DETERMINING THE FACTORS THAT INFLUENCE FEMALE UNEMPLOYMENT IN A SOUTH AFRICAN TOWNSHIP

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─Abstract ─

This paper analyses the factors that determine female unemployment in Bophelong Township. Factors such as level of education, household size, age, marital status, social grants received and poverty status are used to determine their influence on the employment status of the households of Bophelong Township. A logistic regression model was employed to analyse the possible determinants of female unemployment. The results of the regression indicate that, of the determinants, household size, age, marital status, access to social grants and poverty status were found to be significant determinants of whether one is employed or not.

Key Words: *Unemployment, Economics of Gender, Poverty*
JEL Classification: J60, J16, I30.

1. INTRODUCTION

The consequences of unemployment are devastating and remain one of the most significant challenges for South Africa (Naude & Serumaga-Zake, 2001). These consequences range from decreased standards of living to degradation of society as a whole through crime, and community unrest (Barker, 1995).

According to Levinsohn (2007), unemployment has all but doubled in the years since apartheid, despite the increase in the labour force. The ethnic groups that suffered under the apartheid regime bear the cost of this unemployment. The end of apartheid should have signalled the end of disparity in the country, however, this is not the case. Banerjee et al. (2006) and Levinsohn (2007) indicate that the increase in unskilled Black females entering into the labour force at a time when demand for labour declined and the popularity of skills-based technology rose, led to a sharp increase in the employment gap in South Africa. Gender, and more specifically, gender gaps in earning and obstacles to labour market entry in particular industries is a prevailing condition that is not likely to change in the future (Ben-Har, 2006).

Female unemployment is a particular concern in South Africa. According to STATSSA (2011), unemployment rates among females are higher than those among males in South Africa. The official rate among males was 25.6% when for females was 34.6%. The expanded definition shows the rate of unemployment among females to be 46.0% and 34.2% for males. The unemployment rate among white males is lower than the other groups while the rate of unemployment for black African females is the highest in the margin; with the rate of unemployment among white males being 5.0% and 41.2% for black African females.

2. LITERATURE REVIEW

According to Haddad (1991) and Kennedy and Bouis (1993) females still have the lowest socioeconomic status than those of their male counterparts. One of the elements of rapidly increasing levels of poverty amongst females is the division of

labour by gender. Females are perceived as caregivers and mothers. Any function that they perform is considered an extension of their domestic roles. Females are perceived as targets for social assistance and males as targets for employment based on a male breadwinner model (Eboiyehi et al., 2006). Krogh et al. (2009) identified factors that cause gender patterns of employment. These factors can differ by region or economic sector. Studies must be undertaken in order to determine what the prevailing determinants in the region concerned are.

There are basic social and cultural barriers to female employment. As women are seen as homemakers and caregivers, there is little time left in a day to dedicate to work outside the traditional gender activities assigned to the females in a household (UNIFEM, 2005). Cultural beliefs may exclude women from the labour force. In some societies women are not allowed to leave the home without permission, which makes seeking employment impossible. In other societies, women are not regarded as potential income earners and, therefore, do not receive any education or skills training (Todaro & Smith, 2011). Jungmin (2005) indicates that marriage is a strong deterrent to labour force participation by women. Giavazzi et al. (2009) conducted a study to determine whether cultural attitudes towards work, gender and the youth can be precursors to the evolution of female labour force participation. The results showed that attitudes towards the female's role in a household in statistically and economically important determinants of the employment rate of women.

Sackey (2005) argues that discrimination in the household and labour market carries both a private cost and a social cost. The private cost refers to the loss of potential income that could be earned by a household. If females were able to participate in the labour force, the resulting income could lift the household above the relevant poverty line (Nam, 1991). The inherent social cost relates to the lost investment in education that results from women being unable to participate in the labour force (Todaro & Smith, 2011). Fosu (1999) states that, at lower wage rates, female labour supply will be lower than that of males and the female's decision to participate in the labour force is largely related to her wage expectations and the opportunity cost associated with decreased time performing household duties.

3. METHODOLOGY

This section explains the research process and methodology of the study. The measurement of female employment status and the variables that have been used as determinants of female employment status are discussed.

3.1. Survey Design

This study is based on a household survey using questionnaires. A random sample of households was interviewed in the township of Bophelong. The questionnaire collected information on demographics, respondents' income and expenditure patterns and their general view of their socio-economic status. Information was obtained from the breadwinner or what is termed the household head. Where the head of the household was not available, the information was collected from their spouse. A sample of 300 households was surveyed. Of the completed questionnaires almost all the households approached were willing to partake in the survey and 295 questionnaires were completed in July 2013.

3.2. Gender distribution and employment status of females

The distribution of males and females in the sample was as below:

Table 1: Gender of the Head of Household

		Frequency	**Percent**	**Valid Percent**	**Cumulative Percent**
Valid	Male	95	32.2	32.2	32.2
	Female	200	67.8	67.8	100.0
	Total	**295**	**100.0**	**100.0**	

Source: Calculations form survey data: 2013

The analysis uses information on females only. In the sample, 67.8% of the interviewed heads of household were females as shown in Table 1.

Table 2: Employment status of the Female Head of Household

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Unemployed	130	65.0	65.0	65.0
	Employed	70	35.0	35.0	100.0
	Total	**200**	**100.0**	**100.0**	

Source: Calculations from survey data: 2013

Of the 200 female heads of household that were interviewed, 130 (representing 65% of all the females in the sample) were unemployed. This shows that unemployment is an important issue in the area. The study employs a logistic regression model to investigate the determinants of female unemployment in Bophelong Township.

3.3. Logistic regression model for the determinants of female unemployment

$$FES_i = \beta_0 + \beta_1 HHsize_i + \beta_2 AgeHH_i + \beta_3 MS_i + \beta_4 Edu_i + \beta_5 TG_i + \beta_6 PS_i \quad ...(1)$$

Where *FES* is the female employment status; *HHsize* is the household size; *AgeHH* is the age of the household head; and *MS* is the marital status of the household head, which is a categorical variable with 1 standing for never married. *Edu* is the education level of the household head; *TG* is the total grants received by the household; and *PS* is the poverty status of the household. The poverty status of the household was calculated by using the information on household size and household total income. Following the poverty measure for South Africa for

the year 2009 of R416 (STATSSA, 2008/9), and adjusted for inflation for the year 2013, it becomes R520.

4. RESULTS AND DISCUSSION

The results of the logistic regression equation are given in Table 3. The results show that there is a significant relationship between all the variables except for the education level of the head of household. A negative sign in the coefficient means that the higher the values of the variable concerned, the lower the chance of being in employment. For example, the regression results show a -0.73 coefficient of age of household, which is significant at 1% significance level. This means that the older the head of household the less the probability of being employed. Household size has a .182 coefficient, which is also significant at 5%. This means the bigger the size of the household the higher the probability of the head of household being employed. This can be because the head of household has no other choice but to gain employment so as to support her family.

Marital status is also significant. With 1 indicating that the head of household was never married, it means that those women that have never been married have a higher probability of being in employment. A female head of household must work in order to support her family. A study conducted by Ben-Har (2006) found that female heads of households are less likely to be unemployed. Yakubu (2010) found that females of working age are less likely to be married or living with their partner. This concurs with the findings of this study.

Total grants show a positive relationship with employment status. This is a result that is not expected, as grants are supposed to be directed toward poor households. The only explanation for this could be that these women, although employed, are still considered vulnerable and require support, hence the social grants. Poverty status has a negative relationship with employment status, which is in agreement with prior expectations. Studies conducted by Islam (2006), Messkoub (2009) and Hull (2006) show that an increase in the quantity and quality of employment opportunities decreases the level of poverty experienced within a region. The relationship in this case can be explained by the increased cost experienced by those trying to find employment. Poor families can often not afford the costs associated with trying to gain full time employment.

Table 3: Logistic regression results

Variables	**B**	**S.E.**	**Wald**	**df**	**Sig.**	**Exp (B)**
Household size	.182	.081	4.998	1	.025**	1.199
Age of Household Head	-.073	.015	22.655	1	.000***	.930
Marital Status Head(1)	1.646	.390	17.788	1	.000***	5.184
Education of Head	.066	.042	2.522	1	.112	1.068
Total Grants received	.000	.000	4.360	1	.037**	1.000
Poverty status	-1.184	.400	8.745	1	.003***	.306
Constant	1.671	1.009	2.744	1	.098*	5.316
***significant at 1% ** significant at 5% and * significant at 10%						

Source: Calculation from survey results: 2013

The model fit is tested by the Hosmer and Lemeshow test is significant with a p value of greater than 0.5, and a Chi-square statistic of 10.143 shows that the regression is a good fit.

Table 4: Hosmer and Lemeshow Test results

Step	Chi-square	df	Sig.
1	10.143	8	.255

Source: Calculation from survey results: 2013

5. CONCLUSIONS

This study investigated the determinants of female unemployment in Bophelong Township. Of the determinants, household size, age, marital status, access to social grants and poverty status were found to be significant determinants of whether one is employed or not. Interestingly, the grant recipients in the sample were not relegated to the unemployed. This would indicate that, although there are jobs in the area, the quality is such that households may still be below the average poverty line (R520). Further investigation into the type of jobs people are involved in is required. This would have policy implications in the form of enhancing not only the quantity of jobs in the area but also the quality of the job.

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