

Facing the Challenge: Decisive Action for South Africa's Q2 2026 Labour Reality



The release of the [Quarterly Labour Force Survey \(QLFS\)](#) for the second quarter of 2026 by Statistics South Africa provides yet another clear look at the structural pressures remaining in the national job market. Landing in the midst of TVET College Month, these figures serve as a timely reminder of the urgent need to bridge the gap between technical skills development and real market absorption.

With the official unemployment rate ticking up to **33.6%** (from 32.7% in Q1 2026), the data underlines the persistent divide between labour force supply and net job creation across industries.

The Macro Picture: Labour Supply Outpaces Absorption:

While the total number of employed persons contracted modestly by 16,000, bringing employment to 16.7 million, the overall pool of active job seekers expanded significantly. An additional 329,000 people entered the active labour force, increasing the cumulative number of unemployed individuals to 8.5 million.

Under the expanded definition, which factors in discouraged job seekers and those facing systemic barriers to labour market participation, labour underutilisation sits at **43.8%**, emphasising the vast untapped capacity within the working-age population.



The burden continues to fall disproportionately on women and young entrants:

Women bear a heavy share of the country's labour challenges, with their unemployment rate sitting at **37.5%**, well above the **30.3%** recorded for men, and rising to **48.6%** under the expanded definition.

At the same time, youth unemployment (ages 15–34) rose to **47.4%**, representing 5.0 million young people, while **36.4%** of those aged 15–24 remain Not in Employment, Education, or Training (NEET).

Compounded by lower overall participation rates and structural barriers, these figures underscore the urgent need for targeted gender transformation and demand-led technical skills pathways across key industries.

Regional Shifts and Market Structure:

At a regional level, employment gains were led by Mpumalanga (+41,000) and the Eastern Cape (+13,000), while historic economic engines experienced net shedding, notably the Western Cape (-48,000) and Gauteng (-22,000).

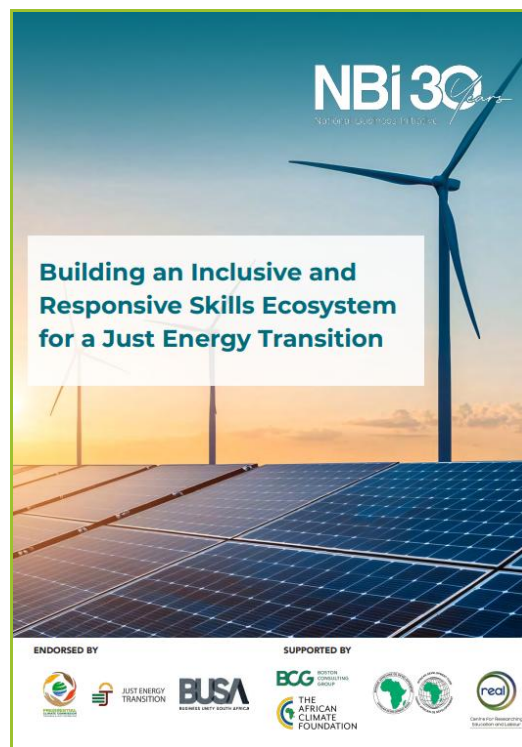
Concurrently, while formal sector employment dropped by 41,000 positions, the informal sector added 34,000 jobs, underscoring its role as a vital shock absorber during formal market downturns.

Unlocking the Opportunity: A Responsive Skills Ecosystem for a Just Transition

Reversing these persistent labour market trends requires aligning workforce development directly with emerging growth vectors, most notably the green economy.

As outlined in the **National Business Initiative's (NBI)** report, **Building an Inclusive and Responsive Skills Ecosystem for a Just Energy Transition**, addressing structural unemployment requires a transition from fragmented skilling initiatives to a coordinated, demand-led national ecosystem.

With significant renewable capacity expansions and value-chain localisation on the horizon, the report emphasises that bridging the skills mismatch is essential to ensure vulnerable groups are not further marginalised.



By leveraging partnerships between the private sector, government, and TVET colleges, we can build responsive, industry-aligned artisan pipelines. Scalable models like the **Installation, Repair, and Maintenance (IRM)**

Initiative demonstrate how practical, demand-driven training can rapidly bridge the gap between classroom learning and active market needs.

Rather than viewing the energy transition strictly through a decarbonisation lens, the NBI framework positions it as a vital engine for social and economic inclusion, ensuring that young jobseekers and women, who carry the highest burden in the QLFS data, are systematically integrated into sustainable livelihoods.
