. They have slightly more skill knowledge than the long-term unemployed. Looking at tables 15 through 17 we can see that this group is predominantly African, but with an increased share of coloured members as well. Males dominate this group by a percentage or two, and the majority of this group can also be found in urban areas. The majority of these individuals can be found in the provinces of the Western Cape, Gauteng and Kwazulu-Natal.

6. POLICY APPROACHES

When considering the different alternatives to combating unemployment, one needs to first be made aware of the different factors that need to be targeted and addressed by such policies.

- The economy needs to develop its skills base, i.e. there needs to be a definite commitment by government to implement programmes that deal with this issue decisively.
- It is also vital that investment promoting measures, such as spatial development initiatives and tax holiday concessions are employment sensitive. Industrial policy measures should be designed to include incentives for employment creation and disincentives for the favouring of

capital over labour intensiveness.

- Even though all parties tend to agree on the fact that South Africa should become an internationally competitive economy, they also think that this should be achieved through a greater emphasis on the introduction of properly sequenced supply-side measures. These include increased skills training and policies promoting research and development, and not just simply tariff reductions for increased global exposure.
- Mechanisms should also be put in place to lower the level of existing jobs that are being shed, i.e. retrenchments should be more tightly regulated.
- More appropriate and developmentally orientated macro-policies should be adopted. These include policies that provide for the adequate resourcing of expanded housing, infrastructure and public works programmes.

One of the main policy approaches to dealing with unemployment experienced in South Africa, is that of public works programmes. These are considered to be fairly short to medium-term initiatives but are considered by most to be effective nonetheless. These include special employment programmes, which are aimed at raising and speeding up the level of job creation. Existing programmes include: municipal infrastructure programmes; Working for Water and community-based public works programmes; Clean-Cities campaign; Land Care campaign; and welfare programmes.

These programmes are fairly diverse, and while the unemployed are also fairly diverse in nature, it is better to deal with the unemployed as groups of individuals with similar characteristics. This way policy measures can be more focused and thus more successful in dealing with the problem at hand.

When looking at our categories of the unemployed as specified above, we can have an independent look at what policy implications should be involved with regards to each of them.

Policy Group 1:

This group consists mainly of young urban individuals who should be able to find jobs if they have access to the right channels and are able to maintain their skills base, through some sort of skills development programmes. This group should have the least problem finding work out of the three, yet it seems that they have by far the highest percentage of unemployed individuals compared to the other two groups. This can only lead us to the conclusion that there is definite jobless growth i.e. this is a job creation issue and what needs to be put into place are some sort of macro-economic policies that will facilitate, through fiscal or monetary expansion, a net increase in job creation. A policy approach to the reduction in the loss of existing jobs should also be outlined consecutively with this macro-economic stance to maximise the effectiveness of this policy measure. A major factor underlying the current job losses is one of trade

liberalisation as firms are becoming increasingly capital-intensive compared to their past level of labour-intensiveness. This global issue, as mentioned above, should be taken into consideration.

Policy Group 2:

This group consists of unemployed individuals over the age of 35 who have no experience (i.e. have never held a job) or have not held a job in the past three years. These individuals, as stated above, are particularly intractable due to their length of time out of the labour market, thus they become a poverty alleviation issue for the government and need to be dealt with as such. The general consensus regarding this group of people, is that in all probability, they will not be able to find a job as the labour market has become a non-feasible form of income. The only real policy approach in this case is one of providing an adequate social safety net through a welfare grant. At present as shown in table 7a, the level of welfare support for the general unemployed is almost non-existent. An attempt can be made to remedy this situation through a basic income grant transfer. There is thus a definite need to investigate whether this type of approach is feasible in South Africa, i.e. will it be sustainable and affordable at this stage. . These individuals are also lacking in proper education and therefore would probably benefit most from special employment programmes, such as public works programmes. These are short to medium-term initiatives yet they have proved to be effective nonetheless. Some of these

programmes, for example, the Working for Water Campaign, have the ability to become more long-term orientated as more employment opportunities arise as the project wears on. This type of welfare programme will hopefully be able to get some of the unemployed out of complete poverty for an indefinite period of time.

Policy Group 3:

This group consists of unemployed individuals over the age of 35 who have had some labour market experience. These individuals are not in the same position as the individuals from policy group 2, as the labour market is still a feasible income option for them. They do, however, require some sort of skills training or programmes which will help facilitate their reintroduction into the labour market. There is also a need for proper job searching mechanisms which will facilitate the matching of job skills with the available work. Labour Bureaus are an important source of finding information on the availability of jobs in the economy and the relevant skills needed. Employment agencies provide an important service to the unemployed as they make the searching for a particular job an easier and smoother process.

7. CONCLUSION

The primary objective of this study was to analyse current unemployment according to certain criteria. These criteria, namely age, gender, population group, education group and type of area, have allowed us to take unemployment

and categorise it into workable groups, as stated by the secondary objective. By using explanatory tables as an overview, we were able to create a clear picture of where the highest levels of unemployment were to be found in the labour market. We also looked at tables for each defined unemployment group and made certain conclusions regarding the make-up of each of these. These conclusions allowed us to develop different policy approaches for each of these groups independent of each other. It seems that decreasing the levels of unemployment in the economy, would best be achieved by the effective implementation of policy measures based on the three groups that were identified. This ensures a complete and holistic approach to dealing with unemployment and allows for each policy groups major members to be dealt with accordingly.

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