

South Africa: Wealth Gap, Employment Imbalance, and Education Inequality in South Africa

Sibo Xu^{1,a,*}, Yizun Liu^{2,b}

¹*Business School, Bachelor of Economics, University of New South Wales Sydney, New South Wales 2052, Australia*

²*Minhang Crosspoint High School, Shanghai, 201199, China*

a. siboxu1223@outlook.com, b. lyz0050924@163.com

**corresponding author*

Abstract: This study uses changes in education and work between men and women to estimate the impact of gender inequality on the wealth gap in South Africa. Although the low enrollment rate of males in primary education continues to occur, social factors of gender inequality led to higher graduation rates and unemployment rates for females than for males, even though they have higher enrollment rates. These findings prove that gender inequality in society leads to job and income imbalances. For this paper, the innovation lies in the logical analysis of the three factors together, rather than the research on the influence of one element. Interestingly, even with the promotion of women's rights in South African society, gender bias has been affecting people's behaviour and subconsciousness at work, making people ignore that South African women have higher learning and skilled workability, which can improve the social economy more than men.

Keywords: wealth gap, job imbalance, gender inequality

1. Introduction

The South African economy has continued to grow in recent years, but poverty and high unemployment are still a problem for every head of government. According to statistics, 30 to 40 percent of South Africa's population can only manage an income of less than one dollar a day. More than one million families' incomes are fewer than 150 dollars, but the income of some business executives is six times that of 150 dollars. Those big bosses and officials earn 500-700 times 150 dollars [1], and the income gap in South Africa is enormous. In South Africa, the gender gap is reflected in unequal opportunities in higher education and women's access to the qualifications needed for successful careers. It is essential for lifelong learning for women in higher education, as this helps narrow the income gap and access senior management positions. It can be concluded that lifelong learning is an investment and an asset. For a developing country like South Africa, it provides access to education to ensure continuous learning for economic construction. Employment equity legislation is essential to better address the legacy of unfairness and segregation in the market for some special groups, such as women [2]. This research analyses in detail how women managers and junior workers experience career development through accepting formal and informal learning. The wage gap is also a big challenge. There is a considerable wage gap between high-skilled and low-skilled jobs. In South Africa, women generally have lower education enrolment rates than men [3].

This work assumes that women who have completed 12 years of education can also do full-time high-skilled jobs. However, gender inequality makes their wages generally less than men's. According to all the above studies, there was a strong correlation between gender inequality in education and the wealth gap in South Africa through the change of data. Not only focus on the gap in educational resources but also on the opportunities and abilities of men and women to work. Moreover, this work affirms that gender inequality in employment and income will affect the wealth gap continually.

2. Methodology and Data

2.1. About Methodology

It needs to prove the difference in education and work inequality between men and women in South Africa so that the employment imbalance and education inequality are reasons for the wealth gap. The data searched from 2000 to 2020 on the enrollment rate, graduation rate, and overall degree of education for men need to increase and be higher than women continuously. The unemployment rate needs to show a lower difference than women. In this way, the reality of the differential treatment of men and women in South Africa can be demonstrated by the comparison trends in the data. In addition, this work uses Excel to draw the broken line statistics of the four data as a model to observe trend.

Initially, we wanted to search for various data on men and women in education and work from the website of Statistics South Africa. However, it is found that most data are related to population, economy and trade, and some detail on education and employment cannot be found in Statistics South Africa. Also, education and employment are the two categories of sustainable economic development for each country, so three keywords were searched: South Africa, education, and employment on the website of the World Bank. The World Development Indicators (made by the World Bank) are time series data (all in percentages), and then authors collate the total primary school enrollment rate for South Africa from 2000 to 2020, male and female: secondary school enrollment rate, unemployment rate with primary education, age 25+ with at least post-secondary education.

Table 1: Summary of education and employment related data in South Africa from 2000 to 2020

South Africa Sibo Xu 8/5/2023 Data Source: World Development Indicators	Country code: ZAF	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
School enrollment, primary (% gross)	SE.PR.MENR R	101	102	104	105	106	106	106	108	108	106	105	103	103	103	103	106	103	101	99	98	97
School enrollment, secondary, male (% gross)	SE.SEC.ENR R.MA	77	78	79	80	83	84	88	90	89	90	91	94	96	104	103	110	102	100	97	99	98
School enrollment, secondary, female (% gross)	SE.SEC.ENR R.FE	85	86	86	87	89	91	94	95	93	95	97	99	102	111	113	109	112	109	104	106	106
Educational attainment, at least completed post- secondary, population 25+, female (%) (cumulative)	SE.SEC.CUA T.PO.FE.ZS		8	10	10	10	10	10	10	12	12	12	12	13		14	15		14		29	
Educational attainment, at least completed post- secondary, population 25+, male (%) (cumulative)	SE.SEC.CUA T.PO.MA.ZS		9	11	11	11	12	11	12	12	13	13	13	14		15	15		14		52	
Unemployment with basic education, female (% of female labor force with basic education)	SL.UEM.BAS C.FE.ZS	40	42	49	47	43	43	42	41	28	27	30	29		29	31	31	32	31	31	33	30

Table 1: (continued)

Unemployment with basic education, male (% of male labor force with basic education)	SL.UEM.BAS C.MA.ZS	29	29	32	31	28	27	26	26	22	24	27	25		26	26	26	27	27	27	29	27
--	--------------------	----	----	----	----	----	----	----	----	----	----	----	----	--	----	----	----	----	----	----	----	----

2.2. The Data

Next, the above data is drawn into a clear broken-line graph to analyse fluctuation and trends. Then not only are all the broken-line graphs related to the data of men and women compared, but they also analyse the differences and inequalities between them. In the final step, all the survey data are combined to analyse the influence of each other.

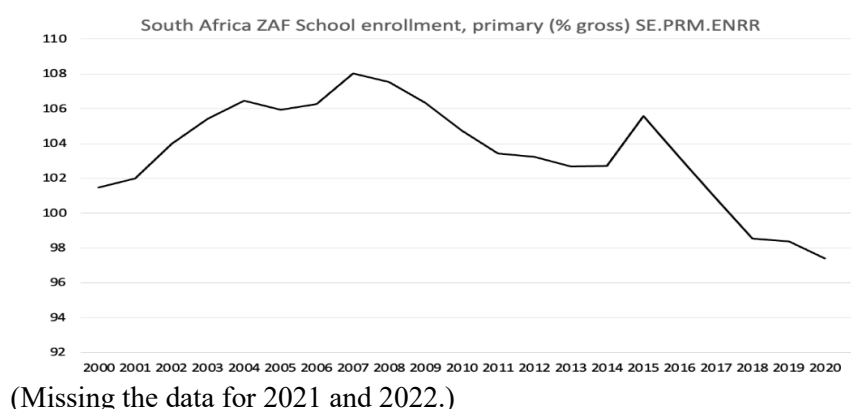


Figure 1: Primary school enrollment

As shown in figure 1, the first data is the total primary school enrollment rate (as a percentage of gross) in South Africa from 2000 to 2020, which started at 101 in 2000 and continued to increase until 108 in 2007 (the highest value of the data). Then it showed a downward trend from 2008 to 2014 (the value is 103). Moreover, there was a considerable upward (with a difference of 3) the following year and a sharp decline to 97 from 2015 to 2020.

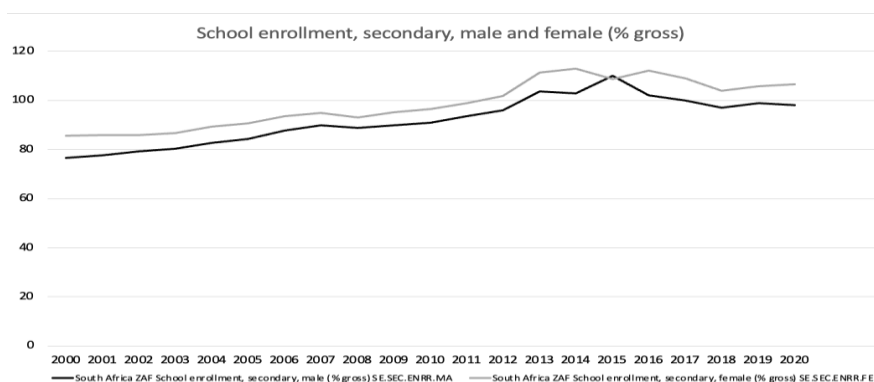


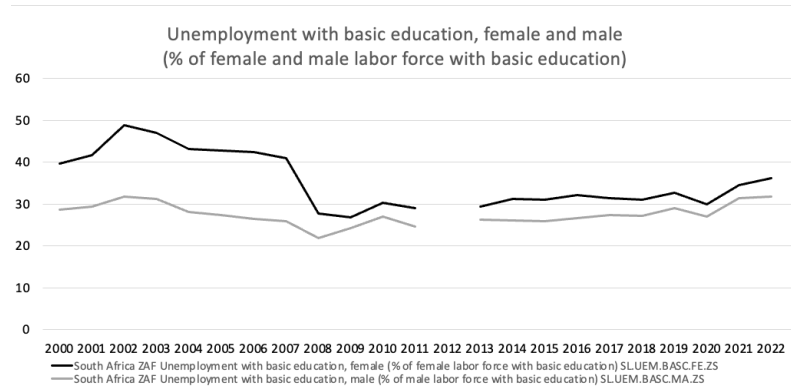
Figure 2: Secondary school enrollment

As shown in figure 2, the second data is for South Africa's enrolment rate, secondary school, male and female (%gross), and the invariant is 2000 to 2020. It starts at 77 for males in 2000 (the lowest value of all data) and slowly rises to 90 in 2007. From 2008 to 2015, it rose to 110 (the highest value of all data).

From 2019 to 2020, it continued to decline. In 2020, the starting figure for women was 85 (the lowest value in all data), which then increased for one year.

From 2001 to 2002, the value was unchanged at 86. From 2002 to 2007, the trend continued to rise. Next, the value was 113 (the highest value in all data), then declined and rose again. In the end, 2019 to 2020 is a constant value of 106.

Comparing the two data trends of men and women, the enrollment rate of men in middle school is generally lower than that of women, but the only time it exceeds that of women was in 2015.

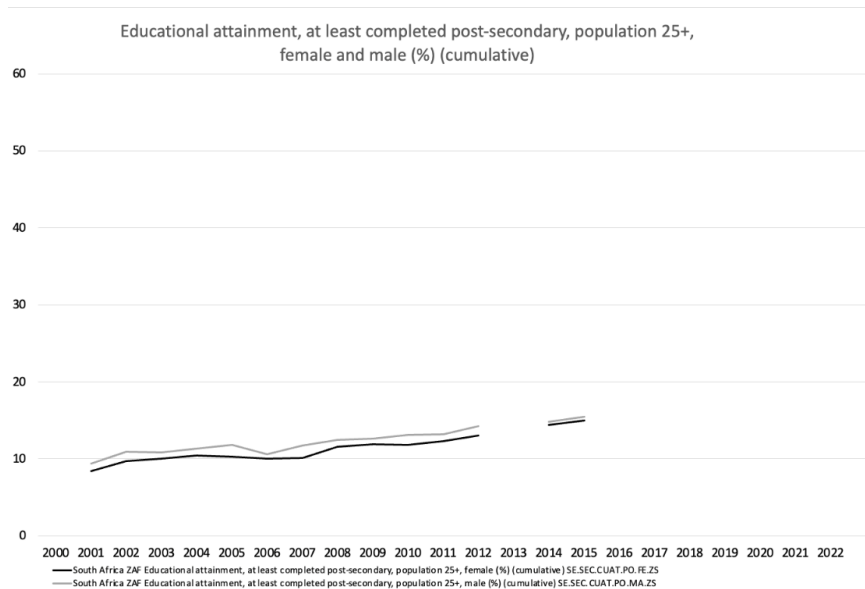


(Missing the data for 2012.)

Figure 3: Unemployment of different genders with basic education

As shown in figure 3, the third data is the South African unemployment rate of men and women with primary education, female, and male (%of the female and male labor force with primary education). The female data started from 40 in 2000 and continued to rise to 49 in 2002 (the highest value of the overall data).

From 2002 to 2009, it continued to decline and reached the lowest value of 27. From 2009 to 2010, it rose again and declined for another year. From 2013 to 2019, it was in a slow and steady up-and-down trend until a slight and rapid decline occurred between 2019 and 2020. The male data started from 29 in 2000 and rose to 2002, then declined to 22 in 2008 (the lowest data value). It also fluctuates slowly and steadily, up and down like the trend for women. Finally, from 2020 to 2022, the final data was 32 (the highest value). Combining and comparing the two sets of data trends of men and women, the unemployment rate of women is generally higher than that of men, especially from 2000 to 2008.



(Data missing from 2013 and 2016 to 2020).

Figure 4: Gender differences in educational attainment (at least post secondary or above)

As shown in figure 4, the fourth study data is South Africa's educational attainment, at least completion of post-secondary education, population over 25+, female and male (% cumulative). Moreover, invariants are from 2001 to 2019. from 9 for males in 2001, increasing to 2002. Then it declined for one year and continued to increase for two years. Next, it declined again from 2005 to 2006. After 2006, the data increased continuously to 2015(15.5), but it declined in 2017 and finally made the final increase in 2019 (the highest value of the overall data). Women started at 8, then increased until 2004, then decreased from 2005 to 2006, then continued to increase until 2009, then decreased again from 2009 to 2010, but from 2020 to 2015, there was always an upward trend and then decreased in 2017. However, the final data was obtained at the end of 2019 and rose to the highest value of 29. To compare the data between men and women, the education level of women is generally lower than men, but all their general trend is slowly upward.

3. Empirical Result

Combined with the analysis of the total primary school enrollment rate (as a percentage of the total school enrollment rate) in South Africa from 2000 to 2020, it can be found that starting from the primary school enrollment rate of 101 in South Africa in the 20th century, the total school enrollment rate has been declining regardless of whether the enrollment rate fluctuates or not over the 20 years. Whether grades in elementary school and under the influence of the gap between rich and poor, the boy's reading scores than girls' [4]. As the overall enrolment rate (including both sexes) continues to fall, boys' study ability is less than girls. After successfully graduating from primary school, according to graph two compared with figure 1, it is found that not only the learning ability of male students in primary school is lower than that of female students, but also the number of students enrolled in secondary school is generally lower than female students. The biggest reason may be that male students who successfully graduate from primary school through exams are less than female students.

Combining the unemployment rate in figure 3 and 4 with the number of 25+ people with at least a secondary school education is interesting. This work finds that fewer men have at least a primary or secondary education than women, and the unemployment rate of women entering the workforce is higher than men. However, In South Africa, organisations must first consider employment opportunities for women and black people in disadvantaged groups [5]. There is a contradiction between ensuring employment and high unemployment.

Female salaried employees are made up of unskilled or requiring a high degree of specialisation jobs. However, their average wages are generally lower than those of men in the same occupation [6]. This phenomenon has created a vast gender wealth gap in South African society. In the case that the educational level of men is lower than women, the factor of gender inequality led to the gender income gap, wealth gap and work opportunity gap.

4. Conclusion

This paper analyses gender inequality as a key factor causing the wealth gap between men and women in South Africa's primary education society: Given the same essential education background, it is found that men's learning ability is lower than women's, and women are more suitable for high-earning skilled jobs. However, due to the impact of gender inequality, the unemployment rate of women in the same position is higher than that of men, and the wealth, income and employment opportunities are lower than those of men.

The best policy option would be for the South African government to enact laws that eliminate gender discrimination in the workplace. The company will be penalised if men are paid more than women in the same job. To solve the problem of female unemployment, the government should provide employment guarantees for unemployed women as soon as possible, such as providing

unemployment insurance for women who have been unemployed for about half a year after entering the workforce to ensure average living expenses.

References

- [1] Wang, J., & Zheng, X. (2010, May 1). *South Africa - There Is a Long Way to Close the Gap between Rich and Poor*, pp. 1–2.
- [2] Dosunmu, A. G., & Mpho, D. (2019, November). *Access to higher education and career advancement for women in the ... Access to higher education and career advancement for women in the South African work environment*. https://www.researchgate.net/publication/337556626_Access_to_higher_education_and_career_advancement_for_women_in_the_South_African_work_environment
- [3] Mosomi, J. W. (2020, April 16). *The labor market in South Africa, 2000–2017*. IZA World of Labor. <https://wol.iza.org/articles/the-labor-market-in-south-africa/long>
- [4] Spaull, N. (2012, November 8). *Poverty & privilege: Primary school inequality in South Africa*. *International Journal of Educational Development*. <https://www.sciencedirect.com/science/article/abs/pii/S0738059312001381?via%3Dihub>
- [5] Booysen, L., & Nkomo, S. (2010, June). *Gender role stereotypes and requisite management characteristics. Gender role stereotypes and requisite management characteristics: The case of South Africa*. https://www.researchgate.net/profile/Lize-Booyesen-2/publication/235288108_Gender_role_stereotypes_and_requisite_management_characteristics_The_case_of_South_Africa/links/55084e040cf27e990e0a0ec6/Gender-role-stereotypes-and-requisite-management-characteristics-The-case-of-South-Africa.pdf
- [6] International Labour Organization. (2019). *Wages in Africa Recent trends in average wages, gender pay gaps and wage disparities. Wages in Africa - International Labour Organization*. https://www.ilo.org/wcmsp5/groups/public/---africa/---ro-abidjan/---sro-cairo/documents/publication/wcms_728363.pdf