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## **REASSESSING UNEMPLOYMENT IN SOUTH AFRICA: LABOUR MARKET SEGMENTATION, MIGRATION, AND THE POLITICAL ECONOMY OF WORK**

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### **ABSTRACT:**

South Africa continues to experience persistently high unemployment despite decades of policy reform and economic restructuring. Public discourse increasingly frames this crisis as self-created, often attributing joblessness to labour migration, skills mismatch, or the alleged unwillingness of citizens to accept certain forms of work. This article reassesses unemployment in South Africa by situating it within a segmented labour market shaped by historical inequalities, contemporary migration dynamics, and a political economy that produces exclusion rather than absorption. Using a qualitative secondary data analysis of national labour force surveys, policy documents, and recent empirical studies, the paper interrogates the structural drivers of unemployment and the differentiated allocation of work across sectors. The findings demonstrate that migrant labour, both documented and undocumented, occupies specific labour market segments characterised by precarity, low

wages, and weak regulation, rather than displacing South African workers in a uniform manner. Unemployment among citizens is shown to be more closely linked to deindustrialisation, spatial inequality, educational stratification, and employer preferences for flexible labour. The study further reveals how political narratives around migration obscure deeper governance and policy failures while reinforcing social fragmentation. The article contributes to debates on unemployment by moving beyond binary explanations of choice versus exclusion and by highlighting the need for labour market reform that addresses structural segmentation rather than scapegoating vulnerable groups. Policy implications include the strengthening of labour inspection regimes, targeted skills development linked to sectoral demand, and a more coherent migration governance framework that aligns with employment policy.

**KEYWORDS:** Labour market segmentation; Migration; Political economy; South Africa; Unemployment.

## **INTRODUCTION AND BACKGROUND**

Unemployment remains one of the most enduring and destabilising socio-economic challenges confronting South Africa's democratic state. Despite sustained policy attention since 1994, the country continues to record some of the highest unemployment levels globally. Using the expanded definition, which includes discouraged work seekers, unemployment has remained above 40 percent in recent years, with young people, women, and Black South Africans experiencing the most severe exclusion from paid work (Statistics South Africa, 2024). These figures reflect more than cyclical economic weakness. They point to deep-rooted structural constraints within the labour market that have proven resistant to both economic growth and policy reform. While the scale of unemployment is widely acknowledged, its underlying causes remain intensely contested in public discourse and policy debates. Prominent narratives increasingly suggest that unemployment is partly self-inflicted, attributing joblessness to skills aversion, unrealistic wage expectations, labour market rigidity, or a reluctance among South Africans to accept low-paying or physically demanding work (OECD, 2023). Parallel to this argument is the claim that migrant workers, particularly those from the Southern African region, displace local workers by accepting lower wages and poorer working conditions. These explanations have gained traction in periods of economic stress, as competition for scarce employment intensifies and social frustration deepens (Crush & Tshitereke, 2021).

Although such claims resonate politically, they risk obscuring the structural realities of South Africa's labour market. Empirical evidence consistently shows that unemployment is not primarily driven by individual attitudes or preferences, but by the limited capacity of the economy to generate sufficient and appropriate employment opportunities (Bhorat, Lilenstein, & Rooney, 2022). Labour demand has remained weak, particularly in labour-intensive sectors such as manufacturing and agriculture, while employment growth has been concentrated in low-productivity services that offer limited security and earnings. As a result, the gap between labour supply and labour absorption continues to widen, especially for new entrants into the labour market. South Africa's labour market must also be understood as a product of its historical formation. Under colonialism and apartheid, labour markets were deliberately structured to allocate work along racial and spatial lines, reserving stable and well-paid employment for a minority while confining the majority to precarious, low-wage labour (Seekings & Nattrass, 2022). Migrant labour systems were central to this arrangement, particularly in mining and agriculture, where Black workers were incorporated as temporary and disposable labour. Although apartheid legislation has been dismantled, many of the institutional and spatial features of this system persist, shaping patterns of employment, mobility, and exclusion in the present (Ranchhod & Daniels, 2021).

In the post-apartheid period, labour market segmentation has remained a defining characteristic of employment outcomes. Formal employment is increasingly protected by high skill thresholds, credential requirements, and insider advantages, while informal and non-standard work absorbs those excluded from the primary labour market (Bhorat et al., 2021). These secondary segments are marked by insecurity, weak regulation, and limited upward mobility. Importantly, migrant workers are disproportionately represented in these segments, not because they displace South African workers across the board, but because employers often channel them into roles characterised by informality and reduced labour protections (Rogerson, 2023). The role of migration in South Africa's labour market has therefore become both economically significant and politically sensitive. Research shows that migrant workers are concentrated in specific sectors, including agriculture, construction, hospitality, private security, and informal trading, where wages are low and enforcement of labour standards is uneven (Crush & Tshitereke, 2021). These sectors have historically struggled to attract stable local employment due to poor working conditions rather than worker unwillingness. Nonetheless, public discourse frequently frames migrants as

competitors rather than participants in a segmented labour system shaped by employer practices and regulatory weaknesses.

Political and policy narratives play a critical role in shaping how unemployment is understood and addressed. Simplified explanations that emphasise individual responsibility or external competition can deflect attention from structural policy failures, including weak industrial strategy, insufficient skills alignment, and limited state capacity to regulate labour markets effectively (Seekings & Nattrass, 2022). Such narratives also risk legitimising exclusionary responses that deepen social fragmentation without addressing the root causes of unemployment. Against this backdrop, the objective of this article is:

To reassess unemployment in South Africa by examining how labour market segmentation and migration interact within the country's broader political economy of work.

Rather than treating unemployment as a consequence of individual choice or isolated policy failures, the study situates joblessness within historically produced and institutionally sustained labour market structures. The article seeks to answer three interrelated questions:

**First**, how is employment distributed across sectors and worker categories in contemporary South Africa?

**Second**, what role does labour migration play within segmented labour markets characterised by inequality and precarity?

**Third**, how do political and policy narratives shape public understanding of unemployment and influence policy responses? By addressing these questions, the article aims to contribute to a more nuanced and evidence-based understanding of unemployment that moves beyond blame-oriented explanations and towards structural analysis.

## LITERATURE REVIEW

### Introduction

The persistence of high unemployment in South Africa has generated an extensive and growing body of academic literature seeking to explain its causes, characteristics, and consequences. Since the democratic transition, unemployment has remained structurally elevated, resisting periods of economic growth and policy reform alike (Statistics South Africa, 2024). Contemporary scholarship increasingly converges on the view that unemployment in South Africa is not primarily a function of individual choice or labour market preferences, but rather the outcome of deep-seated structural, institutional, and political-economic constraints (Bhorat, Lilenstein, & Rooney, 2022; Seekings & Nattrass,

2022). This literature review critically examines recent scholarship on unemployment, labour market segmentation, and migration, with particular attention to how these dynamics intersect and how they are framed within policy and public discourse. The researchers situate this review within a critical political economy perspective, arguing that while existing studies provide valuable insights, they often remain analytically siloed. Much of the literature examines unemployment, migration, or labour regulation in isolation, without sufficiently interrogating how power relations, employer strategies, and state capacity collectively shape labour market outcomes. By synthesising these strands of literature, the researchers introduce a more integrated understanding of unemployment that foregrounds structural exclusion, segmentation, and governance failures rather than individualised explanations.

### **Structural Explanations of Unemployment in South Africa**

Recent empirical research strongly supports the argument that unemployment in South Africa is fundamentally structural in nature rather than the outcome of individual choices or behavioural shortcomings. National labour market data consistently reveal that the economy has struggled to generate sufficient employment opportunities for a rapidly growing working-age population, particularly for those with low to intermediate levels of education and work experience (Statistics South Africa, 2024). This structural imbalance has persisted across economic cycles, suggesting that unemployment is rooted in the organisation of production, sectoral change, and institutional constraints rather than temporary shocks or personal preferences. Using longitudinal labour force data, Bhorat, Lilenstein, and Rooney (2022) demonstrate that employment growth since the early 2000s has been uneven and increasingly concentrated in low-productivity service sectors such as retail, security, and personal services. These sectors tend to generate jobs that are insecure, poorly paid, and limited in scale, which constrains their ability to absorb large numbers of job seekers. In contrast, traditionally labour-intensive sectors such as manufacturing, mining, and agriculture have experienced sustained contraction or stagnation, largely due to mechanisation, global competition, and weak industrial policy coordination. This sectoral shift has significantly reduced the economy's capacity to employ low- and semi-skilled workers, who make up the majority of the unemployed population (Bhorat et al., 2022).

The Organisation for Economic Co-operation and Development reinforces this structural interpretation by emphasising that South Africa's unemployment crisis reflects chronic weaknesses in labour demand rather than an oversupply of inadequately skilled workers alone

(OECD, 2023). While skills mismatches are present, the OECD notes that the overall rate of job creation remains far too low to absorb new entrants into the labour market, including graduates. This finding is particularly important because it challenges the popular assumption that education alone is sufficient to guarantee employment. Even individuals with completed secondary education or post-school qualifications face prolonged spells of unemployment, indicating that the problem lies in the limited availability of suitable jobs rather than the attributes of job seekers themselves (OECD, 2023). The World Bank further underscores the structural nature of unemployment by highlighting the exceptionally high barriers to labour market entry faced by young people in South Africa (World Bank, 2022). These barriers include employer demands for prior work experience, which effectively exclude first-time job seekers, as well as spatial mismatches between where people live and where jobs are located. Apartheid-era settlement patterns have left many job seekers residing far from economic hubs, increasing transport costs and reducing access to information about employment opportunities. The World Bank also points to the high costs associated with job search, including transport, communication, and documentation, which disproportionately affect poor households and reinforce intergenerational unemployment (World Bank, 2022).

Labour market regulation is often cited as a contributing factor to unemployment, yet recent evidence suggests that regulation alone cannot explain the depth and persistence of joblessness. Studies examining minimum wage implementation indicate that while wage floors may influence hiring decisions at the margins, they do not account for the scale of unemployment observed nationally (Bhorat, Naidoo, & Stanwix, 2021). Instead, weak economic growth, limited investment in labour-absorbing sectors, and declining public sector hiring have played a more decisive role. This suggests that debates focusing narrowly on labour market flexibility risk misdiagnosing the problem and diverting attention from broader structural constraints. The persistence of unemployment across demographic groups further supports a structural explanation. While youth, women, and Black South Africans are disproportionately affected, unemployment rates remain high even among older workers and those with formal qualifications (Statistics South Africa, 2024). If unemployment were primarily voluntary or driven by individual attitudes toward work, one would expect greater responsiveness to economic recovery and clearer differences based on personal characteristics. Instead, unemployment has remained stubbornly high even during periods of modest economic growth, indicating that job creation has been insufficiently inclusive and poorly aligned with the skills profile of the population (Seekings & Nattrass, 2022).

The researchers align with this structural interpretation and argues that voluntarist explanations fail to account for both the scale and durability of unemployment in South Africa. Claims that unemployment is largely self-created through skills aversion or dependency overlook the fact that millions of people actively search for work over extended periods without success. Long-term unemployment has become normalised, particularly among young people who have never held a formal job, which points to systemic exclusion rather than individual disengagement (Seekings & Nattrass, 2022). Moreover, the concentration of unemployment within specific communities and regions reflects spatial and economic inequalities that individuals cannot easily overcome through personal effort alone. Structural explanations also help to contextualise the political appeal of narratives that individualise unemployment. In conditions of widespread economic insecurity, attributing joblessness to personal failure or external competition provides a simplified account that obscures deeper governance and policy failures. However, empirical evidence consistently shows that unemployment is produced and reproduced through the interaction of weak labour demand, sectoral decline, spatial inequality, and institutional barriers to entry (OECD, 2023; World Bank, 2022). Addressing unemployment therefore requires interventions that reshape the structure of the economy rather than policies that seek to discipline or exclude job seekers.

In summary, the weight of recent empirical research confirms that unemployment in South Africa is best understood as a structural phenomenon rooted in the political economy of production and employment. Persistent joblessness reflects an economy that has failed to generate sufficient decent work opportunities and a labour market that systematically restricts access for new and vulnerable entrants. Recognising the structural nature of unemployment is essential for developing policy responses that move beyond moralising narratives and instead confront the underlying conditions that limit employment creation and inclusion.

### **Deindustrialisation and the Changing Structure of Employment**

A central theme in contemporary scholarship on South Africa's employment crisis concerns the long-term process of deindustrialisation and its profound implications for labour absorption. Manufacturing historically served as a cornerstone of employment creation, particularly for semi-skilled workers who could be absorbed through relatively short periods of training and on-the-job learning (Bhorat, Naidoo, & Stanwix, 2021). During much of the twentieth century, manufacturing provided a pathway into stable wage employment for large



segments of the working class. However, since the late 1990s, the sector's contribution to total employment has steadily declined, weakening one of the economy's most important engines of inclusive job creation (Statistics South Africa, 2024). Empirical evidence indicates that this decline has not been offset by commensurate growth in other labour-absorbing sectors. Bhorat et al. (2021) show that manufacturing employment has contracted even during periods of modest economic growth, suggesting that structural forces rather than cyclical downturns are driving the trend. These forces include increased capital intensity, exposure to global competition, trade liberalisation, and limited state coordination in industrial upgrading. As firms adopt labour-saving technologies to remain competitive, the capacity of manufacturing to absorb semi-skilled labour has been systematically eroded, leaving large numbers of workers structurally displaced.

Tregenna (2020) conceptualises this trajectory as premature deindustrialisation, arguing that South Africa began to shed manufacturing jobs at a much lower level of income and industrial maturity than advanced economies. This process is particularly damaging in a context of high inequality and limited social mobility, where manufacturing historically played a redistributive role by offering relatively well-paid employment to workers without tertiary qualifications. According to Tregenna (2020), premature deindustrialisation constrains employment creation not only directly, through job losses, but also indirectly, by weakening backward and forward linkages that support broader economic activity. The contraction of manufacturing has coincided with a significant expansion of service-sector employment, which now accounts for the majority of jobs in South Africa (OECD, 2023). While this shift reflects global economic trends, the composition of service-sector growth in South Africa is particularly concerning from an employment quality perspective. Much of the expansion has occurred in low-productivity services such as retail, private security, domestic work, hospitality, and informal trading, rather than in high-skill, high-wage knowledge-based services (Rogerson, 2023). As a result, service-sector growth has not replicated the employment stability or wage progression historically associated with manufacturing.

Rogerson (2023) highlights that a substantial share of service-sector employment is informal or semi-formal, characterised by insecure contracts, limited social protection, and weak enforcement of labour standards. These jobs often serve as survivalist options rather than pathways to long-term economic security. Although they provide income opportunities for individuals excluded from formal employment, they do little to address structural



unemployment or reduce inequality. The expansion of such work reflects an adjustment to the absence of labour-absorbing industries rather than a sign of a healthy employment transition (Rogerson, 2023). The researchers notes that this structural shift has altered not only the quantity of employment but also its quality, with significant implications for labour market inequality. Workers displaced from manufacturing often re-enter the labour market in lower-paying service jobs that do not utilise their existing skills or experience. This downward occupational mobility contributes to wage compression at the bottom of the labour market and reinforces a dual structure in which a minority of workers enjoy stable employment while the majority cycle between precarious jobs and unemployment (Seekings & Nattrass, 2022).

Agriculture exhibits a parallel pattern of declining labour absorption, despite its theoretical potential to generate employment, particularly in rural areas. While agriculture remains an important source of livelihoods, employment in the sector has stagnated or declined due to mechanisation, consolidation of commercial farms, and limited state support for small-scale and emerging producers (OECD, 2023). Large-scale commercial farming has become increasingly capital-intensive, reducing demand for manual labour, while land reform initiatives have struggled to translate access to land into sustainable employment outcomes (World Bank, 2022). The decline of agricultural employment has had significant spatial consequences. As rural employment opportunities diminish, households face increasing pressure to migrate to urban areas in search of work, intensifying competition for scarce jobs in cities (Statistics South Africa, 2024). This rural–urban migration does not reflect improved employment prospects in urban centres, but rather the absence of viable livelihoods in rural economies. The result is a growing urban informal sector that absorbs surplus labour without providing stable or decent work (Rogerson, 2023).

Taken together, the literature underscores that unemployment in South Africa cannot be understood independently of structural changes in the economy. Deindustrialisation and the erosion of labour-absorbing sectors have fundamentally reshaped the employment landscape, limiting opportunities for large segments of the population. The researchers argues that policy debates that focus narrowly on labour supply-side interventions, such as skills training and employability programmes, risk misdiagnosing the problem by ignoring the demand-side collapse in labour absorption. While skills development is important, it cannot compensate for the absence of sectors capable of employing workers at scale (OECD, 2023). Moreover, an exclusive focus on individual upskilling risks placing responsibility for unemployment on

job seekers rather than on structural economic dynamics. Evidence shows that even as educational attainment has improved over time, unemployment has continued to rise, particularly among young people (Statistics South Africa, 2024). This disconnect suggests that the problem lies not in the supply of labour, but in the structure of demand and the quality of jobs being created.

In conclusion, deindustrialisation has played a decisive role in shaping South Africa's employment crisis by undermining sectors that historically absorbed semi-skilled labour and replacing them with forms of work that are insecure and limited in scale. The changing structure of employment reflects deeper weaknesses in industrial policy, agricultural support, and economic coordination. Addressing unemployment therefore requires a renewed focus on rebuilding labour-absorbing sectors and improving the quality of employment, rather than relying solely on supply-side solutions that leave the structural foundations of joblessness intact.

### **Labour Market Segmentation and Institutional Exclusion**

Labour market segmentation theory has gained increasing prominence in analyses of South Africa's employment dynamics because it offers a systematic way of explaining why economic growth has not translated into broad-based employment inclusion. Rather than assuming a single, unified labour market in which workers compete on equal terms, segmentation theory highlights the existence of structurally differentiated segments that offer unequal access to jobs, protection, and rewards (Ranchhod & Daniels, 2021). In the South African context, this framework has proven particularly useful for understanding persistent unemployment, high levels of informality, and the reproduction of inequality across generations. Ranchhod and Daniels (2021) argue that South Africa's labour market is divided into a relatively small primary segment and a much larger secondary segment. Formal employment constitutes the primary segment and is characterised by stable contracts, access to benefits, predictable income, and legal protections under labour law. Entry into this segment is highly competitive and often restricted to individuals with prior work experience, recognised credentials, and social networks that facilitate access to opportunities. As a result, the primary segment functions as a protected space that insulates insiders from economic volatility while limiting entry for outsiders (Ranchhod & Daniels, 2021).

In contrast, the secondary segment comprises informal, temporary, and non-standard forms of work that are marked by insecurity, low wages, and limited prospects for advancement.

Employment in this segment includes casual labour, short-term contracts, informal trading, domestic work, and subcontracted services, many of which fall outside effective regulatory oversight (Rogerson, 2023). While these jobs provide income for individuals excluded from formal employment, they rarely offer stability or pathways into the primary segment. The persistence of this divide suggests that labour market outcomes are shaped less by individual effort and more by structural barriers embedded in hiring practices and institutional arrangements. Institutional exclusion plays a central role in reinforcing labour market segmentation. Bhorat, Lilenstein, and Rooney (2022) show that employer hiring norms in South Africa increasingly prioritise prior work experience, even for entry-level positions. This practice systematically disadvantages first-time job seekers, particularly young people transitioning from education into the labour market. In a context of mass unemployment, the requirement for experience creates a self-reinforcing cycle in which those without prior employment are excluded precisely because they have never been employed (Bhorat et al., 2022). This dynamic helps explain why youth unemployment remains exceptionally high despite improvements in educational attainment over time.

The researchers observe that these exclusionary practices disproportionately affect individuals from historically disadvantaged backgrounds. Young people from poor households often lack access to quality schooling, career guidance, and informal networks that facilitate entry into formal employment. As a result, they are more likely to be absorbed into the secondary segment or to remain unemployed for extended periods (Statistics South Africa, 2024). This process contributes to intergenerational inequality, as prolonged unemployment early in the life course reduces future earning potential and increases the likelihood of long-term labour market marginalisation. Labour regulation occupies an ambiguous position within this segmented landscape. South Africa's labour laws provide relatively strong protections for workers in formal employment, including minimum wage coverage, collective bargaining arrangements, and dismissal protections. These regulations play a crucial role in safeguarding worker rights and promoting decent work standards. However, several studies suggest that uneven enforcement has contributed to the emergence of a dual labour market in which protections apply primarily to insiders, while outsiders remain exposed to exploitation (OECD, 2023). This pattern does not imply that labour regulation itself causes unemployment, but rather that institutional capacity constraints limit the reach of regulation across the entire labour market.

The OECD (2023) notes that labour inspectorates face significant resource and capacity challenges, particularly in monitoring compliance in sectors characterised by informality and subcontracting. As a result, employers operating in the secondary segment are often able to evade minimum wage requirements and employment standards with limited risk of sanction. This uneven enforcement reinforces segmentation by allowing firms to lower labour costs through non-compliance, thereby incentivising the expansion of precarious employment arrangements. Workers in these segments remain legally protected in principle but unprotected in practice (OECD, 2023). The researchers extend this literature by placing greater emphasis on the role of employer power in shaping labour market segmentation. Firms operating under conditions of weak demand and heightened competition often seek to externalise risk by adopting flexible employment strategies. These strategies include the use of labour brokers, subcontracting chains, and casualisation, which transfer uncertainty from firms to workers (Rogerson, 2023). While such practices may enhance firm-level efficiency and cost control, they generate significant social costs in the form of employment instability, income insecurity, and limited access to social protection.

Rogerson (2023) demonstrates that subcontracting and informalisation are particularly prevalent in sectors such as construction, security, hospitality, and retail, where regulatory oversight is fragmented and bargaining power is uneven. Workers employed through intermediaries often perform the same tasks as formally employed workers but receive lower wages and fewer benefits. This creates a layered workforce within the same workplace, further entrenching segmentation and weakening collective worker power (Rogerson, 2023). Departing from a political economy perspective, labour market segmentation reflects broader power asymmetries between capital, labour, and the state. Weak labour demand and high unemployment reduce workers' bargaining power, enabling employers to impose flexible and insecure conditions with limited resistance (Seekings & Nattrass, 2022). At the same time, fiscal and administrative constraints limit the state's capacity to enforce labour standards consistently. The result is a labour market in which formal protections coexist with widespread informality, producing inclusion for some and exclusion for many.

In summary, labour market segmentation and institutional exclusion provide a compelling explanation for persistent unemployment and inequality in South Africa. The evidence suggests that access to decent work is shaped by structural barriers embedded in hiring norms, regulatory enforcement, and employer strategies rather than by individual

deficiencies. The researchers argue that addressing unemployment requires interventions that reduce segmentation by lowering barriers to entry, strengthening enforcement across all sectors, and limiting the scope for firms to externalise risk onto vulnerable workers. Without such reforms, the labour market is likely to remain divided in ways that perpetuate exclusion and undermine long-term social and economic cohesion.

### **Migration, Employment, and Labour Market Competition**

Migration occupies a highly contested and emotionally charged space in debates on unemployment in South Africa, often serving as a focal point for broader anxieties about economic insecurity and social change. In public discourse, migrants are frequently framed as direct competitors who displace South African citizens from jobs, particularly in low-skilled and low-wage sectors (Crush & Tshitereke, 2021). These claims have gained traction during periods of rising unemployment and economic stagnation, when competition for scarce resources intensifies. However, a growing body of empirical research challenges the assumption that migration is a primary driver of unemployment, instead situating migrant labour within the structural dynamics of a segmented and unequal labour market. Empirical studies consistently show that migrants in South Africa are concentrated in a narrow range of sectors characterised by low wages, high insecurity, and weak regulatory oversight. Crush and Tshitereke (2021) find that migrant workers are disproportionately employed in agriculture, construction, hospitality, domestic work, and informal trade. These sectors have long histories of precarious employment and are marked by limited compliance with labour standards. The concentration of migrants in these areas reflects employer demand for flexible and low-cost labour rather than systematic displacement of local workers. This pattern suggests that migrants are incorporated into existing labour market structures rather than reshaping them in ways that fundamentally alter employment opportunities for citizens.

Rogerson (2023) further demonstrates that migrant workers are often employed under conditions characterised by long working hours, low pay, and limited job security. In many cases, employment relationships are informal or mediated through subcontractors and labour brokers, which weakens workers' bargaining power and reduces the likelihood of regulatory compliance. These positions are frequently unattractive to local workers, not because of an unwillingness to work, but because the terms of employment fail to meet basic standards of decent work. This distinction is critical, as it challenges narratives that frame unemployment as a matter of individual choice or work aversion. The researchers support this interpretation

and argue that migrant labour is best understood as being integrated into secondary segments of the labour market shaped by employer strategies rather than worker preferences. In a context of high unemployment and weak enforcement of labour standards, employers are incentivised to recruit workers who are perceived as more compliant and less likely to challenge exploitative conditions (Rogerson, 2023). Migrants, particularly those with insecure legal status, often occupy this position not because they undercut wages by choice, but because their structural vulnerability limits their ability to refuse poor working conditions. This dynamic reinforces segmentation and depresses labour standards for all workers within the affected sectors.

Econometric evidence further undermines claims that migration has a significant negative impact on employment or wages for South African-born workers. Studies reviewed by the World Bank (2022) find no consistent evidence of large-scale displacement effects attributable to migration. Instead, the impacts of migration are highly localised and sector-specific, with substitution occurring primarily within informal labour markets rather than in formal employment. In some cases, migrant labour complements rather than substitutes local labour by filling gaps in sectors where labour shortages coexist with poor working conditions (World Bank, 2022). These findings suggest that migration operates within structural constraints rather than acting as an independent causal force behind unemployment. The researchers introduce an additional analytical dimension by highlighting the politicisation of migration during periods of economic stress. As unemployment rises and livelihoods become increasingly precarious, migrants are often constructed as convenient scapegoats for deeper structural problems (Crush & Tshitereke, 2021). Political actors and media narratives may frame migrants as responsible for job losses, crime, or declining wages, despite limited empirical support for these claims. This politicisation serves to divert attention from structural policy failures, weak labour market institutions, and employer practices that sustain exploitative employment arrangements.

Crush and Tshitereke (2021) argue that such narratives obscure the role of capital and the state in shaping labour market outcomes. By focusing on migrants as external competitors, public debate shifts away from questions of industrial policy, labour regulation, and enforcement capacity. This framing also legitimises exclusionary policy responses, including restrictive migration controls and workplace raids, which do little to address the underlying

causes of unemployment. Instead, these measures often deepen insecurity for migrant workers while leaving structural constraints untouched.

### **Informality, Precarity, and the Normalisation of Insecure Work**

The expansion of informal and precarious employment is a recurring and central theme in recent literature on South Africa's labour market. Rogerson (2023) notes that informal employment has become a permanent and structural feature of the economy rather than a temporary buffer during periods of economic downturn. Informal work now accounts for a significant share of total employment, providing survival income for millions of people who are excluded from formal jobs. While informal employment can mitigate extreme poverty in the short term, it offers limited protection against economic shocks, illness, or income loss. The International Labour Organization (ILO, 2022) argues that informality in South Africa is closely linked to unemployment, as many individuals cycle repeatedly between joblessness and insecure work. This pattern blurs the conventional distinction between employment and unemployment, complicating the interpretation of labour market indicators. Individuals may be counted as employed despite working only a few hours per week or earning incomes that fall below subsistence levels. As a result, official employment figures may mask the depth of labour market insecurity and understate the extent of economic vulnerability.

The researchers emphasises that informality should not be romanticised as a form of entrepreneurial resilience or adaptive behaviour. While informal activities may demonstrate ingenuity and survival strategies, they also reflect the failure of the formal economy to generate inclusive and sustainable employment opportunities. For many workers, informality is not a stepping stone to better jobs but a long-term condition characterised by instability and limited prospects for upward mobility (Rogerson, 2023). This reality challenges policy narratives that celebrate self-employment without addressing the structural constraints that confine workers to low-productivity activities. Migrants and young people are disproportionately represented in informal and precarious employment, reinforcing existing patterns of vulnerability and exclusion. Rogerson (2023) finds that migrants are overrepresented in informal trade, domestic work, and casual construction, where regulatory oversight is weakest. Young people, particularly those entering the labour market for the first time, are similarly concentrated in insecure forms of work or remain unemployed for extended periods (Statistics South Africa, 2024). These patterns reflect structural barriers to entry into formal employment rather than individual deficiencies.



The normalisation of insecure work has broader implications for social cohesion and economic development. As precarious employment becomes widespread, income volatility increases and household planning becomes more difficult. This undermines investments in education, health, and skills development, perpetuating cycles of poverty and exclusion (ILO, 2022). The expansion of informality therefore represents not only a labour market issue but also a broader developmental challenge.

### **Policy Narratives and the Framing of Unemployment**

A growing strand of literature examines how unemployment is framed within policy and political discourse, highlighting the ways in which narratives shape both public perception and policy responses. Seekings and Nattrass (2022) argue that dominant narratives in South Africa increasingly emphasise individual responsibility, employability, and behavioural change. Concepts such as work readiness, skills acquisition, and job search effort feature prominently in policy documents and public debate. While these factors are not irrelevant, their prominence risks obscuring the structural constraints that limit employment creation. The OECD (2023) cautions that policy frameworks overly focused on labour supply-side interventions risk neglecting demand-side measures that are essential for reducing unemployment. Skills development initiatives, while important, cannot generate employment in the absence of labour-absorbing sectors and sustained investment. The persistence of high unemployment despite extensive training programmes suggests that the core problem lies in weak labour demand, limited industrial diversification, and insufficient coordination between economic and labour market policies.

The researchers concur with this assessment and argues that the continued emphasis on employability reflects a broader shift in responsibility from institutions to individuals. By framing unemployment as a problem of skills or attitudes, policy discourse places the burden of adjustment on job seekers while absolving employers and the state of responsibility for job creation. This framing also makes it easier to justify limited public investment in labour-intensive sectors and employment programmes. Migration is frequently incorporated into these narratives as an external threat, reinforcing social divisions and legitimising restrictive policies. Crush and Tshitereke (2021) show that migrants are often portrayed as competitors who undermine wages and displace local workers, despite limited empirical support for these claims. Such framing exacerbates social tensions and can contribute to outbreaks of xenophobic violence, further destabilising already vulnerable communities.

The researchers argues that these narratives undermine social cohesion and distract from the need for comprehensive labour market reform. By focusing on individual behaviour or external competition, policy discourse avoids confronting the structural foundations of unemployment, including deindustrialisation, labour market segmentation, and weak regulation. A more constructive approach would recognise migration as part of the labour market rather than as an external disruption and would focus on improving working conditions and enforcement across all sectors. In summary, the literature demonstrates that migration, informality, and policy narratives are deeply intertwined within South Africa's employment crisis. Migrants are incorporated into secondary labour market segments shaped by employer demand and weak regulation, rather than displacing local workers on a large scale. Informality has become normalised as a response to structural unemployment, offering survival income but limited security. Policy narratives that individualise unemployment and politicise migration risk obscuring these realities and delaying meaningful reform. Addressing unemployment therefore requires a shift in both policy substance and discourse, grounded in a structural understanding of how work is created, regulated, and distributed.

### **Gaps and Emerging Directions in the Literature**

Despite the richness of existing scholarship, several gaps remain. First, there is limited integrative analysis that brings together unemployment, migration, labour regulation, and employer behaviour within a unified political economy framework. Second, few studies examine how power relations between the state, capital, and labour shape employment outcomes over time. The researchers introduce a new dimension by arguing that unemployment should be understood as an outcome of governance failure as much as economic structure. Weak coordination between industrial policy, labour regulation, and migration governance has produced fragmented and often contradictory interventions (World Bank, 2022).

### **Conclusion of the Literature Review**

This literature review has demonstrated that contemporary scholarship overwhelmingly supports a structural interpretation of unemployment in South Africa. Employment outcomes are shaped by deindustrialisation, labour market segmentation, employer practices, and weak institutional capacity rather than individual unwillingness to work. Migration, while politically salient, operates within these structures and does not constitute a primary driver of unemployment. The researchers advance the literature by integrating these strands within a

political economy perspective that foregrounds power, regulation, and governance. Addressing unemployment therefore requires more than skills development or restrictive migration policies. It demands systemic reform aimed at expanding labour demand, strengthening regulation, and reorienting economic policy towards inclusive employment creation.

## **THEORETICAL FRAMEWORK**

This study is anchored in labour market segmentation theory and political economy theory, which together provide a robust analytical lens for understanding unemployment in South Africa as a structurally produced phenomenon rather than an outcome of individual labour market choices. Labour market segmentation theory challenges the assumption of a unified and competitive labour market by demonstrating that employment opportunities are distributed across distinct segments characterised by unequal wages, job security, and mobility (Ranchhod & Daniels, 2021). Within this framework, the primary labour market segment is typically associated with stable employment, regulatory protection, and opportunities for advancement, while the secondary segment is marked by informality, insecurity, low wages, and limited prospects for mobility. Recent applications of labour market segmentation theory in South Africa show that access to the primary segment remains highly restricted and is often shaped by education credentials, prior work experience, and social networks, which are unevenly distributed due to historical inequality (Bhorat, Lilenstein, & Rooney, 2022). As a result, large sections of the working-age population, particularly youth, women, and migrants, are channelled into secondary labour market segments where work is precarious and poorly regulated. This segmentation is not accidental but reflects employer strategies aimed at minimising labour costs and maximising flexibility, especially in an economy characterised by weak growth and high competition (OECD, 2023). Political economy theory complements labour market segmentation by foregrounding the role of power, institutions, and policy choices in shaping economic and labour market outcomes. Rather than viewing unemployment as a technical imbalance between supply and demand, political economy perspectives emphasise how state capacity, regulatory enforcement, capital mobility, and historical patterns of accumulation influence who gains access to work and under what conditions (Seekings & Nattrass, 2022). In the South African context, labour market outcomes are inseparable from the legacy of apartheid-era labour control, which institutionalised exclusion and produced spatial and sectoral inequalities that continue to shape employment patterns.

Deliberating from a political economy standpoint, the persistence of high unemployment reflects not only economic constraints but also governance challenges, including fragmented policy coordination between industrial strategy, labour regulation, and migration governance (World Bank, 2022). The researchers adopt this perspective to argue that unemployment should be understood as a systemic outcome of how work is organised, regulated, and valued within the economy. By integrating labour market segmentation and political economy theory, the study moves beyond explanations that focus on worker behaviour or migrant competition and instead examines the structural forces that allocate risk, security, and opportunity unevenly across the labour market.

## **METHODOLOGY**

This study employs a qualitative secondary data analysis design, which is appropriate for examining macro-level labour market dynamics and policy discourse without direct engagement with human subjects. Secondary data analysis allows the researchers to synthesise existing empirical evidence and policy documentation to generate new insights into the structural drivers of unemployment (Johnston, 2020). This approach is particularly suitable for studies that seek to interrogate institutional arrangements, labour market trends, and political narratives over time.

The primary data sources include the Quarterly Labour Force Survey (QLFS) reports produced by Statistics South Africa, which provide nationally representative data on employment, unemployment, and labour force participation (Statistics South Africa, 2024). These reports are complemented by policy documents and strategic frameworks issued by the Department of Employment and Labour, as well as peer-reviewed journal articles published between 2020 and 2024. The inclusion of recent academic literature ensures that the analysis reflects current debates and empirical findings.

Data analysis follows a thematic approach, focusing on three interrelated themes. The first theme examines employment distribution across sectors and labour market segments, with particular attention to formal and informal employment patterns. The second theme explores migrant participation by sector, drawing on existing empirical studies to assess the extent and nature of migrant integration into secondary labour market segments (Crush & Tshitereke, 2021; Rogerson, 2023). The third theme analyses policy and political discourse on unemployment, identifying dominant narratives and their alignment, or misalignment, with empirical evidence.

As the study relies exclusively on publicly available, anonymised secondary data and does not involve interaction with human participants, it does not require ethical clearance. This is consistent with established research ethics guidelines, which exempt secondary analyses of publicly accessible data from formal ethical review (Johnston, 2020). The methodological approach thus ensures analytical rigour while adhering to ethical best practice.

## **RESULTS**

This section presents the findings derived from the qualitative secondary analysis of labour market data, policy documents, and recent empirical studies. The results are organised around three interrelated findings: the uneven structure of employment growth, the sectoral positioning of migrant labour within precarious forms of work, and the growing dominance of behavioural explanations in policy discourse on unemployment. A fourth cross-cutting finding concerns the role of labour regulation and enforcement in shaping observed employment outcomes. Together, these findings illustrate how unemployment in South Africa is reproduced through structural and institutional mechanisms rather than individual labour market behaviour.

### **Uneven Employment Growth and Sectoral Concentration**

The first key finding is that employment growth in South Africa remains uneven and is heavily concentrated in low-wage and low-productivity service sectors. Analysis of the Quarterly Labour Force Survey data indicates that employment gains over the past decade have been driven primarily by community and social services, trade, and personal services, while labour-intensive sectors such as manufacturing, agriculture, and mining have continued to contract or stagnate (Statistics South Africa, 2024). This pattern reflects a structural shift in the economy rather than a short-term response to economic shocks. Manufacturing employment, which historically absorbed large numbers of semi-skilled workers, has shown a long-term decline in both absolute employment and its share of total employment (Bhorat, Lilenstein, & Rooney, 2022). The contraction of manufacturing has reduced opportunities for workers without advanced qualifications, particularly young labour market entrants. Agriculture, despite its potential for labour absorption, has similarly failed to generate sustained employment growth due to mechanisation, consolidation, and declining investment in small-scale production (OECD, 2023). In contrast, employment growth in the services sector has been concentrated in activities characterised by low wages, limited job security, and high informality, such as retail trade, domestic work, private security, and hospitality

(Rogerson, 2023). While these sectors have provided some employment opportunities, the quality of work has remained poor, with limited prospects for skills development or upward mobility. The result is an employment structure that generates jobs but fails to provide stable livelihoods. These findings suggest that unemployment cannot be understood solely in terms of labour supply or skills mismatch. Even as educational attainment has improved over time, the economy has not generated sufficient demand for labour across skill levels (World Bank, 2022). The persistence of high unemployment alongside modest employment growth indicates that job creation has been insufficient in scale and misaligned with the composition of the labour force.

### **Labour Market Segmentation and Employment Quality**

A second major finding concerns the deepening segmentation of the labour market and the growing divide between secure and insecure forms of employment. Labour force data show a clear distinction between formal employment with contracts and benefits, and informal or non-standard work characterised by casualisation, subcontracting, and self-employment without registration (Statistics South Africa, 2024). This segmentation is evident across sectors but is particularly pronounced in services, agriculture, and construction. Formal employment has become increasingly inaccessible to new entrants, with employers placing greater emphasis on prior work experience, credentials, and networks (Bhorat et al., 2022). This has created a form of insider advantage, where those already employed are more likely to retain access to stable work, while outsiders cycle between unemployment and precarious employment. Youth unemployment remains especially high, reflecting structural barriers rather than voluntary withdrawal from the labour market (OECD, 2023). Informal employment, while often presented as a buffer against unemployment, emerges from the analysis as a space of constrained choice rather than opportunity. Many workers enter informal activities due to exclusion from formal employment rather than entrepreneurial intent (Rogerson, 2023). Earnings in informal work remain significantly lower than in formal employment, and exposure to income volatility and economic shocks is high. The findings further indicate that labour market segmentation is reinforced by employer practices that prioritise flexibility and cost reduction. Subcontracting, labour broking, and temporary contracts are widely used to externalise risk, particularly in sectors facing competitive pressure (World Bank, 2022). These practices contribute to the normalisation of insecure work and weaken the link between employment and social protection.

### **Migrant Workers and Sectoral Concentration in Precarious Employment**

The third key finding relates to the role of migrant workers within segmented labour markets. The analysis confirms that migrant workers, particularly those from the Southern African region, are disproportionately represented in informal and precarious forms of employment (Crush & Tshitereke, 2021). This concentration is most evident in agriculture, construction, hospitality, domestic work, and informal trading, sectors already characterised by weak regulation and poor working conditions. Importantly, the data do not support claims that migrant workers displace South African workers at scale. Empirical studies consistently show that migrants are employed in specific niches within the labour market rather than across all sectors (Rogerson, 2023). These niches are shaped by employer demand for flexible and low-cost labour rather than by the availability or preferences of local workers. Labour force surveys indicate that unemployment among South African citizens remains high even in sectors with limited migrant participation, suggesting that migration is not the primary driver of joblessness (Statistics South Africa, 2024). Moreover, econometric analyses reviewed by the World Bank (2022) find no statistically significant negative impact of migration on aggregate employment or wages for South African-born workers. The findings also highlight that migrant workers often accept poorer working conditions not out of preference, but due to legal vulnerability, limited bargaining power, and exclusion from social protection (Crush & Tshitereke, 2021). This vulnerability makes migrants attractive to employers seeking to reduce labour costs, thereby reinforcing segmentation within the labour market. These results suggest that migration functions within existing structures of inequality rather than creating them. Migrant labour is integrated into secondary labour market segments that are already characterised by insecurity, and its presence reflects employer strategies and regulatory gaps rather than labour market competition alone.

### **Policy Discourse and Behavioural Framing of Unemployment**

A fourth major finding concerns the framing of unemployment within policy and political discourse. Analysis of policy documents and public statements reveals a growing emphasis on behavioural explanations of unemployment, including skills deficits, employability, and job search behaviour (OECD, 2023). While these factors are not irrelevant, their prominence tends to overshadow structural constraints such as weak labour demand, industrial decline, and labour market segmentation. Policy narratives increasingly frame unemployment as a problem of individual readiness rather than systemic exclusion. This framing is evident in the prioritisation of skills training programmes and entrepreneurship initiatives, often without



corresponding expansion of labour-absorbing sectors (Seekings & Nattrass, 2022). The persistence of high unemployment despite repeated skills interventions suggests a disconnect between policy assumptions and labour market realities. Migration is frequently incorporated into these narratives as a source of competition and pressure on jobs, particularly in low-skilled sectors (Crush & Tshitereke, 2021). However, the empirical evidence reviewed in this study indicates that such claims are overstated and divert attention from the role of employers and regulatory enforcement. The behavioural framing of unemployment has important implications for policy design. By locating responsibility at the level of individuals, it limits the scope for demand-side interventions and weakens accountability for structural reform (World Bank, 2022). The results therefore point to a misalignment between dominant policy narratives and the empirical drivers of unemployment.

### **Labour Regulation, Enforcement, and Employer Practices**

A final cross-cutting finding concerns the role of labour regulation and enforcement in shaping employment outcomes. Labour inspection data indicate uneven enforcement of minimum wage and employment standards across sectors, with particularly weak compliance in agriculture, domestic work, construction, and informal services (Department of Employment and Labour, 2023). These are the same sectors in which migrant workers are most concentrated. Weak enforcement creates incentives for employers to substitute secure employment with informal or non-standard arrangements, reducing labour costs and regulatory exposure (OECD, 2023). This substitution is driven by employer behaviour rather than worker nationality, as similar practices affect South African and migrant workers in secondary labour market segments. Minimum wage compliance data further show that violations are widespread in low-wage sectors, undermining the protective intent of labour regulation (Bhorat et al., 2021). Where enforcement capacity is limited, employers are able to exploit vulnerable workers, reinforcing segmentation and precarity. The findings indicate that labour regulation alone is insufficient without effective enforcement. Weak inspection capacity allows exploitative practices to persist, contributing to the persistence of unemployment and underemployment. This reinforces the conclusion that unemployment is shaped by institutional capacity and governance rather than individual labour market behaviour.

## DISCUSSION

The findings of this study challenge dominant and increasingly popular claims that unemployment in South Africa is primarily self-created or driven by the presence of migrant labour. Rather than supporting behavioural or competition-based explanations, the results point to a labour market that is structurally organised in ways that systematically exclude large segments of the working-age population from stable and secure employment (Bhorat, Lilenstein, & Rooney, 2022). Unemployment emerges not as an aberration or temporary imbalance, but as an enduring feature of the political economy of work in South Africa. The uneven structure of employment growth provides a critical starting point for interpreting these findings. The concentration of job creation in low-wage, low-productivity service sectors, alongside the sustained decline of labour-intensive industries such as manufacturing and agriculture, confirms arguments that the South African economy has lost much of its capacity to absorb labour at scale (OECD, 2023). This pattern reinforces exclusion, particularly for workers without advanced qualifications, and helps explain why unemployment remains high even during periods of modest economic recovery. The researchers interpret this as evidence that unemployment cannot be meaningfully addressed without confronting the long-term erosion of labour-absorbing sectors and the failure of industrial policy to reverse deindustrialisation (Seekings & Nattrass, 2022).

The findings further support labour market segmentation theory by demonstrating how employment opportunities are unevenly distributed across distinct segments characterised by different levels of security, remuneration, and protection. Formal employment increasingly functions as a closed segment, protected by high entry barriers such as credential requirements, prior experience, and social networks, which remain unevenly distributed due to historical inequality (Ranchhod & Daniels, 2021). As a result, large numbers of job seekers, particularly youth and first-time entrants, are channelled into informal or non-standard forms of work, or excluded from employment altogether. This segmentation is not merely a reflection of skills mismatch, as is often suggested in policy discourse. Instead, it reflects employer strategies aimed at minimising labour costs and shifting risk onto workers through subcontracting, casualisation, and temporary contracts (World Bank, 2022). The researchers argues that these practices are central to understanding both unemployment and underemployment, as they reduce the number of stable jobs available while normalising insecurity as a permanent feature of the labour market. In this context, unemployment is closely linked to the quality of employment being created, not simply the quantity. Migration

must be understood within this segmented labour market structure. The findings confirm that migrant workers are disproportionately concentrated in secondary labour market segments characterised by informality, low wages, and weak regulatory oversight (Crush & Tshireke, 2021). These sectors include agriculture, construction, hospitality, domestic work, and informal trading, which are already marked by poor working conditions and limited job security (Rogerson, 2023). The evidence does not support claims that migrants displace South African workers across the labour market. Instead, migrants are integrated into niches shaped by employer demand for flexible and low-cost labour.

Departing from the researchers's perspective, this finding is particularly significant because it reframes migration from being a cause of unemployment to being a symptom of deeper structural dynamics. Migrant labour fills gaps created by a labour market that tolerates and, in some cases, depends on precarious work arrangements. Migrants' vulnerability, often linked to legal status and limited access to social protection, makes them more susceptible to exploitation, thereby reinforcing segmentation rather than undermining employment opportunities for citizens (Crush & Tshireke, 2021). This interpretation aligns with international evidence showing that migration effects on employment are highly context-specific and mediated by labour market institutions (OECD, 2023). The political framing of migrants as competitors for jobs must therefore be understood as a discursive response to economic insecurity rather than an empirically grounded explanation of unemployment. The findings suggest that such framing serves to obscure the role of employers, weak regulation, and limited state capacity in shaping labour market outcomes (Seekings & Nattrass, 2022). By directing public attention towards migrants, political discourse deflects scrutiny from structural policy failures, including inadequate industrial strategy, fragmented labour governance, and insufficient enforcement of labour standards.

This behavioural framing of unemployment is further reinforced by policy narratives that emphasise employability, skills development, and individual job search behaviour. While these factors are not irrelevant, the findings indicate that they are insufficient to address unemployment in the absence of expanded labour demand (OECD, 2023). The persistence of high unemployment despite extensive investment in skills programmes suggests a disconnect between policy assumptions and labour market realities. The researchers interpret this as evidence of a supply-side bias in policy design, which places responsibility on individuals while underplaying structural constraints. Labour regulation and enforcement emerge as

critical yet underexamined dimensions of unemployment and labour market segmentation. The findings indicate that weak enforcement of minimum wage legislation and employment standards is concentrated in the same sectors where migrant and informal labour is most prevalent (Department of Employment and Labour, 2023). This creates an environment in which employers can substitute secure employment with informal arrangements, reducing labour costs while undermining worker protections. Importantly, this substitution affects both South African and migrant workers, suggesting that nationality is less relevant than vulnerability in determining exposure to exploitation.

The researchers argues that weak enforcement capacity undermines the protective intent of labour regulation and contributes to the persistence of both unemployment and precarious employment. Where compliance is low, employers face limited consequences for violating labour standards, reinforcing incentives to externalise risk and maintain segmented employment structures (Bhorat, Naidoo, & Stanwix, 2021). This finding highlights the central role of the state in shaping labour market outcomes, not only through legislation but through its capacity to enforce existing rules. Taken together, the findings support a political economy interpretation of unemployment that foregrounds power relations between the state, employers, and workers. Unemployment is reproduced through institutional arrangements that privilege capital mobility and flexibility over employment security, while the costs of adjustment are borne by workers excluded from stable employment (World Bank, 2022). Migration, informality, and precarious work are not anomalies within this system, but integral components of how labour is organised and valued.

The researchers introduce an additional dimension by emphasising the role of governance fragmentation in sustaining unemployment. Labour market policy, industrial policy, and migration governance are often treated as separate domains, resulting in incoherent and sometimes contradictory interventions (Seekings & Nattrass, 2022). For example, skills development initiatives are pursued alongside limited industrial expansion, while restrictive migration rhetoric coexists with weak labour inspection in sectors reliant on migrant labour. This fragmentation limits the effectiveness of policy responses and reinforces structural exclusion. In light of these findings, the discussion underscores the need to move beyond individualised and exclusionary explanations of unemployment. Addressing unemployment in South Africa requires a systemic approach that expands labour demand, strengthens labour regulation and enforcement, and aligns migration governance with employment policy.

Without such an approach, unemployment is likely to remain entrenched, and political narratives that blame vulnerable groups will continue to gain traction.

## **CONCLUSION**

This article set out to reassess unemployment in South Africa by situating it within the intersecting dynamics of labour market segmentation, migration, and the political economy of work. Rather than treating unemployment as a matter of individual motivation, employability, or external competition, the analysis has shown that joblessness is deeply embedded in the structural organisation of the economy and the institutional arrangements that govern access to work. When viewed through this lens, unemployment appears less as a failure of people to work and more as a failure of the economic system to generate and sustain decent employment at scale.

A central conclusion emerging from the analysis is that South Africa's labour market remains highly segmented, with clear divisions between protected, formal employment and precarious, informal or semi-formal work. These segments are not accidental or temporary. They reflect long-standing patterns of inequality that have been reproduced through post-apartheid economic restructuring, uneven skills development, and sectoral shifts away from labour-intensive production. As a result, large sections of the working-age population are structurally positioned outside stable employment, regardless of their willingness to work or improve their skills. Within this segmented system, migration does not function as an external shock that displaces South African workers. Instead, migrant labour is absorbed into the most insecure segments of the labour market, where enforcement of labour standards is weak and employment conditions are poor. Migrants often take on work that is unstable, physically demanding, and poorly remunerated, not because citizens are unwilling to work, but because the terms under which such work is offered undermine dignity and long-term livelihood security. Framing migrants as the primary cause of unemployment therefore misidentifies the problem and diverts attention from the underlying drivers of labour market exclusion.

The article also highlights the growing tendency within policy and public discourse to individualise unemployment. Narratives that emphasise work ethic, skills aversion, or dependency on social grants risk obscuring the reality that economic growth has been insufficiently inclusive and that employment creation has been concentrated in sectors with limited absorptive capacity. Such narratives shift responsibility away from institutions,

employers, and policymakers, placing the burden of adjustment on individuals who have little control over the structure of the economy or the availability of decent work. Importantly, the findings suggest that the persistence of unemployment is closely linked to governance challenges. Weak labour inspection, uneven enforcement of minimum wage regulations, and limited coordination between industrial policy and labour market regulation all contribute to an environment in which precarious employment proliferates. In this context, employers are incentivised to minimise costs through informalisation and labour flexibility, reinforcing segmentation and deepening inequality. Addressing unemployment therefore requires not only job creation, but also a renewed commitment to regulating work in ways that protect workers and promote fair competition.

Looking ahead, future research should move beyond aggregate unemployment figures and focus more closely on sector-specific labour dynamics. Detailed studies of agriculture, construction, hospitality, retail, and care work would provide deeper insight into how segmentation operates on the ground and how different groups of workers navigate insecure employment. There is also a need for more empirical work on the enforcement gap between labour legislation and workplace realities, particularly in sectors with high levels of informality and migrant participation. Moving from a policy perspective, the findings call for a shift away from exclusionary and punitive approaches to unemployment. Policies that focus narrowly on border control, labour market restriction, or behavioural conditionality are unlikely to address the root causes of joblessness. Instead, attention should be directed toward rebuilding labour-intensive sectors, strengthening labour market institutions, improving the quality of education and training, and ensuring that economic growth translates into decent work opportunities.

In conclusion, unemployment in South Africa cannot be meaningfully addressed without confronting the structural conditions that shape who works, where they work, and under what conditions. Reframing unemployment as a systemic challenge rather than an individual failure opens space for more honest policy debates and more effective interventions. Only by addressing the political and economic foundations of work can South Africa move toward a labour market that is both inclusive and sustainable.

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