**Introduction:**

Poverty and employment are critical aspects of South Africa’s socioeconomic landscape. South Africa remains the country that struggles with a lack of employment due to the struggles in the economy and a lack of skills for available vacancies. A decline in the employment rate significantly contributes to the current economic challenges, as it not only undermines financial security within households but also increases poverty levels.

According to Statistics South Africa(2025), “the unemployment rate of 31.9% in Q4 2024 reflects the continued difficulty many South Africans face in securing jobs.” Employment is vital as it provides income and serves as a pathway out of poverty. Not only does employment contribute to personal growth and social development, but it also helps with individuals’ basic needs, like access to proper healthcare, and it reduces corruption levels. Anathi(2025) also states that “South African jobless rate rises, highlighting coalition challenge,” meaning that unemployment remains the greatest challenge faced by South Africans, reflecting a substantial decrease in employment opportunities and issues in the labor market.

The datasets we obtained from the World Bank regarding employment and poverty will provide us with insights into how these two aspects interrelate and delve deeper into their influence on people’s lives in South Africa and the country's economic growth. The trend of poverty between the years 2005-2015 will show us the patterns of how it led to poverty reduction, and whether the rate of employment had any effects on this.

**Charts:**

**A graph showing the growth of employment rate over time

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Employment: Gradual decline from ~45% (2006) to ~35% (2020), slight recovery after. Poverty: Very high (~67% in 2005), sharp drop by 2010 (~53%), then stuck around 55% since. Poverty reduction stalled after 2010, while employment kept declining.

**A graph of different colored bars

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This bar chart compares key statistical metrics for employment rate and poverty rate: Mean & Median: Poverty rate averages (mean: 57.5%, median: 55.5%) are much higher than employment rate (mean: 39.2%, median: 39.8%).

**A graph showing a red line and a red line

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Correlation = +0.722 (strong, positive). Higher employment is linked to higher poverty in this data (counterintuitive). Suggests many jobs are low-paying/informal, so employment doesn’t lift people out of poverty. Poverty reduction depends on job quality and wages, not just job numbers.

**A graph showing a number of different colored squares

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The chart shows a history of job losses during global crises and slow but steady recoveries afterward, with recent years (2022–2023) looking the most promising since 2006.

**A graph showing the difference between poverty and unemployment

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**A diagram of the relationship between the number of individuals

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This heatmap visualizes the correlation coefficients between three variables: year, employment rate, and poverty rate. The color and value in each cell show the strength and direction of relationships: Year vs Employment Rate: Strong negative correlation (-0.84), meaning as years progress, employment rate tends to decrease.