International Labour Organization

THE SOUTHERN AFRICAN MIGRATION MANAGEMENT PROJECT

Funded by the European Union

SOUTH AFRICA LABOUR MIGRATION TRENDS AND IMPACTS REPORT

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Acknowledgements

The preparation of this *South Africa Labour Migration Trends and Impacts Report* was made possible through the support and collaboration of various individuals and organizations.

Data analysis and drafting were carried out by Richard Horne, whose efforts and commitment laid the foundation for this publication. We extend our deepest gratitude to Jesse Mertens, whose supervision and guidance provided invaluable direction throughout this project.

Special thanks are due to Gloria Moreno-Fontes, Theo Sparreboom, Maria Payet, and Nancy Achieng-Odhiambo for their insightful reviews and constructive comments on earlier drafts of this report.

We are grateful to Lucia Rodrigues and Sheila Ngoveni for their indispensable administrative assistance throughout the process. Thanks also go to Makungu Baloyi, whose editing, formatting, and publishing support ensured the professional presentation of this report.

We acknowledge Statistics South Africa for generously providing the microdata that informed much of the analysis in this report. Finally, we extend our gratitude to the European Union, whose funding of the Southern African Migration Project (SAMM) made this work possible.

Executive summary

This South Africa Labour Migration Trends Report has been prepared under the Southern Africa Migration Management (SAMM) project. The report presents an overview of international labour migration statistics (ILMS) in South Africa, in a context of coverage in the Southern Africa and Indian Ocean region. It assesses the main data sources as well as potential additional data sources, that could contribute to greater coverage and depth of ILMS in the country. Additionally, the report draws from recent Labour Force Surveys to present characteristics of labour migration in South Africa, before presenting a top-level analysis of the impact of migrants on the native-born labour force. The report concludes with recommendations for improving ILMS for evidence-based labour migration governance.

The South Africa Labour Force Survey gives the most recent estimates and characteristics of migrant workers in South Africa. The 2022 Census will provide the most up to date statistics on the foreign-born population in South Africa, however, the microdata will only be published after publication of this report. As such, this report draws mostly from the quarterly Labour Force Survey, for the years that contain a migration module, namely Q3 2012, Q3 2017 and Q3 2022. Some of the main findings are as follows:

- **In 2022, the foreign-born population in South Africa was estimated at 2.3 million people, equivalent to 5.2 per cent of the working age population (aged 15+).** This is up from 1.5 million in 2012 (equivalent to 3.9 per cent of the working-age population) Adults aged 25+ accounted for nearly 9 out of every 10 foreign-born persons of working-age. Youth (aged 15-24) accounted for only 14 per cent of the total working-age population in 2022. There was little difference in the educational composition between the foreign-born and native-born population in recent years. By sex, there is also very little difference in the educational composition between men and women migrants of working-age.
- **Most of the foreign-born population in South Africa were from four neighbouring countries.** According to the Q3 2022 Labour Force Survey, Zimbabwe accounted for 38.3 per cent of the total foreign-born working-age population (aged 15+) in the country in 2022, followed by Mozambique (18.2 per cent), Lesotho (8.4 per cent) and Malawi (7.5 per cent). Together these countries accounted for 72.5 per cent of the foreign-born working-age population.
- **The foreign-born population had a higher labour force participation rate than the native-born population.** This is typical of the differences between the native-born and foreign-born population, whereby the foreign-born population have less access to social protection and other benefits and therefore have little option but to participate in the labour market. The labour force participation rate for the foreign-born population has increased from 72.5 per cent to 75.7 per cent between 2012 and 2017, representing an increase of 5.2 percentage points.

- **Higher employment-to-population ratios for the foreign-born population relative to the native-born population may reflect a prolonged impact of the COVID-19 pandemic.** The COVID-19 pandemic saw many people being forced to leave the labour market altogether (as reflected in the lower labour force participation rates) but also greater increases in unemployment for native-born population than the foreign-born population (the unemployment rate for the foreign-born population is considerably lower than the native-born population). This does not mean that the COVID-19 impact on the foreign-born population was less severe than on the native-born population, instead it is likely to reflect higher rates of informality, and lower levels of access for the foreign-born population to social protection and other support measures during the COVID-19 pandemic, leaving little option but to continue working.
- **The foreign-born population are more likely to be employed in industry and services than the native-born population.** Around a quarter of the foreign-born employed population are engaged in the industry sector, compared to 18 per cent for the native-born population in 2022. The demand for workers in the mining and construction sectors in the country is a key driver for labour migration and the mining-driven demand for labour has also contributed to the establishment of migration corridors between South Africa and neighbouring countries. Domestic work is a key market for women migrant workers in South Africa.
- **Agriculture is a key growing sector for migrant workers, especially since the COVID-19 pandemic.** Agriculture, while relatively low as a share of all foreign-born employment, at 8 per cent, is still a source of employment for seasonal migrant workers, and part of bilateral agreements between South Africa often facilitated by cross-border recruitment agencies. Notably, the share of migrant worker inflows in agriculture have increased since 2019, including through the pandemic. This could also reflect the ongoing need for migrant workers throughout the crisis in the agriculture sector.
- **Decreases in the high-skilled composition of migrant workers may reflect recent policy developments.** An increase in the low-skilled share of foreign-born population and a decrease in the high-skilled foreign-born population suggests that while South Africa is relatively open to skilled migrant workers that qualify for an expedited critical skills-related visa or permanent residence under the Department of Home Affairs' critical skills list, the share of high-skilled workers is falling.
- **More than two-thirds of the foreign-born population were in informal employment in 2022.** This compares to 39 per cent for the native-born population. As such, despite many of these foreign-born workers being employees, informal employment is rife and has also increased from 55.4 per cent of employment in 2012. At the same time, a large number of the foreign-born employed population work for informal establishments (or informal units of production). In 2022, more than half (56.3 per cent) were employed for informal establishments, compared to 41.3 per cent for the native-born population. This has also been on the increase since 2012 (51.2 per cent). The higher propensity of the foreign-born population to be employed in informal establishments

as well as informal employment reflect greater vulnerabilities to exploitation, as well as lack of access to social protection and other government benefits.

- **Migrant workers may have a net positive impact on native-born employment:** Regression analysis using the labour force survey looked at the share of immigrants in the labour force and the impact on different labour market variables. It found that the share of immigrants in the labour force had a positive and significant effect on the employment-to-population ratio of the native-born population. This suggests that there may be net job creation impacts from the migrant population for the native-born population, or a complementary role of migrants to the native-born employed population,

The following are a summary of potential steps for South Africa to improve its labour migration statistics:

- **Include the migration module in every quarter of the Labour Force Survey, or at least annually:** While the migration module is a welcome component of the Labour Force Survey, the lack of frequency (Q3 every 5 years), undermines the potential of the data. Including the migration module in the Labour Force Survey more frequently would greatly improve the quality of international labour migration statistics for the country.
- **Explore options for capturing information on nationals abroad in the Labour Force Survey:** There is a lack of data on emigration and nationals abroad. Some information is available in the Census, but the Labour Force Survey should be considered for questions to allow for the capture of information on nationals abroad (outflows, stock and returnees).
- **Explore alternative sources of data, particularly administrative data sources:** There are signs that some administrative data is held by the Department of Home Affairs. Efforts should be made to process and disseminate the data with appropriate breakdowns, by type of permit, to allow for accurate analysis of labour migration inflows.
- **Consider additional questions in the Labour Force Survey to examine recruitment costs:** Given the use of labour brokers, or recruitment agencies, for different sectors, including agriculture, it would be valuable to capture information on recruitment costs. Such questions can be incorporated into Labour Force Surveys.

1. Introduction

1.1. Background of the report

This South Africa Labour Migration Trends Report has been prepared under the Southern Africa Migration Management (SAMM) project. The SAMM project is an inter-agency project with an overall objective to improve migration management in the Southern Africa and Indian Ocean region, guided by and contributing to the realisation of the 2030 Agenda for Sustainable Development.

Each country in the Southern Africa and Indian Ocean region can be considered to different degrees to be countries of origin, transit and / or destination for labour migration. However, while labour migration is characteristic of the region, there remains a lack of data collected, disseminated and analysed on international labour migration statistics (ILMS).

Improving the knowledge base on migration and labour migration statistics can contribute to improved understanding of migration dynamics, labour market implications and therefore labour migration governance, as well as a better understanding of issues related to social exclusion and poverty and other socioeconomic considerations. Ultimately, improved migration and labour migration statistics contributes to stronger evidence-based policymaking, which is particularly relevant in the context of developing Action Plans and Policy Frameworks on labour migration.

The report first presents an overview of the methodology, including key concepts and definitions (Section 2), before presenting an overview of coverage of ILMS in South Africa in relation to the Southern Africa and Indian Ocean region. Section 2 also assesses data sources and potential data sources for addressing limitations and filling data gaps. Section 3 provides an overview of recent labour migration trends using the South Africa Labour Force Survey data, and Section 4 concludes and provides recommendations.

1.2. South Africa migration context

South Africa is a country of destination and a country of origin for migration. It is one of the largest intra-African migrant-hosting countries, with the highest stock of immigrants in Africa (UNCTAD 2018). South Africa is the end-destination of three major migration routes and areas, including the 'Southern route' that refers to movements from the Horn and Eastern Africa downwards to South Africa; migration from the Great Lakes region to South Africa, and the movements through the South African Development Community (SADC) countries to South Africa (Mixed Migration Centre 2023). South Africa has some of the largest bilateral migration corridors in Africa, through the Zimbabwe-South Africa corridor and Mozambique–South Africa (IOM 2020).

South Africa also hosts a large number of refugees and asylum seekers. According to the UNHCR, South Africa hosts around a quarter of a million people of concern with refugees and asylum seekers from countries like Burundi, Democratic Republic of Congo, Rwanda, South Sudan, Somalia, and Zimbabwe (UNHCR n.d.). South Africa's 1998 Refugee Act opted for non-encampment policy vis-à-

vis refugees and asylum-seekers along with freedom of movement, and right to work and study. While the adjudication process, in principle, takes 180 days, in reality it takes far longer—over a decade in some cases—with the country having a very high number of pending asylum cases (Schockaert et al. 2020). At the same time, rejection rates are reportedly very high, reaching up to 96 per cent in 2019 (Moyo 2021). Challenges in entering the country as a migrant worker, particularly for the low-skilled have contributed to many taking alternative and irregular entry channels into the country and the labour market (Khan and Lee 2018; Moyo 2021).

In terms of emigration, South Africa has also experienced an accelerated trend of outbound migration in the recent years. According to UNDESA's International Migrant Stock Data 2020, over almost 915,000 South Africans were living outside the country in 2020 with over 128,000 people having left the country between 2015–2020 (UNDESA 2020). Notably, the figures show that the rate of emigration has picked up in the recent years, with the number of emigrants leaving the country between 2015-2020 increasing by almost threefold compared to those leaving between 2010-2015. The top five countries of destination for South African emigrants include the United Kingdom, Australia, United States, and New Zealand which together account for around 75 per cent of South African emigrant stock (UNDESA 2020).

1.3. Labour migration governance

A draft National Labour Migration Policy (NLMP) was released in February 2022 for public comment. This was developed in line with the SADC-level commitment towards the development of such a policy at respective national levels (Department of Employment and Labour 2022). A Labour Migration Assessment (LMA) conducted in 2017 served as a foundation for the evidence-based development of the NLMP. The NLMP has been developed with the view of providing guidance to relevant government departments, addressing the absence of policy frameworks, informing legislative interventions, enhancing protection for migrant workers, aligning with regional instruments, and revisiting outdated bilateral labour agreements for modernization (Department of Employment and Labour 2022).

More recently, the Government of South Africa has published a White Paper on Citizenship, Immigration and Refugee Protection, aiming at a complete overhaul of the immigration system in the country (Department of Home Affairs 2023b). According to the press release concerning the White Paper issued by the Minister of Home Affairs on 12 November 2023, the document's development was prompted by the escalating demand for effective policy measures and legislative interventions concerning migration amidst heightened tensions and clashes between foreign nationals and South Africans (Department of Home Affairs 2023c). It further notes that there are inadequacies in existing legislations and states that the White Paper aims to provide a cohesive and contemporary approach to migration governance.

1.4. Labour migration statistics

In 2020, the SAMM project published a brief summarising indicators for labour migration in the region (ILO 2020). This brief also contains a shortlist of what can be considered the minimum or core indicators on labour migration. The shortlist can be drawn from a list of 21 indicators used by the ILO for its ILMS Database, spanning three categories: i) international migrant stock, ii) migrant flows (inflows) and iii) nationals abroad (stock of migrants abroad, outflows and returnees).[1]

The International Labour Organization (ILO)'s Statistics Department compiles ILMS and publishes these in its ILMS Database, available on ILOSTAT (ILO, n.d.). The information in the ILMS Database complies with the guidelines concerning statistics of international labour migration endorsed at the 20th International Conference for Labour Statisticians (ILCS) (ILO 2018). The ILO ILMS database, which is compiled from publicly available data as well as information shared by national focal points, can serve as a gauge of what ILMS is available in a country or region.

The ILO has also developed a comprehensive methodology for global and regional estimates of migrant workers which uses available data, and proxies and modelled estimates to fill gaps. There is a distinct lack of real data points for the African region to feed into the models. Improvements in the regional and global estimates of migrant workers can be improved by improved data availability for ILMS in the African region.

2. Methodology

2.1. Objectives

Given the context outlined in Section 1, this South Africa Labour Migration Trends report aims to contribute to the knowledge and understanding of labour migration in the country, and specifically to draw attention to the available data on international labour migration statistics and the gaps therein.

2.2. Methodological framework

This South Africa Labour Migration Trends report follows a common approach being applied to labour migration studies of other countries in the region under the SAMM project. Accordingly, the proposed methodological framework has this in mind. It is based primarily on desk research, and will follow the following steps as part of the process:

[1] See Concepts and Definitions section of this report, as well as additional concepts and definitions in Appendix II.

Mapping of available and potential ILMS data sources

i) Assessment of coverage for international labour migration statistics indicators by assessing coverage (by indicator and year) in the ILO ILMS Database (with comparisons to the wider region of Southern Africa and the Indian Ocean);

ii) Assessment of available and potential additional data on labour migration that is not included in the ILO ILMS Database, including official data sources (e.g. Population Censuses and Household Surveys) as well as administrative data sources;

Analysis of available data on ILMS

i) Assessment of recent trends and estimates from different data sources (from official reports and from available microdata) on:

   a. International migrant stock

   b. Migrant flows (inflows)

   c. Nationals abroad (stock of migrants, outflows and returnees)

ii) Overview of analysis and findings from recent literature on labour migration in South Africa (a preliminary list of secondary literature can be found in Appendix I), including findings on labour market integration, human capital and economic impacts, drawing from the OECD/ILO reports on contributions of immigrants to the economy (OECD and ILO 2018b; 2018a);

Conclusions and recommendations

i) Summary of data coverage, gaps and ways of filling gaps through data sources currently used or with potential to be used.

ii) Summary of other measures and steps that could be followed to bolster international labour migration statistics in South Africa.

2.3. Key concepts and definitions

The following concepts and definitions are those used for ILMS, in line with the ICLS Guidelines Concerning Statistics of International Labour Migration (ILO 2018). Those provided below are a selection related to the main categories of labour migration statistics analysed in Section 3.[2]

Place of birth

This variable refers to the country of birth criterion for international migration definition and distinguishes a country's native-born population from the foreign-born.

[2] For a detailed and comprehensive list of all international labour migration statistics concepts and definitions, including labour market concepts, please consult the ILOSTAT Guide to reporting International Labour Migration Statistics to the ILO using the Excel questionnaire (ILO, 2021).

Country of destination

An emigrant's country of destination is the country, other than his country of citizenship, to which that person transfers his or her usual residence.

Foreign-born population

For a given country, comprises all individuals born outside the country.

Stock of international migrants (foreign-born or foreign citizens)

For a given country, refers to the number either foreign-born individuals or foreign citizens in a country at a given period.

Inflow of international migrants (foreign-born or foreign citizens)

Depending on the criterion used to define international migration, the inflow of international migrants includes either foreign-born individuals or foreign citizens who moved to the country during the reference period to establish usual residence there.

Inflow of nationals returned from abroad (returnees)

Refers to the number of citizens who return from a period of residence abroad to live again in their country of citizenship during the reference period.

Outflow of nationals

For a given country, refers to the number of its citizens who left their country of citizenship to establish usual residence in another country during a given period.

Outflow of nationals for employment

The outflow of nationals for employment includes only the citizens who left their country for employment purposes, or the "for work" emigrants. This group therefore excludes accompanying family members whose purpose of migration was not employment at the time of entry.

Stock of nationals abroad

For a given country, refers to the number of its citizens who have their usual residence in another country at a given period.

3. International labour migration statistics and data sources in South Africa

International labour migration statistics (ILMS) can encapsulate a wide range of indicators. This makes it challenging to benchmark coverage and prioritise the expansion of different indicators. To facilitate the assessment of ILMS indicator coverage, a selection of indicators is assessed in this report, these are a set of 21 indicators used to populate the ILOSTAT ILMS Database (Appendix II). Additionally, the SAMM

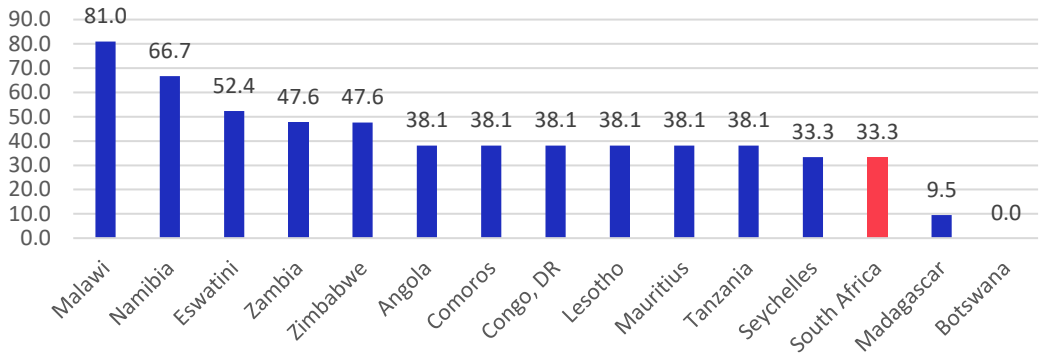
project has identified a subset of these, that are considered minimum indicators (ILO 2020). These minimum indicators are derived from different indicators of the 21 indicators in ILO ILMS Database. For the purpose of this report, the benchmark for South Africa will be based on the 21 indicators, with special attention to those that are highlighted as SAMM minimum indicators.

3.1. International labour migration statistics indicator coverage

3.1.1. Coverage of main indicators

For the Southern Africa and Indian Ocean region, there is a distinct shortage of ILMS available, and South Africa has amongst the lowest coverage. Figure 3.1 shows for each of the countries in the region, the percentage of the 21 indicators with any datapoint in the ILO ILMS Database. South Africa has datapoints for a third of the indicators, which for the region is one of the lowest coverage rates, lower only in Madagascar (9.5 per cent) and Botswana (no coverage). South Africa has the same coverage rate as Seychelles.

▶ Figure 3.1: Percentage coverage of 21 indicators in the ILO ILMS Database, South Africa and Southern Africa and Indian Ocean countries



Note: Congo, DR = Democratic Republic of the Congo; Tanzania = United Republic of Tanzania. Source: ILOSTAT ILMS Database, available at https://ilostat.ilo.org [Accessed 28 September 2023]

For the region as a whole, such findings on the shortage of data are echoed by the most recent edition of the African Union's Report on Labour Migration Statistics in Africa (African Union Commission et al. 2021). It should be noted however, that absence of data in the ILO ILMS Database, or public data, does not mean that it does not exist, data might also not yet be processed or shared externally. This is the case with South Africa, where data exists but has not been shared with the database, such as administrative data for outflows or inflows (see Section 3.2 on potential data sources).

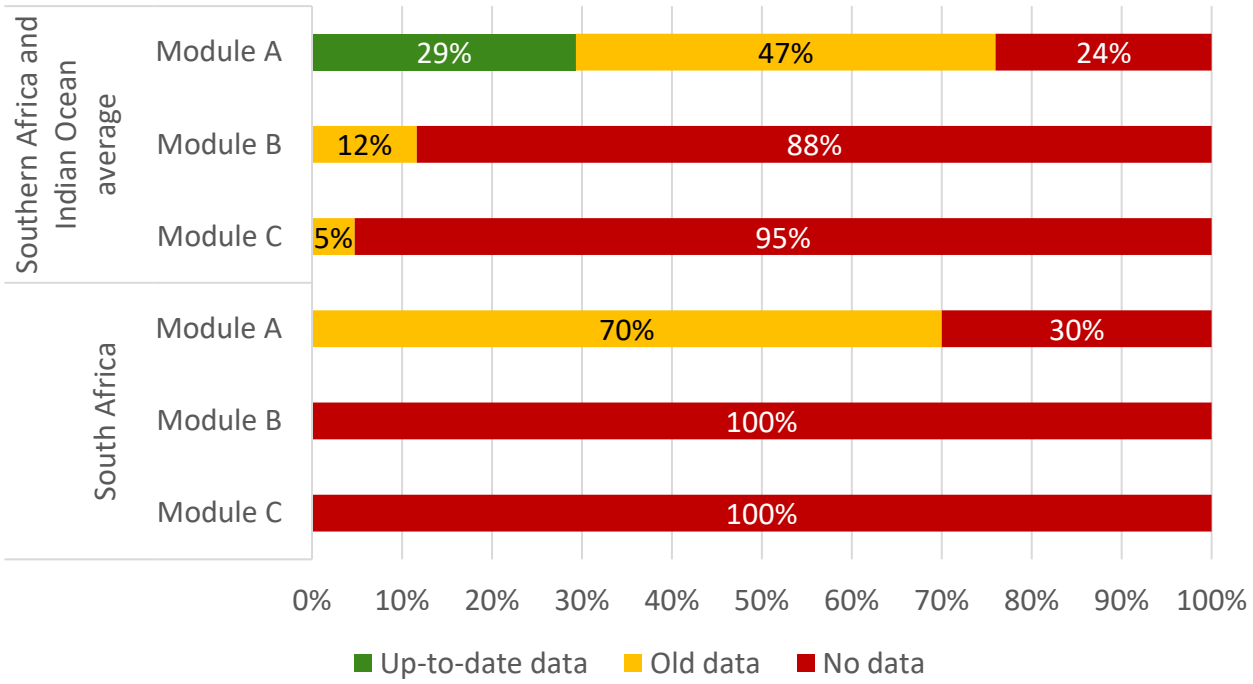
Box 1: ILO International Labour Migration Statistics (ILMS) Database modules

There are three main modules in the ILO ILMS Database, Modules A, B and C (see Concepts and Definitions in the Methodology section):

- Module A includes information for international migrant stock, while relies largely on population census data and Labour Force Surveys. Because these data sources are typically more readily and publicly available in different countries, coverage for Module A tends to be best across all countries in the ILO ILMS database.
- Module B refers to international migrant flows, which specifically refers to inflows of migrants and migrant workers. Data for Module B tends to rely on administrative data sources such as work permits and visa information (although other sources can also provide this data), which is not always readily available in countries of origin, resulting in lower coverage.
- Module C provides information on nationals abroad, including the stock of migrants abroad, returnees and outflows of nationals abroad. Again, this relies on administrative data and coverage tends to be the poorest of the three modules in the ILO ILMS Database globally.

Coverage for South Africa relative to the region is shown, by module, in Figure 3.2. For South Africa, the quarterly Labour Force Survey provides the estimates for module A (see Box 1). The latest data is for 2017, with an absence of historical data (such as 2012), which suggests more recent data could be added including the Q3 2022 Labour Force Survey and the Census 2022. Historical datapoints are important for analysts and researchers to be able to examine trends and characteristics over time. There is an absence of data for modules B and C. These modules typically rely on administrative data sources, such as work permits, and information from placement agencies. While data on emigration is no longer collected by the Department of Home Affairs, historical data could be added. Similarly, other sources of data, such as from mining permits, while limited in sectoral scope (to the mining sector only), could also be added even if recent data is not available anymore.

▶ **Figure 3.2: Coverage of ILO ILMS Database Modules A to C, South Africa versus Southern Africa and Indian Ocean average**



Source: ILOSTAT ILMS Database, available at https://ilostat.ilo.org [Accessed 28 September 2023]

Figure 3.3 shows coverage for each table within the different modules (see Appendix II for a list of the tables). For individual tables, data is missing in Module A for 'Table 3: 'Foreign-born or non-citizen working-age population by sex and country of birth or citizenship (Persons)' and Table 8: 'Employed foreign-born persons by sex and country of birth or citizenship (Persons)'. This appears to be due to missing details in the survey dataset. Respondents are asked to identify if they were born in another country, and then to specify this country, however, data specifying the county is not found in the 2017 dataset. As outlined already, there is an absence of any data points in modules B and C.

Section 3.2. provides an overview of existing and potential data sources and finds that there are a number of questions in the surveys and Census, in particular, that could be used to provide backdated and new data on ILMS. These would increase the coverage in the ILMS Database and also provide the users, especially researchers, with valuable information for evidence-based policymaking.

▶ **Figure 3.3: Latest year of available data in the ILO ILMS Database, South Africa and Southern Africa and Indian Ocean countries**

		Angola	Botswana	Comoros	Congo, DR	Eswatini	Lesotho	Madagascar	Malawi	Mauritius	Namibia	Seychelles	**South Africa**	Tanzania	Zambia	Zimbabwe
Module A	Table 1	2021	2022	2021	2020	2021	2019	2022	2020	2011	2018	2020	2017	2020	2021	2021
	Table 2	2021	2022	2021	2020	2021	2019	2012	2020	2011	2018	2020	2017	2020	2021	2021
	Table 3					2021			2018	2011	2018				2017	2021
	Table 4	2021	2022	2021	2020	2021	2019	2022	2020	2011	2018	2020	2017	2020	2021	2021
	Table 5	2021	2022	2021	2012	2021	2019	2022	2018		2018	2020	2017	2020	2021	2021
	Table 6	2021	2022	2021	2020	2021	2019	2022	2018	2011	2018	2020	2017	2020	2021	2021
	Table 7	2021	2022	2021	2020	2021	2019	2022	2018	2011	2018	2020	2017	2020	2021	2021
	Table 8					2021			2018	2011	2018				2018	2021
	Table 9	2021	2022	2021	2012	2021	2019	2022	2020	2011	2018	2020	2017	2014	2021	2021
	Table 10	2021	2022	2021	2012	2021	2019	2012	2013		2018			2020	2021	2021
Module B	Table 11								2018		2018					
	Table 12										2018					
	Table 13								2018		2018					
	Table 14								2018		2018					
Module C	Table 15					2017			2018							
	Table 16								2018							
	Table 17								2018							
	Table 18								2018							
	Table 19															
	Table 20															
	Table 21															

Note: Congo, DR = Democratic Republic of the Congo; Tanzania = United Republic of Tanzania. Source: ILOSTAT ILMS Database, available at https://ilostat.ilo.org [Accessed 28 September 2023]

3.2. Overview of available and potential data sources on international labour migration statistics

3.2.1. Quarterly Labour Force Survey

The quarterly Labour Force Survey is the main source of labour market information for the country. It complies with international concepts and definitions per the International Conference of Labour Statisticians (ICLS). There is a migration module that is included in the Labour Force Survey every five years, in the third quarter of these years. The most recent surveys with migration modules are Q3 2022, Q3 2017, Q3 2012, and Q3 2007. These modules allow individuals to be identified based on their country of birth, in order to categorise migrant status based on place of birth. This allows for native-born and foreign-born individuals to be assessed according to a range of labour market characteristics.

As a data source, the Labour Force Survey is an important one for identifying migrant workers. There are two main criteria that need to be met, identification of: i) migration status and ii) labour force status and characteristics. The latter is typically well covered in the Labour Force Survey, provided that questions are asked to all working-age persons whether they are nationals or non-nationals. Each survey year (Q3 2022, Q3 2017 and Q3 2012) asks the following, which is used for migrant status by place of birth:

- Where was [name] born?
    - In this province
    - In another province
    - In another country

Each survey asks the respondent to specify the country of birth, and main reason for migration. As there is no time-dimension attached to these questions, it can be assumed that international migrant stock can be calculated for each of these survey years. Only in Q3 2022, were questions introduced to identify date of entry. This information allows for the measurement of international migrant inflows. There is no information for measuring emigration.

International migrant stock

The South Africa Labour Force Survey allows for international migrant stock to be measured, that is, the number of foreign-born persons in South Africa at a given point in time. This can be broken down by different criteria, including economic activity and occupation – all variables related to Module A (see previous section). For some breakdowns, low numbers of observations hinder the reliability of the data. A data quality assessment is provided in Appendix IV, including the number of observations and relative standard errors.

Notably, the previous section identified that there was no recent information in the ILO ILMS Database for 'Table 3: 'Foreign-born or non-citizen working-age population by sex and country of birth or citizenship (Persons)' and Table 8: 'Employed foreign-born persons by sex and country of birth or citizenship (Persons)'. This information is asked in the survey, but sufficient details appear not have been included in the publicly available microdata on the country itself, instead focusing on the provinces for internal migrants. This may be due to data quality issues.

International migrant flows and nationals abroad

The South Africa Labour Force Survey is not currently used for international migrant flow (inflows) or nationals abroad. International migrant flows (inflows) requires information to be asked about migration status, and time of arrival and / or period of time in the country. These are asked in the migration module of the questionnaire, as followed (in the Q3 2022 survey):

- In which month [and year] did (name) move to South Africa?

Therefore, the questionnaire would in theory allow for identification of inflows of migrant workers based on i) migration status, ii) labour force status and characteristics, and iii) date of arrival in South

Africa. This information could therefore be used to provide data on international migration inflows. In the ILMS Database these would correspond to Tables 11-14:

- Inflow of foreign-born or non-citizen working-age population by sex and country of birth or citizenship (Persons)
- Inflow of foreign-born or non-citizen working-age population by sex and education (Persons)
- Inflow of foreign-born or non-citizen employed persons by sex and economic activity (Persons)
- Inflow of foreign-born employed persons by sex and occupation (Persons)

There is a lack of information on emigration and returnees (the Census of Population and Housing being the main source). The Labour Force Survey could be a source of information about these with the right questions. Options include asking other family members about household members who have gone abroad or talking to returnees about their experience abroad and processes for recruitment and exit. This is an imperfect approach with different biases and considerations to contend with but provides some details and can also be a source of information about recruitment costs and fees (per SDG 10.7.1) of South Africans going to work abroad.

3.2.2. Census

The South Africa Census is a reliable source of information on migrants and migrant workers and also provides the sample frame for the Labour Force Survey. The Census is conducted every ten years, with the last three being 2022, 2011 and 2001. The South Africa Census includes detailed questions on labour market characteristics that are sufficiently detailed to allow for compliance and alignment with ICLS guidelines. In general, Population Census data is also a good source of data for gathering information on small population groups, for which migrant workers can be considered. The main downside of using the census data for migrant worker estimates and characteristics is the infrequency of its implementation.

The Census includes more questions on migration and allows for migration to be classified by citizenship with detailed information on usual residence (see Section 2.3 on concepts and definitions). Notably, the Census also asks for information on date of entry in South Africa, thereby allowing for characteristics on inflows. At the same time, the Census asks questions on those residing outside of South Africa, thereby allowing for estimates on stock of migrants abroad.

3.2.3. Administrative data sources

Administrative data sources refer to data that is primarily collected for administrative reasons and not statistical reasons, such as work permit information, visa information and others. Often the statistical value is not recognised by the ministries, departments and agencies that are responsible for the administrative data, and access or sharing the data with the national statistics office, requires a process of awareness, as well as sometimes development of Memorandums of Understanding

(MOUs) and also technical support (to comply with statistical ethics, data security and privacy, such as anonymising data). In the past, regular statistical releases were published that provided regular updates on migrant characteristics. For instance, a statistical release entitled "Documented immigrants in South Africa" was published on an annual basis by Statistics South Africa but ceased in 2017. Information was sourced from the Department of Home Affairs. This information provided information based on temporary residence permits and permanent resident permits and was a source of migrant inflows. Importantly, among the information covered in the release were work permits, including: i) Critical skills permit, ii) General work permit and iii) Corporate work permit. While information was not published for this breakdown it showed that information was collected and could be a reliable source of information on documented migrant worker inflows.

More recently, Statistics South Africa have released a regular bulletin on "Tourism and migration" which provides information on the arrivals into the country. This allows for the measure of information on inflows of all migrants, including those for tourism purposes as well as residency. However, the information provided does not disaggregate by these variables, making it difficult to ascertain what the inflows for residency are. If possible, it should be explored as to whether the Department of Home Affairs holds additional data that could be of value in terms of international labour migration statistics. Statistics South Africa should work with the Department of Home Affairs to provide the necessary assistance on processing and dissemination this information.

Besides this, there was also information specific to specific sectors that was also published, but then stopped. An important one was The Employment Bureau of Africa (TEBA), which documented foreign and national workers for the mining industry, including by nationality. This information is no longer collected and/or disseminated but was an example of information collected through private recruitment agencies that could be of value for understanding stocks and flows of migration in the country. This data source and other administrative data sources were analysed for their value in terms of statistics on foreign labour in a 2013 report entitled "Improving the quality of available statistics on foreign labour in South Africa: Existing data-sets" (Budlender 2013).

There are a number of challenges of using administrative data for ILMS, including different definitions resulting in inconsistencies and lack of comparability, as well as other limitations such as certain geographical areas, or skill levels and sectors. Nonetheless, the information is still highly valuable, and even if focused only on a certain population group, sector or skill level, it can be a proxy that reflects trends and provides valuable insights into labour migration to help inform evidence-based labour migration governance. There are a number of steps to facilitating the processing and sharing of administrative data, including i) awareness raising with different departments and ministries of the value of different types of administrative data for ILMS, ii) technical assistance in applying statistical ethics and safeguarding protocols and iii) technical assistance in the processing and sharing of the data. All of which require inter-ministerial coordination and cooperation, often being led by the National Statistics Office or Ministry of Labour. There are challenges to this in countries globally, including lack of cooperation between institutions, sometimes stemming from competition for available funds among other factors.

4. Labour migration trends and characteristics in South Africa

The South Africa Labour Force Survey gives the most recent estimates and characteristics of migrant workers in South Africa. The 2022 Census will provide the most up to date statistics on the foreign-born population in South Africa, however, the microdata will only be published after publication of this report. As such, this section draws from the quarterly Labour Force Survey, for the years that contain the migration module, namely Q3 2012, Q3 2017 and Q3 2022.

4.1. Demographic characteristics

In 2022, the foreign-born population in South Africa was estimated at 2.3 million people, equivalent to 5.2 per cent of the working age population (aged 15+). This is up from 1.5 million in 2012 (equivalent to 3.9 per cent of the working-age population) and represents an increase of nearly 60 per cent (Table 4.1). At the time of writing of this report, the Census 2022 had not released detailed information about the migration characteristics, but did cite that total migrant stock in the country was estimated at around 2.4 million (aged 0+) (Statistics South Africa 2023). This is consistent with the findings from the Q3 2022 Labour Force Survey, but notably, the 2011 Census estimated total migrant stock at 2.2 million, which does not reflect the findings from the Q3 2011 Labour Force Survey.

Men made up the majority of the working-age population, accounting for 57.8 per cent of the total. The respective shares of the working-age population have remained relatively unchanged between 2012 and 2022. In fact, the total growth between 2012 and 2022 in absolute numbers is almost equal for both sexes, with the male foreign-born population having increased 58 per cent in total between 2012 and 2022, and women 59.1 per cent over the same period.

Adults aged 25+ accounted for nearly 9 out of every 10 foreign born persons of working-age. Youth (aged 15-24) accounted for only 14 per cent of the total working-age population in 2022. At the same time, total growth in the youth population at 47.8 per cent between 2012 and 2022 is lower than the 60.3 per cent growth for adults over the same period. It suggests that the age-composition of migrants in South Africa may be changing over time. The Census (2022) is likely to provide updated figures in this regard and also allow for updated sample frames for the Labour Force Survey, but is unavailable at the time of writing.

▶ Table 4.1: Selected demographic characteristics, foreign-born population, 2017-2021

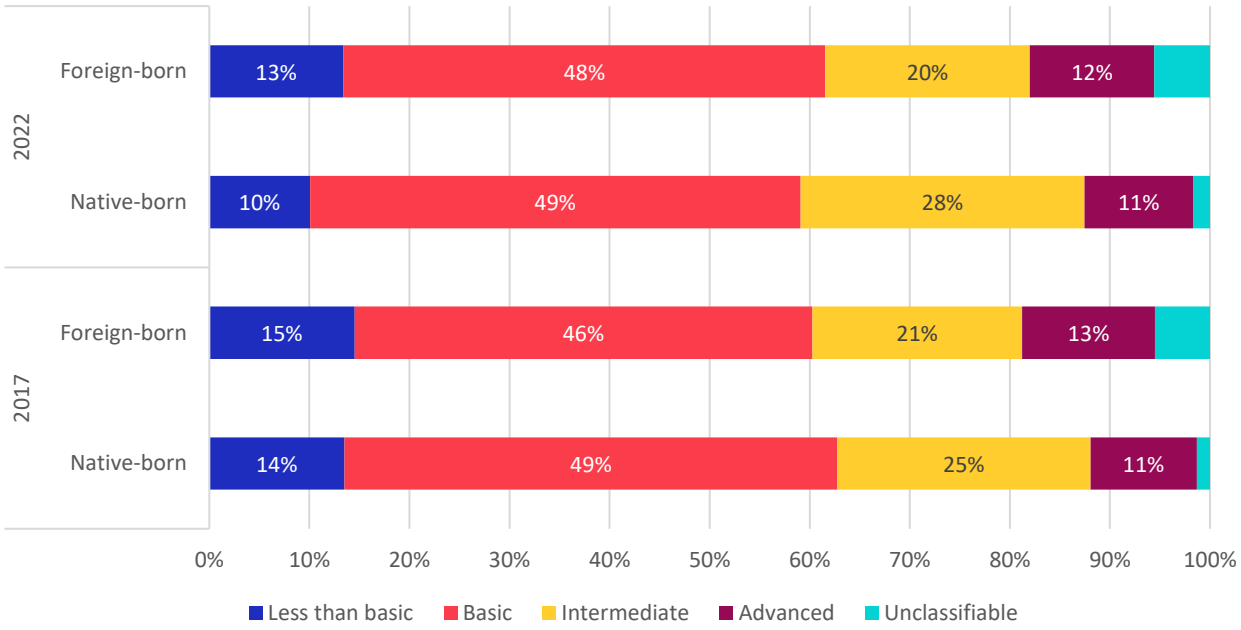
Frequency (000s)	2012	2017	2022	Change 2012-2022 (%)
Working-age population (aged 15+)	1,451	2,122	2,299	58.5

Aged-15-24	218	374	322	47.8
Aged 25+	1,234	1,748	1,978	60.3
Male	841	1,200	1,330	58.0
Female	610	922	970	59.1
Distribution (%)	2012	2017	2022	Change 2012-2022 (pp)
Aged-15-24	15.0	17.6	14.0	-1.0
Aged 25+	85.0	82.4	86.0	1.0
Male	58.0	56.6	57.8	-0.2
Female	42.0	43.4	42.2	0.2

Source: South Africa Labour Force Survey, Q3 multiple years

There was little difference in the educational composition between the foreign-born and native-born population in recent years. In 2022, those with basic or less than basic levels of education were relatively similar, as can be observed in Figure 4.1 – in which, collectively, the two levels account for around 60 per cent of the total population. The main difference by educational attainment between the foreign-born and native-born populations is at the intermediate level for which the foreign-born population have a slightly lower share at 20 per cent, to 28 per cent for the native-born population. Similar characteristics apply in the 2017 data. Notably, for both years there is a higher share of foreign-born population with education levels that are unclassifiable. This can be due to the lack of recognition of education levels and systems abroad.

▶ Figure 4.1: Composition of native-born and foreign-born by level of educational attainment, 2017 and 2022 (percentages)

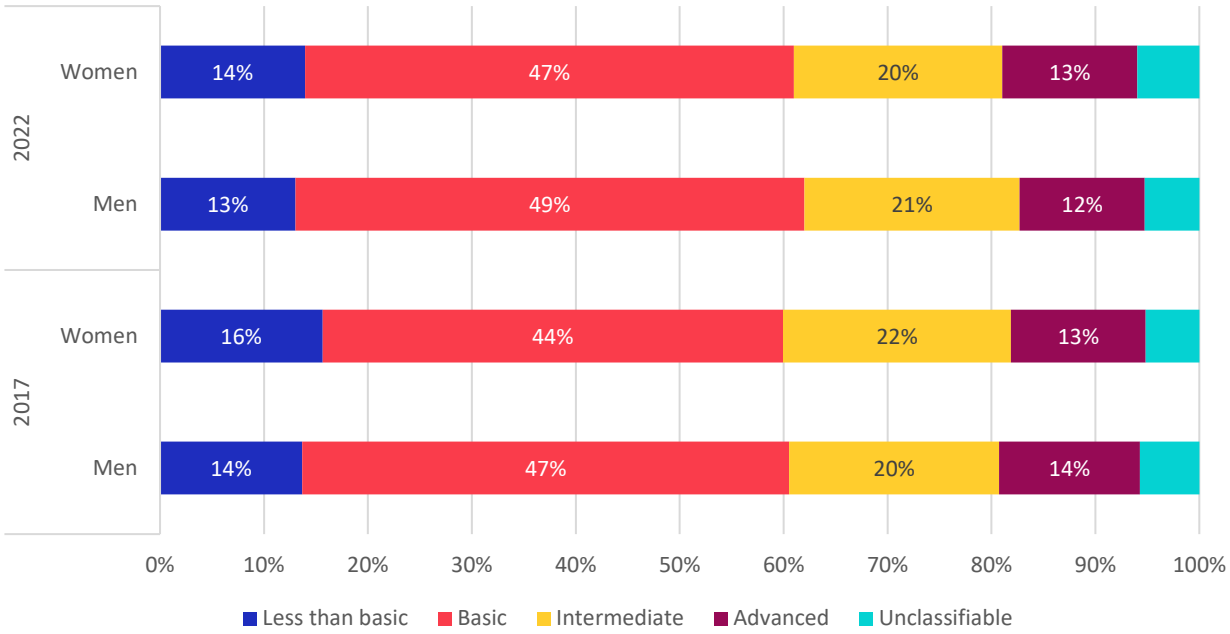


Source: South Africa Labour Force Survey, Q3 multiple years

Notes: Data for Q3 2012 not presented due to challenges in classifying in a consistently across all three years.

By sex, there is also very little difference in the educational composition between men and women migrants of working-age. The sex-disaggregated data for educational attainment of the working-age population shows that the composition is almost mirrored by sex and has not changed between 2017 and 2022 (Figure 4.2). However, this may also reflect the same sampling frame being used for both years (Census 2011), which may not reflect the differences in the composition over time, if sex and educational composition are used as part of the weighting. Again, the Census 2022 will provide valuable insights into the changing demographic composition of the foreign-born population but is unavailable at the time of writing.

▶ **Figure 4.2: Composition of foreign-born population, by level of educational attainment and sex, 2017 and 2022 (percentages)**



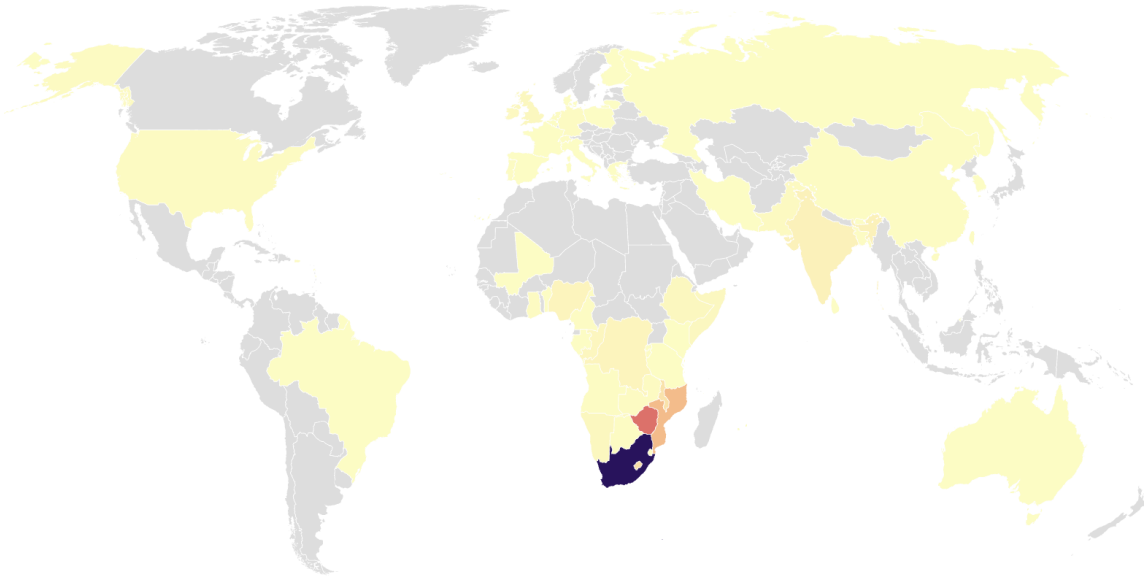
Source: South Africa Labour Force Survey, Q3 multiple years

Notes: Data for Q3 2012 not presented due to challenges in classifying in a consistently across all three years.

Most of the foreign-born population in South Africa were from four neighbouring countries (Figure 4.3). According to the Q3 2022 Labour Force Survey, Zimbabwe accounted for 38.3 per cent of the total foreign-born working-age population (aged 15+) in the country in 2022, followed by Mozambique (18.2 per cent), Lesotho (8.4 per cent) and Malawi (7.5 per cent). Together these countries accounted for 72.5 per cent of the foreign-born working-age population. These figures are consistent with the findings for all migrants from the Census 2022, which states that nearly 85 per cent of all migrants (aged 0+) in South Africa come from five countries of origin, namely, Zimbabwe (45.5 per cent), Mozambique (18.7 per cent), Lesotho (10.2 per cent) and Malawi (8.9 per cent).

The 'Southern route', which refers to migration from the Horn and Eastern Africa downwards to South Africa, is largely made up of irregular migrants. Results of the Mixed Migration Centre's survey showed that over 60 per cent of migrant respondents from East and the Horn of Africa to South Africa reported themselves as irregular, with over 20 per cent reporting as asylum-seekers (Mixed Migration Centre 2023). In the same research, migrant respondents from the Great Lakes region described themselves more so as asylum-seekers at around 29 per cent, with irregular accounting for around 23 per cent. In the case of migrant respondents from Southern African countries, around 34 per cent reported themselves as irregular, followed by 23 per cent as in possession of a temporary permit, 21 per cent as in possession of expired permits, and 10 per cent as asylum-seekers (Mixed Migration Centre 2023).

▶ **Figure 4.3: Most common countries of birth for the foreign-born working-age population, 2022**



Disclaimer: The boundaries shown on this map do not imply endorsement or acceptance by the ILO.
Note: Dark = South Africa. Yellow to red scale denotes the common countries of birth (where is red is the most common.

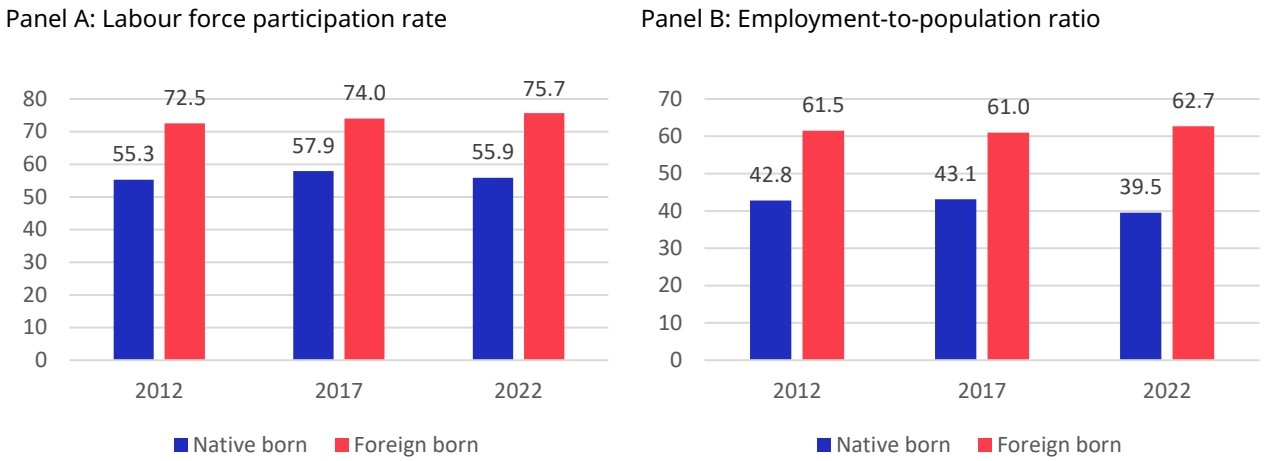
4.2. Labour market characteristics

The foreign-born population had a higher labour force participation rate than the native-born population. This is typical of the differences between the native-born and foreign-born population, whereby the foreign-born population typically have less access to social protection and other benefits and therefore have little option but to participate in the labour market. Further, it is common where a country has higher levels of industrialisation than neighbouring countries, such that migrants from countries of origin are more likely to migrate to the country with higher degrees of economic development in search of economic opportunities. The labour force participation rate for the foreign-born population has increased from 72.5 per cent to 75.7 per cent between 2012 and 2017, representing an increase of 5.2 percentage points.

There is a widening of the gap of the labour force participation rates between the foreign-born and native-born population between 2012 and 2022. Over this period, the gap increased from 17.2 percentage points to 19.8 percentage points. The same was true of the employment-to-population ratio, which also saw a widening gap and is characterised by higher employment-to-population ratios for the foreign-born population relative to the native-born population (Figure 4.4, Panel B). Notably, the native-born population had a lower employment-to-population ratio in 2022 than 2012, and more than 3 percentage points lower than in 2017. This may reflect a prolonged impact of the COVID-19 pandemic, with people being forced to leave the labour market altogether (as reflected in the lower labour force participation rates) but also greater increases in unemployment for native-born population than the foreign-born population. As discussed below, this does not mean that the COVID-19 impact on the foreign-born population was less severe than on the native-born population, instead it is likely to reflect higher rates of informality, and lower levels of access

for the foreign-born population to social protection and other support measures during the COVID-19 pandemic, leaving little option but to continue working.

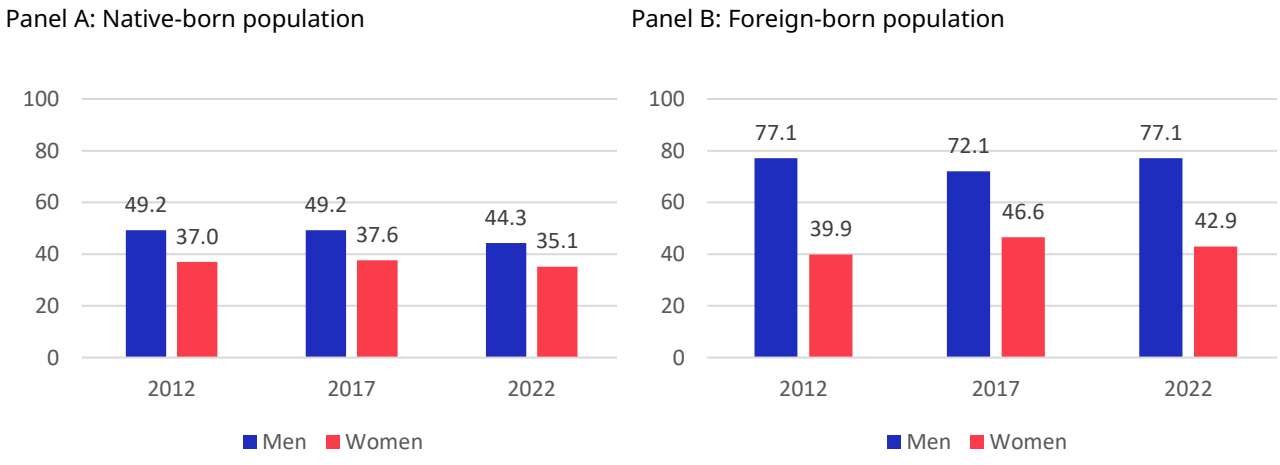
▶ Figure 4.4: Labour force participation rate and employment to population ratio, native-born and foreign-born working-age populations, 2012-2022 (percentages)



Source: South Africa Labour Force Survey, Q3 multiple years

By sex, foreign-born men have a much higher employment-to-population ratio than native-born men. As shown in Figure 4.5, the employment-to-population ratios for men are considerably higher than for women (which is typical globally). While the employment-to-population ratio for foreign-born women is comparatively close to native-born women, at 43 per cent to 35 per cent in Q3 2022, respectively, the men's rates are considerably higher than the native-born population. For men, the employment-to-population rate for foreign-born is 77 per cent, compared to 44 per cent for native-born.

▶ Figure 4.5: Employment to population ratios, foreign-born working-age population, by sex, 2012-2022 (percentages)

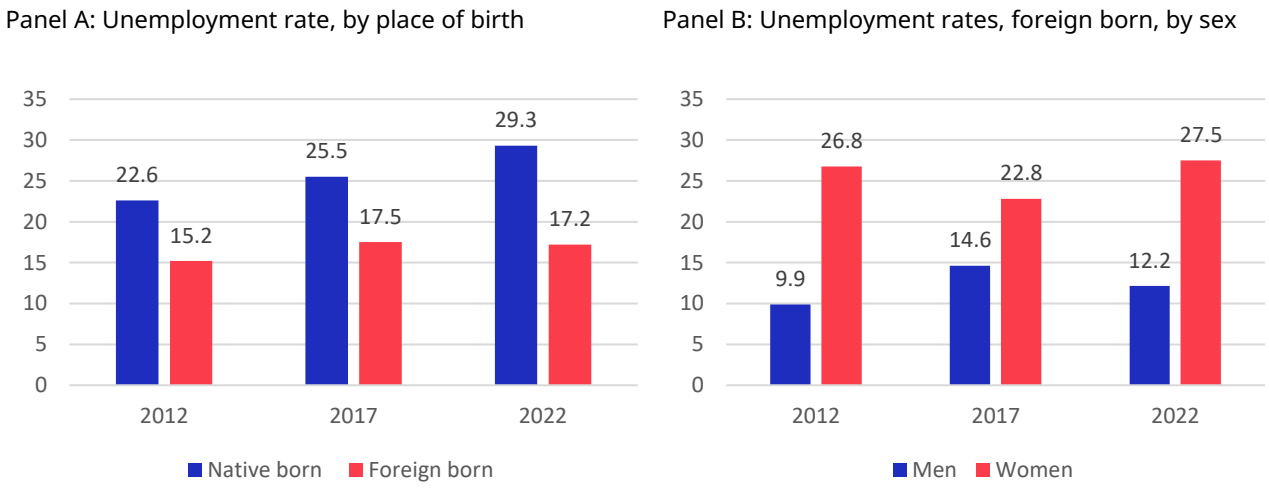


Source: South Africa Labour Force Survey, Q3 multiple years

The unemployment rate for the foreign-born population is considerably lower than the native-born population. The unemployment rates for the native-born population have been increasing over time, from 22.6 per cent in 2012 to 29.3 per cent in 2022 (Figure 4.6, Panel A). This compares to an increase of 15.2 per cent to 17.2 per cent for the foreign-born population. As mentioned above, the employment-to-population ratio of foreign-born population relative to the native-born population, does not necessarily mean that the foreign-born population is in more favourable conditions, instead, the foreign-born population are more likely to be in informal employment or working for informal units of production, and in poorer quality jobs than their native counterparts (informal employment is examined below).

Unemployment rates for foreign-born women are much higher than foreign-born men. The unemployment rates for women at 27.5 per cent in 2022 lower above the unemployment rates for men at 12.2 per cent in the same year (Figure 4.6, Panel B). In fact, the difference has even widened since 2012, where the respective rates were 26.8 per cent for women to 9.9 per cent for men. This may be due to a number of factors, including the traditional sectors of employment for migrant women versus men, and therefore differences in options for employment.

▶ **Figure 4.6: Unemployment rates, foreign-born working-age population, by sex, 2012-2022 (percentages)**

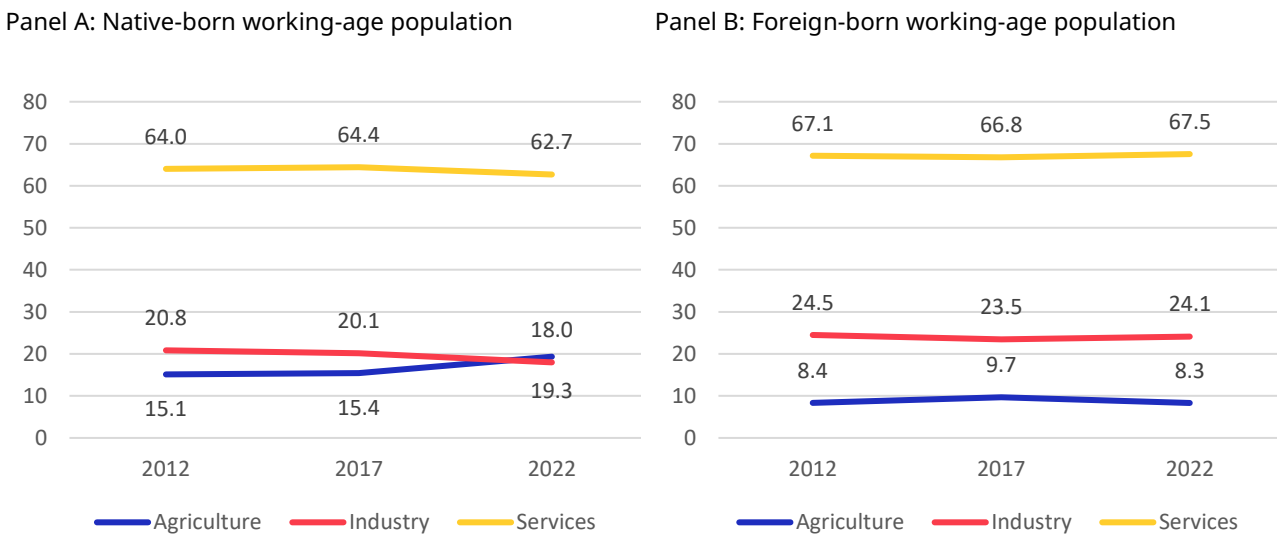


Source: South Africa Labour Force Survey, Q3 multiple years

By broad sector of economic activity, the foreign-born population are more likely to be employed in industry and services than the native-born population. Around a quarter of the foreign-born employed population are engaged in the industry sector, compared to 18 per cent for the native-born population in 2022 (Figure 4.7). The demand for workers in the mining and construction sectors in the country is a key driver for labour migration and the mining-driven demand for labour has also contributed to the establishment of migration corridors between South Africa and neighbouring countries (UNCTAD 2018). The share in industry has been relatively stable since 2012, while for the native-born population it has been declining over time. The foreign-born population are also more

likely to be employed in services than the native-born population. In 2022, around 67.5 per cent of the foreign-born population was employed in services compared to 62.7per cent of the native-born population. Domestic work is a key market for women migrant workers in South Africa (UNCTAD 2018). Agriculture, while relatively low as a share of all foreign-born employment, at 8 per cent, is still a source of employment for seasonal migrant workers, and part of bilateral agreements between South Africa often facilitated by cross-border recruitment agencies (ACMS 2017).

▶ Figure 4.7: Distribution of employment by broad sector group, native-born and foreign-born working-age populations, 2012-2017 (percentages)



Source: South Africa Labour Force Survey, Q3 multiple years.

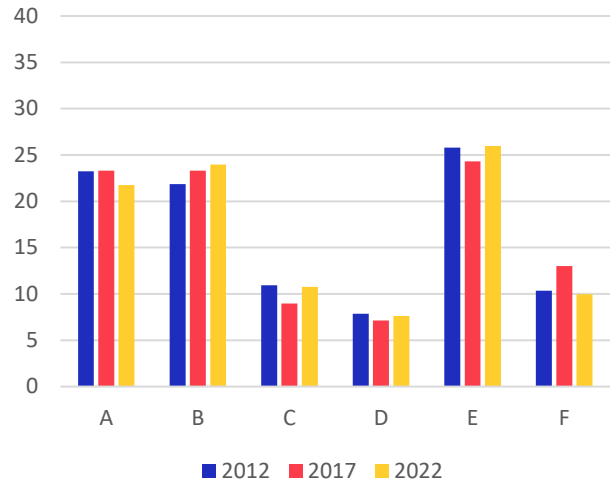
The most common occupation for migrant workers is 'elementary occupations', accounting for more than a third of all employed foreign-born workers in 2022. This compares to 26 per cent of the native-born population in the same year. Over time, the share of employed foreign-born population in 'elementary occupations' has also increased, from 26 per cent in 2012. This corresponds to a decrease in the share of employed foreign-born population in both 'managers, professionals and technicians' and 'clerical, service and sales workers', which decreased from 24 to 20 per cent and 24 to 16 per cent, respectively. The share of foreign-born population in 'skilled agriculture and trades workers' has also increased over time, from 11 per cent to 19 per cent.

These trends are reflected in occupational skill levels, which show an increase in the low-skilled share of foreign-born population and a decrease in the high-skilled foreign-born population. Figure 4.9 shows that while the trends for the native-born population are relatively stable over time, the trends are more distinctive for the foreign-born population. It suggests that while South Africa is relatively open to skilled migrant workers that qualify for an expedited critical skills-related visa or permanent residence under the Department of Home Affairs' critical skills list, the share of high-skilled workers is falling (Department of Home Affairs 2023a). There are some suggestions that

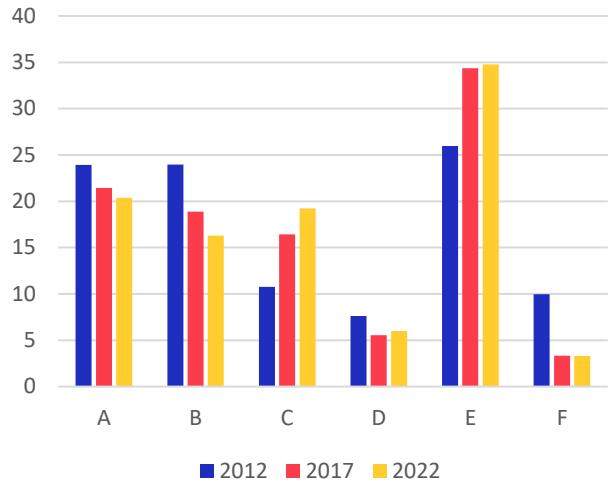
backlogs in visa-processing may be impacting the operationalisation of these channels (BusinessTech 2023; Sguazzin 2023).

▶ Figure 4.8: Distribution of employment by occupational, native-born and foreign-born working-age populations, 2012-2022 (percentages)

Panel A: Native-born working-age population



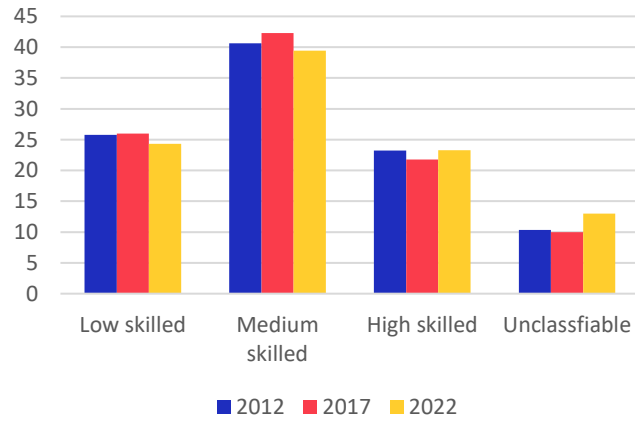
Panel B: Foreign-born working-age population



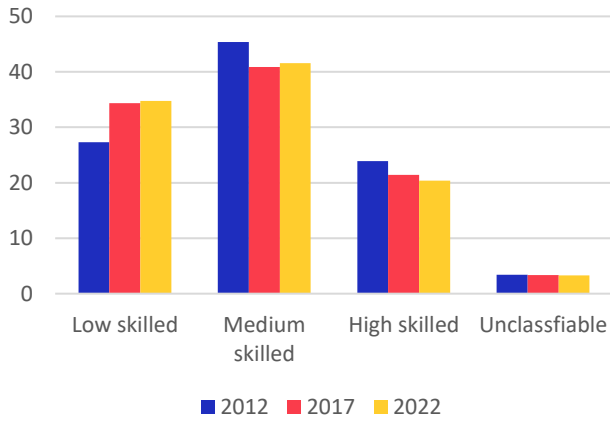
Note: Categories as followed:
A = Managers, professionals and technicians
B = Clerical, service and sales workers
C = Skilled agriculture and trades workers
D = Plant and machine operators
E = Elementary occupations
F = Other
Source: South Africa Labour Force Survey, Q3 multiple years.

▶ Figure 4.9: Distribution of employment by occupational skill level, native-born and foreign-born working-age populations, 2012-2022 (percentages)

Panel A: Native-born working-age population



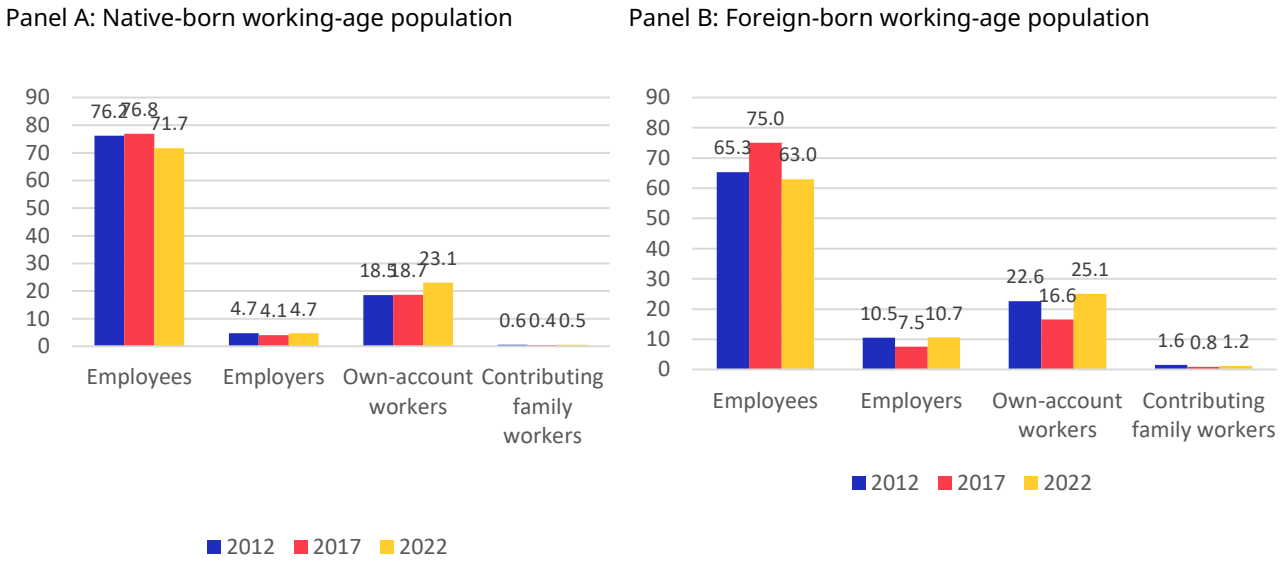
Panel B: Foreign-born working-age population



Source: South Africa Labour Force Survey, Q3 multiple years.

By status in employment, the foreign-born population are less likely to be employees than the native-born population. Employees (or wage and salaried workers) are considered a more desirable form of employment, owing to the more regular incomes, job security and access to social protection than self-employment (employers, own-account workers or contributing family workers). The share of the foreign-born population as employees is estimated at 63 per cent in 2022, compared to 72 per cent for the native-born population. Notably, own-account work and contributing family work account for a similar percentage between the foreign-born and native-born populations, with the difference mostly accounted for by the share of the population who are employers.

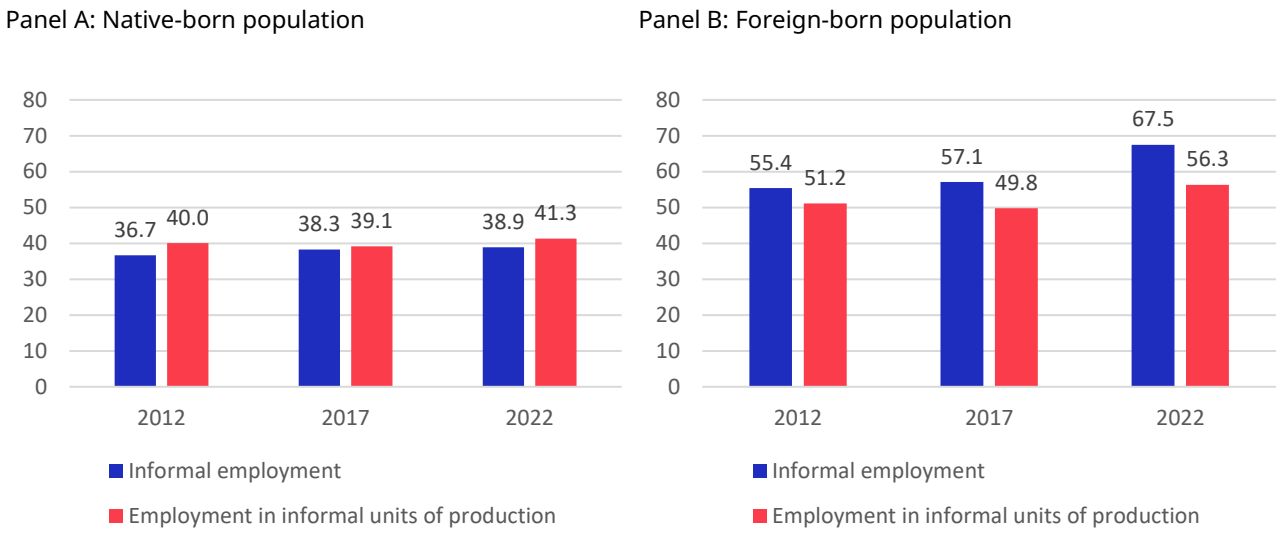
▶ Figure 4.10: Distribution of employment by status in employment, native-born and foreign-born working-age populations, 2012-2022 (percentages)



Source: South Africa Labour Force Survey, Q3 multiple years.

More than two-thirds of the foreign-born population were in informal employment in 2022. This compares to 39 per cent for the native-born population. As such, despite many of these foreign-born workers being employees, informal employment is rife and has also increased from 55.4 per cent of employment in 2012. At the same time, a large number of the foreign-born employed population work for informal establishments (or informal units of production). In 2022, more than half (56.3 per cent) were employed for informal establishments, compared to 41.3 per cent for the native-born population. This has also been on the increase since 2012 (51.2 per cent). The higher propensity of the foreign-born population to be employed in informal establishments as well as informal employment reflect greater vulnerabilities to exploitation, as well as lack of access to social protection and other government benefits (ACMS 2017).

▶ **Figure 4.11: Informal employment and employment in informal units of production, native-born and foreign-born working-age populations, 2012-2022 (percentages)**



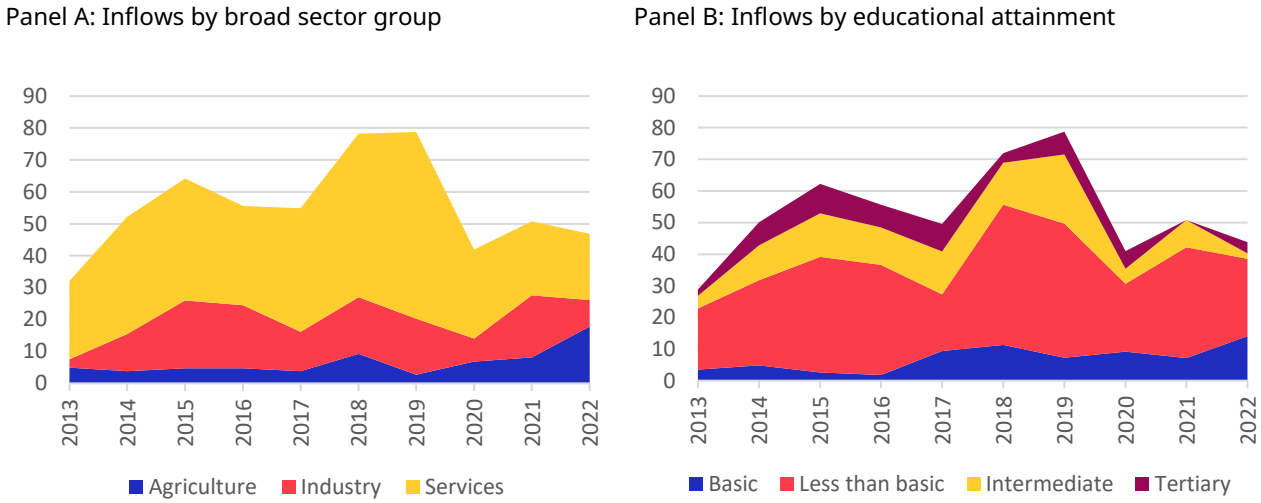
Source: South Africa Labour Force Survey, Q3 multiple years

The migration module of the Labour Force Survey allows for estimates of inflows of migrant workers over time, but with strong assumptions that undermine any inferences from the data. International migrant stock is the total number of migrants in a country at a given time. International migrant flow refers to the total number of migrants who entered a country in a given time. The migration module of the Labour Force Survey (as well as the Census) asks the respondent when they arrived in the country, thereby allowing for the identification of the flow of migrants in a given period. Measures of international migrant flow are most valuable when they are captured in frequent and regular surveys, allowing for trends over time. For this reason, it would help understand labour migration flows if the migration module was used in surveys more regularly, ideally in each quarterly survey.

In the absence of this information in regular and frequent surveys, it is possible to look at the findings of a survey in a given year and look at the recent dates of entry. This is an imperfect measure of international migrant flow as it only includes those who were in the country at the time of the survey and excludes those who have entered the country and since left. It therefore is best considered an imperfect reflection of inflows of long-term migrant workers. It is worth bearing in mind that there is some research to suggest that while many cross-border migrants in the South African Development Community (SADC) are seasonal or circular migrants, the migration patterns in the region can be characterised by their permanence with migration being regarded as a long-term engagement, even taking the form of tradition as subsequent generations of individuals within "migrant" families opting to work outside their country (IOM 2021).

In 2020 there was a dip in the inflows of migrant workers, most likely reflecting the impacts of the COVID-19 pandemic on international movements. Figure 4.12 shows the flows for long-term migrant workers the last few years by broad sector group (Panel A) and by education level (Panel B), as derived from the Q3 2022 Labour Force Survey. Based on the economic activity of the worker in 2022, and taking a strong assumption that the worker was engaged in the same broad sector group over the whole period, it suggests that while all sectors were impacted, migrant workers in the services sector decreased as a share of the inflows of migrant workers. This is consistent with the impact of the COVID-19 pandemic globally, and the disproportionate impact on the services sector. Notably, the share of migrant worker inflows in agriculture have increased since 2019, including through the pandemic. This could also reflect the ongoing need for migrant workers throughout the crisis in the agriculture sector.

▶ Figure 4.12: Inflows of long-term migrant workers, by date of arrival, 2012-2022 (percentages)



Note: See Appendix IV for more relative standard errors.
Source: South Africa Labour Force Survey, Q3 2022

By level of education, the share of inflows of long-term migrant workers with intermediate levels of education decreased with the COVID-19 impact. The share of those with basic or less than basic instead accounted for a higher share of all inflows of long-term migrant workers since 2020, going from 63 per cent in 2019 to 82 per cent in 2022.

4.3. Impact of migrants on the native-born labour force

The section presents a top-level assessment of the impact of migrant workers on the native-born labour market. The purpose of the analysis is to provide general indications of the impact of migrant (foreign-born) workers on labour force dependent variables, in terms of the significance and direction (+ or -) of the coefficients in regression analysis. A limited number of variables were included as control in the analysis, which simplified the analysis and reduced the R-squared to an interpretable level.

4.3.1. Methodology

The analysis draws heavily from the approaches used in a series of reports on the contribution of immigrants to the economies in host countries (e.g. South Africa (OECD and ILO 2018b) and Ghana (OECD and ILO 2018a)). The analysis in these reports include a full set of interaction variables between control variables of education, work experience, and year. Following Borjas (2003), skill cells based on education and experience are used to assess how labour market outcomes of native-born workers of a certain skill level are affected by the proportion of migrant workers of the same skill level (Borjas 2003).

Breusch-Pagan tests were conducted on preliminary regressions which indicated high Chi-square values, recommending a rejection of the null hypothesis of normal error terms. To address this, heteroskedasticity is addressed while still using ordinary least squares (OLS) estimators by including robust standard errors through clustering as done in other research (Edo 2015). The methodology of the skill cells was comparable to those used in relevant research (Borjas 2003; Gerfin and Kaiser 2010; Edo 2015), with only minor differences applied to education groups.

The final model includes a simple regression of the independent variable: 'migrants as a percentage of the labour force' on a series of dependent variables including: the employment to population ratio of native-born population; the unemployment rate of the native-born population; paid employment as a share of the total native-born employed population; the vulnerable employment rate and women as a share of the native-born labour force. Control variables include year of the data, and 'skill cells', which is a categorical variable with four levels, corresponding to a matrix of low/high education and work experience. The South Africa data includes 112,911 observations across Q3 of three non-consecutive years (2012, 2017, 2022).

Each of these regression combinations were run for the whole dataset, then for men only and women only (i.e. including in the specification of independent and dependent variables) and finally limiting the migrant definition only to those who had been in the country for less than 10 years. For this last category, it was only possible to identify this group in the 2022 dataset, and so the regressions are only representative of Q3 2022 data for the '<10 years' runs.

4.3.2. Main findings

Table 4.2 shows the results of a series of regression analyses where the purpose was to determine the impact that migrant workers have on the native-born labour force. Overall, the first column of results shows that the share of migrants in the labour force has a positive significant effect on the employment-to-population ratio of the native-born population. This suggests that migrants are complements to the native employed population rather than substitutes and potentially contribute to employment for the native-born population. The following three rows of regression results suggest that the number of migrants in the labour force does not significantly affect the percentage of the native-born population that are employed or unemployed, nor does it affect the likeliness of paid or vulnerable employment of the native-born employed population.

This analysis was also conducted for men only (column 2) and women only (column 3). The results also showed that for men-only, there was a positive significant effect on the employment-to-population ratio for native-born men, whereas for women, the effect was not significant. The interpretation however, is that the presence of women migrant workers does not have a significant effect on the native-born population of women, however, other analysis (not shown in the table below), suggested that the share of migrants overall (i.e. both men and women migrants) did have a positive significant impact on the employment-to-population ratio for the native-born women population. As with the overall population (column 1), there were no significant effects on unemployment rates of the native-born population, nor paid employment or vulnerable employment rates.

Additionally, column 4 shows the results when using a definition of migrants limited to those who arrived in the last 10-years. As mentioned above, even though this was a smaller sample (due to smaller number of migrants and being limited to Q3 2022 data only, it still also showed a positive significant effect on the native-born population, with the same non-significant effects elsewhere.

▶ Table 4.2: Summary of regression results

Independent variable	All	Men - only	Women-only	<10 years
(1) Employment-to-population ratio of native-born population	+	+	o	+
(2) Unemployment rate of native-born labour force	o	o	o	o
(3) Paid employment rate of native-born employed population	o	o	o	o
(4) Vulnerable employment rate of native-born population	o	o	o	o
(5) Women's share of native-born labour force	-	NA	NA	o

Note: The table reports the sign of impact of the ratio of immigrants (their percentage of the labour force in individual regression analyses, where the dependent variable was the above-listed labour market outcome. Variables included as controls in analysis included time period (year of data), and education*experience values. 'All' refers to the total dataset; 'Men-only' refers to the regression for men only; 'Women-only' refers to the regression for women only, and; '<10 years' refers to the regression for a definition of migrants as only those who arrived in the country less than 10 years ago, for which data was only available for Q3 2022.

o = no significant effect; + = a significant positive effect; - = a significant negative effect.

A value is considered significant at $p<.05$. R-square values for individual regressions under 'All' ranged from 0.287 for regression 1 to 0.662 for regression 5.

However, the last regression shows that an increase in the percentage of the workforce that are migrants is associated with a decrease in the number of women in the workforce for the overall population (column 1). This suggests that migrants may be taking jobs that might otherwise would have been filled by native-born women. The findings were not significant when limiting the regressions to a definition of migrants being in the country for less than 10 years, although this might be due to a smaller sample size due to the limitation to a) Q3 2022 only and b) a lower number of migrants.

On the whole the findings are consistent with a previous analysis on the impact of immigrants on the South African economy and labour market (OECD and ILO 2018b). The study looked at the impact of immigrants on the native-born labour force and found no significant effects at the national level, but found some significant effects at the regional level, suggesting that there may be some effects in different areas that gets drowned out in the national level analysis. The report speculated that border areas might be more likely to exhibit impacts on the labour market from immigrants for example.

5. Conclusions and recommendations

South Africa has a number of data sources that allow for the analysis of labour migration trends and characteristics in the country. While there are occasional reports that analyse this information in depth, such as the ILO/OECD assessment on the economic contribution of immigrants to the South African economy (OECD and ILO 2018b), such in-depth analyses are inhibited by a lack of frequency of data on ILMS. The main issue is that the two main official sources are the Census, which is implemented every 10 years, and the Labour Force Survey, which includes a migration module only every 5-years. At the same time, administrative data is not collected and/or disseminated, contributing to the lack of new and up-to-date information on labour migration. Improved data on labour migration would allow for more informed and evidence-based labour migration governance and policymaking. The following are a summary of potential steps for South Africa to improve its labour migration statistics:

- **Include the migration module in every quarter of the Labour Force Survey, or at least annually:** While the migration module is a welcome component of the Labour Force Survey, the lack of frequency (Q3 every 5 years), undermines the potential of the data. For instance, it is possible to capture information on the inflows of migrant workers, but this needs to be captured more often, at least annually, for interpretation of trends to be reliable. As such, including the migration module in the Labour Force Survey more frequently would greatly improve the quality of international labour migration statistics for the country, and contribute to more evidence-based policymaking.
- **Explore options for capturing information on nationals abroad in the Labour Force Survey:** There is a lack of data on emigration and nationals abroad. Some information is available in the

Census, but the Labour Force Survey should be considered for questions to allow for the capture of information on nationals abroad (outflows, stock and returnees). For instance, household members could provide information about other household members who are abroad, and additional questions could be added for those who have recently returned to South Africa.

- **Explore alternative sources of data, particularly administrative data sources:** Administrative data sources refer to data that is primarily collected for administrative reasons and not statistical reasons, such as work permit information, visa information and others. There are signs that some administrative data is collected by the Department of Home Affairs but not disseminated with the breakdowns necessary for analysing labour migration. Inter-ministerial dialogue, led by Statistics South Africa, should look at whether this data is still available, and if so, to facilitate its processing and dissemination.
- **Consider additional questions in the Labour Force Survey to examine recruitment costs:** Given the use of labour brokers, or recruitment agencies, for different sectors, including agriculture, it would be valuable to capture information on recruitment costs. Precise wording of questions can draw from international examples, including countries that have piloted approaches for measuring recruitment costs (per SDG 10.7.1) using Labour Force Survey data. The approaches are imperfect with a range of considerations and biases and often rely on interviewees providing information about household members who have gone abroad, but this information, as well as information from returnees, can provide insights into emigration motives, working conditions and characteristics as well as recruitment fees.

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Appendix II: Tables in the ILOSTAT ILMS questionnaire

#	MODULE A. INTERNATIONAL MIGRANT STOCK
1	Working-age population by sex, age and place of birth or citizenship (Persons)
2	Working-age population by sex, education and place of birth or citizenship (Persons)
3	Foreign-born or non-citizen working-age population by sex and country of birth or citizenship (Persons)
4	Employment by sex, age and place of birth or citizenship (Persons)
5	Employment by sex, economic activity and place of birth or citizenship (Persons)
6	Employment by sex, occupation and place of birth or citizenship (Persons)
7	Employment by sex, status in employment and place of birth or citizenship (Persons)
8	Employed foreign-born persons by sex and country of birth or citizenship (Persons)
9	Unemployment by sex, age and place of birth or citizenship (Persons)
10	Mean nominal monthly earnings of employees by sex and place of birth or citizenship (Local currency)
#	**MODULE B. INTERNATIONAL MIGRANT FLOW**
11	Inflow of foreign-born or non-citizen working-age population by sex and country of birth or citizenship (Persons)
12	Inflow of foreign-born or non-citizen working-age population by sex and education (Persons)
13	Inflow of foreign-born or non-citizen employed persons by sex and economic activity (Persons)
14	Inflow of foreign-born employed persons by sex and occupation (Persons)
#	**MODULE C. NATIONALS ABROAD**
15	Stock of nationals abroad by sex and country of residence (Persons)
16	Inflow of nationals returned from abroad by sex and country of previous residence (Persons)

17	Outflow of nationals by sex and country of destination (Persons)
18	Outflow of nationals for employment by sex and country of destination (Persons)
19	Outflow of nationals for employment by sex and education (Persons)
20	Outflow of nationals for employment by sex and economic activity (Persons)
21	Outflow of nationals for employment by sex and occupation (Persons)

Appendix III: Additional data tables

Table A1: Selected labour market indicators, native-born and foreign-born populations, 2012, 2017, 2022

	2012		2017		2022	
	Native-born	Foreign-born	Native-born	Foreign-born	Native-born	Foreign-born
Total (15+)	35,452,983	1,451,123	38,436,629	2,121,941	41,857,723	2,299,343
Sex						
Male	16,896,007	841,454	18,416,477	1,200,044	20,055,019	1,329,502
Female	18,556,976	609,668	20,020,152	921,897	21,802,703	969,841
Age-group						
Aged 15-24	9,922,248	217,601	9,940,938	373,747	9,902,284	321,680
Aged 25+	25,530,736	1,233,522	28,495,691	1,748,194	31,955,439	1,977,663
Education (Aggregate level)						
Less than basic	0*	0*	5,195,493	308,518	4,216,107	308,438
Basic	0*	0*	18,933,716	970,321	20,518,620	1,107,091
Intermediate	0*	0*	9,715,944	444,930	11,871,035	470,029
Advanced	0*	0*	4,083,959	281,736	4,537,200	286,054
Labour force status						
Employed	15,174,655	892,121	16,579,591	1,294,380	16,531,003	1,440,912
Unemployed	4,437,622	159,818	5,679,632	275,085	6,856,374	299,509
Outside Labour Force	15,840,707	399,184	16,177,406	552,476	18,470,346	558,922
Status in employment (ICSE 93) - Main job						
Employees	11,558,031	582,425	12,739,413	971,283	11,856,320	907,929
Employers	719,890	93,887	676,283	97,439	775,367	153,700
Own-account workers	2,812,889	201,790	3,094,553	214,906	3,813,376	361,443
Contributing family workers	83,844	14,019	69,342	10,752	85,101	17,839
Occupation (Skill level) - main job						
Skill level 1 (low)	3,914,055	243,713	4,304,520	444,726	4,017,980	500,996
Skill level 2 (medium)	6,167,639	404,681	7,015,767	528,941	6,515,321	598,679
Skill levels 3 and 4 (high)	3,524,928	213,489	3,608,898	277,558	3,850,020	293,676
Not classified	1,568,032	30,238	1,650,406	43,156	2,147,681	47,560
Economic activity (Sector) - main job						
Agriculture	2,293,589	74,581	2,558,792	125,233	3,195,887	119,829
Industry	3,162,479	218,571	3,338,743	303,648	2,972,263	347,788

	2012		2017		2022	
	Native-born	Foreign-born	Native-born	Foreign-born	Native-born	Foreign-born
Services	9,717,968	598,969	10,681,207	864,302	10,362,015	973,295

*Note: *denotes low numbers of observations (see Appendix IV for data quality summary) and unreliable estimates*

Source: South Africa Labour Force Survey, multiple years.

▶ Table A2: Distribution of selected labour market indicators, native-born and foreign-born populations, 2012, 2017, 2022 (percentages)

	2012		2017		2022	
	Native-born	Foreign-born	Native-born	Foreign-born	Native-born	Foreign-born
Total (15+)	100.0	100.0	100.0	100.0	100.0	100.0
Sex						
Male	47.7	58.0	47.9	56.6	47.9	57.8
Female	52.3	42.0	52.1	43.4	52.1	42.2
Age-group						
Aged 15-24	28.0	15.0	25.9	17.6	23.7	14.0
Aged 25+	72.0	85.0	74.1	82.4	76.3	86.0
Education (Aggregate level)						
Less than basic	0*	0*	13.5	14.5	10.1	13.4
Basic	0*	0*	49.3	45.7	49.0	48.1
Intermediate	0*	0*	25.3	21.0	28.4	20.4
Advanced	0*	0*	10.6	13.3	10.8	12.4
Labour force status						
Employed	42.8	61.5	43.1	61.0	39.5	62.7
Unemployed	12.5	11.0	14.8	13.0	16.4	13.0
Outside Labour Force	44.7	27.5	42.1	26.0	44.1	24.3
Status in employment (ICSE 93) - Main job						
Employees	76.2	65.3	76.8	75.0	71.7	63.0
Employers	4.7	10.5	4.1	7.5	4.7	10.7
Own-account workers	18.5	22.6	18.7	16.6	23.1	25.1
Contributing family workers	0.6	1.6	0.4	0.8	0.5	1.2
Occupation (Skill level) - main job						
Skill level 1 (low)	25.8	27.3	26.0	34.4	24.3	34.8
Skill level 2 (medium)	40.6	45.4	42.3	40.9	39.4	41.5
Skill levels 3 and 4 (high)	23.2	23.9	21.8	21.4	23.3	20.4

	2012		2017		2022	
	Native-born	Foreign-born	Native-born	Foreign-born	Native-born	Foreign-born
Not classified	10.3	3.4	10.0	3.3	13.0	3.3
Economic activity (Sector) - main job						
Agriculture	15.1	8.4	15.4	9.7	19.3	8.3
Industry	20.8	24.5	20.1	23.5	18.0	24.1
Services	64.0	67.1	64.4	66.8	62.7	67.5

*Note: *denotes low numbers of observations (see Appendix IV for data quality summary) and unreliable estimates*

Source: South Africa Labour Force Survey, multiple years.

Appendix IV: Data quality summary for selected Labour Force Survey indicators

Table A3: Number of observations and relative standard error of selected labour market indicators, foreign-born population only, 2012, 2017, 2022 (percentages)

	2012		2017		2022	
	Number of obs.	Relative standard error	Number of obs.	Relative standard error	Number of obs.	Relative standard error
Total (15+)	1,817	2.3	2,323	2.0	1,987	2.2
Sex						
Male	1,016	2.1	1,269	1.9	1,126	2.0
Female	801	2.6	1,054	2.3	861	2.6
Age-group						
Aged 15-24	289	5.4	424	4.4	290	5.4
Aged 25+	1,528	1.0	1,899	1.0	1,697	0.9
Education (Aggregate level)						
Less than basic	0*	0*	371	4.8	311	5.2
Basic	0*	0*	1,111	2.2	982	2.3
Intermediate	0*	0*	472	4.1	384	4.6
Advanced	0*	0*	254	5.9	211	6.5
Labour force status						
Employed	1,101	1.9	1,390	1.7	1,216	1.8
Unemployed	181	7.1	313	5.3	258	5.8
Outside Labour Force	535	3.6	620	3.4	513	3.8
Status in employment (ICSE 93) - Main job						
Employees	707	2.9	1,024	2.3	742	2.9
Employers	113	9.1	101	9.7	125	8.7
Own-account workers	267	5.7	254	5.9	333	5.0
Contributing family workers	14	26.6	11	30.1	16	24.9
Occupation (Skill level) - main job						
Skill level 1 (low)	312	5.2	502	4.0	442	4.2
Skill level 2 (medium)	479	3.9	579	3.6	507	3.8
Skill levels 3 and 4 (high)	258	5.8	254	5.9	215	6.4

	2012		2017		2022	
	Number of obs.	Relative standard error	Number of obs.	Relative standard error	Number of obs.	Relative standard error
Not classified	52	13.7	55	13.3	52	13.7
Economic activity (Sector) - main job						
Agriculture	128	8.5	147	8.0	119	8.9
Industry	287	5.4	328	5.1	302	5.3
Services	686	3.0	914	2.6	795	2.7

Note: Figures highlighted red are those with the number of observations of 30 or less, or with relative standard errors of a value of 30 or more. These are those with relatively too few observations to be considered reliable.

Source: South Africa Labour Force Survey, multiple years.

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