

SECOND CARNEGIE INQUIRY INTO POVERTY
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How much work do the African
unemployed do?

by

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HOW MUCH WORK DO THE AFRICAN UNEMPLOYED DO?

Note:

The short paper reports some survey work done in Vulindlela district outside Pietermaritzburg on questions having to do with the extent and characteristics of African unemployment. Its particular focus, as the title indicates, is the amount and nature of, both paid and unpaid work done by African men (this restriction is not indicated in the title) while classifying themselves as "unemployed".

The paper relies heavily on work done in 1982 by Stephen Pendray, then an Honours student in Economics at Pietermaritzburg.¹ I have undertaken a fairly substantial survey to attempt to check Pendray's findings by using somewhat tighter sampling methods, and to ask further questions in interesting directions that he opened up. However it turns out that the attempt to be rigorous about the sample has slowed down the project seriously. Some illustrative references to completed interviews will be made but for the most part Pendray's findings will stand on their own.

There is a range of papers being presented at this Conference on unemployment. That by Julian Hofmeyr on 'Black unemployment : a case study in a peri-urban area of Natal' (Paper No. 123) is based on fieldwork conducted in the same general area as that by Pendray, but rather closer in - by 10 to 15 kilometres - to Pietermaritzburg. At some places in what follows findings will be presented which relate to the same area, but they cannot at this stage approach the scope and thoroughness of Hofmeyr's work.

I have pressed into service some material on male unemployment derived from a study of low-income households (reported in Paper No. 274). It presents a picture consistent with that derived from Pendray's work and other sources.

1. Why the question is important.

We are discussing a question which has arisen in the context of the serious attempts made since the mid - 1970s to determine what the level of unemployment (and in particular of African unemployment) has been and is becoming in South Africa. Put very crudely there are those who think in terms of unemployment rates of 20% and above;² there is the Current Population Survey which reports far lower rates - 5-6% for African males, for instance, in 1983; and there are those who note the slow growth of employment in the 'urban economy' in relation to the faster growth of the labour force and duck the question of the scale of unemployment by talking about the growth of 'the peripheral sector.'³

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It is fairly clear by now that the question of what does on in the 'peripheral' or 'informal' sector, and indeed what economic activity takes place in those areas of (primarily) African settlement and social existence which are little represented in the samples from which official statistics about output and employment are compiled is the crucial issue between 'the 20-percenters' and the Current Population Survey. Has the steep rise in African real wages in the 1970s and again in the first year or two of the 1980s, the presumed rise in remittances to rural areas, and the shift in the share of total personal income towards Blacks (but especially Africans) in the last decade - has this created the market conditions for an expansion of small-scale Black enterprise and the creation of working-opportunities not formally recorded? If it has, what is the scale of the phenomenon and what does this work mean in income terms, and in terms of duration, security, and prospects?

Interestingly enough, there has been a local variant (as it were) of this macro-question. Survey work done by a number of us in areas of KwaZulu around Pietermaritzburg (mainly Vulindlela District) has produced estimates of male African unemployment in the neighbourhood of 20%⁴. Female rates have been even higher. Since these were so much higher than the CPS estimates for non-urban areas in KwaZulu it seemed important to try to find out what was at the root of the discrepancy.

It always seemed plausible that part of the explanation was the rigorous CPS definition of 'unemployment' (in 15-64 age-group, if male; less than 5 hours work in the last week; actual job-search during the last month; and availability during the next week). The imprecision about 'work' (does it include unpaid work?) and the 5-hour limit seemed as though they might be responsible for the rejection of many from the unemployed category whom ordinary language-usage would certainly put there. But did many of the 'unemployed' work? Although the CPS has been collecting information on the question since late-1977 they have not published it (or did not do so for several years)⁵. Which is where localised relatively small-scale sample surveys seemed to have a role to play.

2. Pendray's investigation in Vulindlela

The survey was carried out in July 1982 with the help of 4 young African school-leavers. The old Zwartkop reserve lies to the south-east of Pietermaritzburg. Along the main road to Bulwer it is encountered after roughly 15 kms. and left behind after 40 kms. Pendray's work was carried out in that part of the district furthest from the urban centre, at a point where it is ringed by white-owned farms and commercial forest plantations. The area is connected by regular bus-service to Pietermaritzburg however.

- 2.1. The method Pendray followed was first to do a house-to-house census of adult males in his area, and to establish their labour-market status. He covered 800 households with 1415 males in the economically active age-group, of whom 242 reported themselves as unemployed (or were so reported by the household respondent.) The second phase was to interview a sample of 200 unemployed persons: about 170 of the population of 242 were located and interviewed and the total topped up by interviewing unemployed persons at the local (tribal) labour bureau and elsewhere.
- 2.2. A number of interesting findings emerged from this work. (1) As regards the initial estimate of unemployment (using the ordinary meaning viz. A is employed if he does not have a job and wants one - which begs some questions but is a good place to start) he obtained a male unemployment rate of 19,5%, with an additional 6,9% of his labour force underemployed (i.e. they had paid jobs part of the time but wanted more work). This was altogether consistent with what I had obtained the previous year in an area a little closer to town. (2) His interviewing of the unemployed revealed that 83 of the 200 had done more than 5 hours paid or unpaid work in the week before their interviews : of these 22 (or 11% of the sample) had been paid and 61 (or 30,5%) had not.
- 2.3. Perhaps his findings as to paid work done by the 'unemployed' were most surprising- as well as, in certain respects, puzzling ! His results are summarised in the following table:

Paid workers in the informal sector, Vulindlela 1982

Activity	No	Average income p.m. (R)
1. Involved in building	14	69,44
2. Shoemaker	2	16,50
3. Cleaner	1	100,00
4. Baking bread	1	59,00
5. Craftwork	1	32,00
6. Spraying cars	1	120,00
7. Bus conductor	1	60,00
8. Removals	1	100,00
Total	22	Average income: R63,39

Source: Pendray, Table 14

Leaving aside the puzzles of the cleaner and the bus-conductor, what is of interest is the number paid for work in building (7% of the sample) and the fact that they were averaging about R70 p.m. - probably more than they would have received 'down the road' in cash wages on farms, but less than they would have received 'up the road' in town at the municipal Works Department (possibly R120 p.m. then).

- 2.4. An unfortunate gap in the coverage relates to the type of unpaid work that was done and its duration. While it is clear that 'building , thatching and plastering' were prominent as activities it is not possible to obtain from Pendray's report any further quantitative information nor qualitative assessments about the importance or urgency of the work. Perhaps people were just "killing time", finding something to do. If that were the case it would be very odd to argue that they were not unemployed.
- 2.5. Applying the full rigours of the CPS definition to his 200 unemployed individuals Pendray found that the unemployment rate was cut to 6.8% - while suggests strongly (at least for such an area as Vulindlela) that the CPS is not mistaken seriously in its sampling or fieldwork but that the fundamental reason for the low measures it produces is the definition it employs.
- 2.6. Pendray also had some interesting things to say about the refusal of particular job-offers by the unemployed - offers either made to them personally or announced at the tribal labour bureaux. Wage-offers below the minimum the prospective workers required were given as the reason for refusal in six cases out of ten recorded in the interviews.
3. Evidence drawn from study of low-income households about work done by the 'unemployed'.

In 1983 I undertook a study of low-income (or poor) households in the Inadi ward of Vulindlela and eventually extended it to include some areas where Pendray had worked. Over 200 households were surveyed. Since I was interested in the relation between unemployment and poverty, respondents were asked about the presence of unemployed persons (male and female) in their households; and were asked the questions which would allow the CPS criteria to be applied. Hence there is evidence on work done by persons in poor households that the household regarded as unemployed. One might well expect that there would be greater pressure on such individuals in poor households to do casual work or

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contribute directly to household welfare by 'subsistence' activities; in which case it may be reassuring that the sample of households contained many that were not clearly poor and which have not been included with the poor households in the main results of that survey.⁶

- 3.1. 74 males were classified by a respondent in their household as unemployed: of these 35 were reported not to have done any work during the last week, but 25 were said to have done some unpaid work and 12 (with one rather uncertain) some paid work.^{6a} Of only 10 of the 25 unpaid workers was it clear that they had done 5 or more hours work during the week (in 10 cases work duration was not reported).
- 3.2. Despite the incompleteness of the information the paid workers seem interesting enough to me to be worth recording:

Duration and pay of paid work undertaken by 'unemployed' workers:

Vulindlela, 1983

Individual	Work done	Duration	Pay-rate	Pay (7 days)
1	Building mudblock houses	3 days	R2,50 p.d.	R 7,50
2	Hotel work	Whole week	R30 p.m.	R 7,00
3	Brick-layer	1 day	?	?
4	Mechanic's assistant	4 days	R30	R30,00
5	Thatching	3 days	?	?
6	'Labour in town'	5 day week	R45 p.w.	R45,00
7	?	Full week	R71 p.w.	R71,00
8	Digging toilets	2 days	?	?
9	Brick-layer's assistant	40 hr week	?	?
10	Ploughing (garden)	+ 6 hrs	R1	R 1,00
11	?	5 days	R2 p.d.	R10,00

Assuming a 40-hr week, the above figures imply an average of 28 hours worked during the week, and average earnings for the week of R24,50 (for the 7 cases for which earnings were reported).

Clearly something very strange is going on! On the one hand the evidence of paid work in the local area (often rather low-paid work as in cases 1,10 and 11) does not surprise us; but for people earning R71 for a full week's work (presumably 'in town') to be called 'unemployed' is very odd. Apart from the

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possibility that the data is simply bad (mistaken, confused, careless) the common-sense of the matter, partly derived from discussions with fieldworkers, is that these jobs are essentially temporary (even if not casual, as some are). It is the fact that a man does not have a permanent, registered job which constitutes him unemployed in the eyes of his household - or at least this is so in many cases.

- 3.3. The evidence about unpaid work that emerges from the low-income household survey fills in Pendray's picture somewhat, but it is not complete enough to be worth spending much time on. In the 25 cases, the main activities involved were fencing (8), housework (5), ploughing and gardening (5) and aspects of building and repairs (5). In 15 cases information was given about the length of time worked: in 5 of these the individuals did less than 5 hours work - however in the remaining 10 cases work-duration was still essentially short, usually 1-2 days. Roughly, the average unpaid work took up only 7 hours during 'last week'.

4. Study designed specifically to measure work by the 'unemployed'.

I mention this survey here more for the record than for anything else. The aim has been to test Pendray's work, in the same area, but with wider coverage, attempting to build up a sample of unemployed persons selected randomly within constraints of area stratification. The hope has also been to probe the character and value of work done in greater detail than before. The first phase, covering 1686 households in 4 sub-areas, and establishing the economic status of males in these households was completed late last year. A stratified random sample of 200 unemployed males was selected, but work could not begin until March - and is proving very difficult, given that we wish to interview the men themselves and not simply talk to someone at home about them.

- 4.1. It may be of some interest, and actually shed some oblique light on the nature of unemployment in such areas (as well as on the difficulty of studying it!) to note what has transpired in the cases of the first 90 men in the sample of 200 unemployed persons (as at November 1983). In 24 cases it has not so far been possible to establish contact with anyone at home; 4 households have moved; 3 individuals have disappeared (death; arrest; return to school). Of the remaining 62 cases, 38 are said to be employed in some sense (21 permanent, 12 temporary, 5 uncertain which), 6 were looking for work in Pietermaritzburg, Durban, Hammarsdale and elsewhere, and 18 were interviewed. Of these last 7 had done some paid work in the last 7 days: adding them to the 38 'employed in some sense' suggests that of the 62 unemployed in November 1983, 45 had paid work of some sort in March 1984 and 17 not.

- 4.2. Although it is little more than anecdotal evidence we might note that the picture of paid work corresponds to that given earlier - some casual or temporary work in town, some local paid work especially in building. For the 6 cases specified average weekly earnings are about R20. The unpaid work (5 cases) is again of short duration, and 2 men described it as 'filling-in time' (though the other 3 did not). Use of the 5-hour-work and job-search criteria reduces the 18 cases to 6 cases that the CPS would regard as 'unemployed'.
- 4.3. I trust that in due course it will be possible to report more fully on this work after its completion.

5. Evidence available from other survey studies.

An encouraging sign is the growing number of area studies on this and related topics - many by young research workers. It will soon be possible (if it is not already) to put together a picture which includes crucial regional variations - partly caused by differences in distance from, and access to, various markets and concentrations of purchasing power and input-availabilities. The papers by N. Nattrass and T.C. Möll relating to the Transkei (Papers No. 237 and 47 respectively) represent valuable contributions of the kind I am referring to. In the separate drafts I have seen Möll in particular provides details of the kind we need about hours worked and incomes earned in 'casual work' in Lower Roza, near Qumbu. He makes the point that his average of R44,30 per month was lower than those reported for 'informal sector operators' in Soweto, KwaNdebele and the neighbourhood of Pinetown. I take it Preston-Whyte and Nene (Paper No. 235) are making a related point when they discuss areas in KwaZulu where the informal sector is not the answer! For those who wish to propose ways of increasing incomes in South Africa by speeding the growth of what amounts to formal sector employment it may not matter whether people are now unemployed in a technical sense or working long hours in low-income or low-productivity work. But from a poverty-and-welfare measurement point of view it does matter whether people are engaged in a range of productive activities which bring in various relatively low-level incomes or whether they are engaged in "doing nothing at all" as de Vos reported years ago for those young men in 6 Ciskei and Transkei districts.⁷

It seems that there is a growing amount of paid or profit-seeking work being done by Africans and that much of this, in addition to casual and temporary work for those with access to labour-markets in towns and peri-urban areas, is probably not reflected in the official employment statistics. However

the initial and partial evidence suggests to me that the CPS is failing to register as unemployed many individuals who are doing unpaid work of relatively short duration and low value.

Footnotes

1. S Pendray, An Empirical and Theoretical Study of South African Unemployment, Honours extended essay, Department of Economics, University of Natal, Pietermaritzburg, 1982.
2. Charles Simkins launched the 20% (and 2 million) figures in the mid-1970s with his pathbreaking work on unemployment aggregates. (He included under-employment, and part of his 2 million were people-equivalents not unemployed persons). After the CPS data and the 1980 Census Simkins returned to the question in 'Structural Unemployment Revisited ...', SALDRU Fact Sheet No.1. His estimates were scaled down somewhat but (as I remember it) the early 1980s unemployment rate is roughly equal to what he had earlier estimated it to be in the mid-1970s.
3. See for example J A duPisanie, Verwagte Regionale Verspreiding van Ekonomiese Aktiwiteite en Bevolking tot the jaar 2000, BEPA No.8, University of Pretoria, August 1981.
4. I obtained a 21% estimate for male unemployment in the second half of 1981 (with 48% for women and a combined figure of 32%). See N Bromberger, 'Some socio-economic aspects of Vulindlela', in N Bromberger and J D Lea (eds), Rural Studies in KwaZulu, Pietermaritzburg: Subsistence Agriculture Study Group/Development Studies Research Group, 1982: discussion of unemployment is at pp.42-47. This was as part of a general quick socio-economic survey of households. J Hofmeyr's later more careful work with a 373 household sample in the area in 1982 and early 1983 produced an estimate in the range of 16,5-18,0% for males: J F Hofmeyr, 'Aspects of the Labour Market Participation Behaviour of Adult Black Males in a Black Peri-Urban Area', Paper presented to the Biennial Conference of the Economic Society of South Africa, Johannesburg, 19-20 September 1983: p.5. Pendray was to find 19,5% for males and J Dunne 21,2% in Swayimane on the other side of Pietermaritzburg near Wartburg. (Janeen M Dunne, Farm Employment Creation: A Case Study, Honours extended essay, Department of Economics, University of Natal, Pietermaritzburg, 1982: pp. 49-51).
5. I understand that the CPS has by now published data on hours worked. I confess I have not yet had access to this material.
6. Paper No. 274 ('A study of relatively poor African households') initially classified 90 households as 'poor'; it later works with a revised and slightly augmented sample of 109.
7. The substantial survey work of de Vos at Fort Hare was summarised by Johan Maree. I do not have the reference at present. I also abstract from questions of leisure and welfare, etc. At the time the 'doing nothing at all' was presented as a bad thing, not as something desirable - as others might have seen it.
- 6a. 2 cases not reported.

These papers constitute the preliminary findings of the Second Carnegie Inquiry into Poverty and Development in Southern Africa, and were prepared for presentation at a Conference at the University of Cape Town from 13-19 April, 1984.

The Second Carnegie Inquiry into Poverty and Development in Southern Africa was launched in April 1982, and is scheduled to run until June 1985.

Quoting (in context) from these preliminary papers with due acknowledgement is of course allowed, but for permission to reprint any material, or for further information about the Inquiry, please write to:

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