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Professionalisation or Polarisation?

Economic restructuring and changes in

Cape Town's labour market

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Abstract

The purpose of this thesis is to investigate the changes that have occurred in the economy of Cape Town, South Africa over the last half of the 20th century and what the possible effects of this change have been on social inequality. Literature on economic restructuring in cities all over the world provided the framework of ideas within which this analysis was conducted. These works focused on how in many cities, progressive deindustrialisation has led to the loss of middle-income jobs, while growth in the service sector has resulted in greater numbers of high- and low-skill and income jobs. Others argued that most cities economies' were becoming increasingly organised around professional, managerial and technical skills only, and that increased polarisation occurred solely in those cities that were subject to large-scale immigration. The overriding question that emerged from this body of work then was whether the occupational distribution of employment in cities was becoming increasingly polarised or professionalised. Careful examination of population census data on sectoral and occupational changes in the economy of Cape Town showed that the city's working population was becoming increasingly professionalised, and not more polarised. Survey data were also used to dispute the contention that a large unskilled migrant population was a sufficient condition for social polarisation.

Theories about the impacts of deindustrialisation and the decline in blue-collar work on unskilled ethnic urban minority groups were also discussed. Again, using population census data, it was shown that the Coloured population had dominated manufacturing employment. Therefore, it was concluded that the decline in manufacturing employment would most likely have the greatest negative impact on Coloured employment levels. This would most likely affect Coloured men most though, as Coloured women were gaining more employment in all the other types of occupations that were growing while blue-collar employment, on which men seemed to rely that much more, was declining.

The argument was also made that service sector growth, while leading to increased feminisation of the workforce, also causes women to be segregated into low-skill, low-pay service jobs. However, the data for Cape Town concurred with other author's data that showed that the occupational distributions of both women and men are becoming increasingly professionalised.

Some authors argued that the decline in manufacturing jobs and growth in low-skill service sector work favours unskilled women over unskilled men, as the manufacturing sector tended to hire more men and the service sector tends to employ more women. This was shown to be true in the case of Cape Town, with African women dominating unskilled labour by 2001.

University of Cape Town

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This work has not been submitted previously, in whole or in part, for the award of any degree. It is my own work. Each significant contribution and quotation in this dissertation from the work(s) of others has been attributed, cited and referenced.

Signature: Abdel-Saladin

Date: 02/06/2006

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Introduction

In their 1982 paper “World City formation”, John Friedmann and Goetz Wolff proposed “a new look at cities from the perspective of the world economic system-in-formation” (Friedmann and Wolff, 1982:309). They believed that one of the most important issues facing emerging world cities would be the impact that changing employment structures would have on both their economies and social organisation. Certain sectors of the economy were growing at the expense of others in these cities. The most growth was occurring in the business services where workers are mostly professionals and clerical personnel. However, this was occurring at the expense of growth in manufacturing employment. With the rapidly increasing automation of many jobs, the authors stated that: “the future of manufacturing employment in the world city is not bright” (Friedmann and Wolff, 1982:320).

Friedmann and Wolff (1982) were unequivocal in their assertion that the biggest social impact of world city development is the polarisation of its social classes. They painted a picture of a city where, as the traditional blue-collar working class shrank, the soaring numbers of the professional class became dominant. This “ruling class” would enjoy stable jobs and permanent income, while at least a third of the population, many of whom would be newcomers to the city, would “queue for jobs on the edges of the formal economy” and many would end up “providing personal services to the ruling class, doing the dirty work of the city” (Friedmann and Wolff, 1982:322).

This was one of the first papers linking economic restructuring and social polarisation. Subsequently, other academics have seized upon the idea that when a city’s economic base changes from manufacturing to services, the occupational structure changes from one with many blue-collar, middle-income jobs to one with predominantly high- and low-pay jobs. This shift is thought to lead to an even greater gap between the rich and the poor and therefore, increased social polarisation.

Saskia Sassen (1994) is a major proponent of this theory and has applied it to quite a range of cities from New York and Los Angeles in the United States (U.S.) to Tokyo, Japan and London, England. Edward Soja (1991) talks of New York and Los Angeles changing from consisting of “the proletariat and industrial bourgeoisie” to being dominated by “the executive-professional-managerial ‘overseers’ and the predominantly minority and immigrant ‘underclass’” (1991:365). Some authors, such as Jan Nijman (1996), contend that these very same processes are occurring

in cities that did not even have a traditional post-industrial city manufacturing-based economy, such as Miami. This theory has even been applied to other non-Western cities, such as Beijing (Gu and Liu, 2002), and cities in what are generally regarded as Third World countries, such as Rio de Janeiro (Ribiero and Telles, 2000) and Johannesburg (Crankshaw and Parnell, 2004).

Not everyone agrees on the merits of the polarisation hypothesis though. Chris Hamnett (1994a, 1994b) is a long time critic of Saskia Sassen and argues that her theory of increasing social polarisation in global cities is flawed, as it is formulated around cities like New York and Los Angeles that have the very large immigrant populations necessary to support an expanded low-wage service sector. He not only completely disagrees with Sassen about London, but also offers the example of the Randstad as a counter to the idea of increasing social polarisation and in support of the growth of professionalisation, which he contends is the process occurring in most Western cities (Hamnett, 1994a).

As Feinstein, Gordon and Harloe pointed out (1992:13):

“The images of a dual or polarised city are seductive, they promise to encapsulate the outcome of a wide variety of complex processes in a single, neat, and easily comprehensible phrase. Yet the hard evidence for such a sweeping and general conclusion regarding the outcome of economic restructuring and urban change is, at best, patchy and ambiguous. If the concept of the ‘dual’ or ‘polarising’ city is of any real utility, it can serve only as a hypothesis, the prelude to empirical analysis, rather than as a conclusion which takes the existence of confirmatory evidence for granted.”

This is what I have attempted to do in this thesis, namely, apply the hypothesis of economic restructuring leading to increasing social polarisation to a city, Cape Town, South Africa, and test it against the evidence. Population census data were used to show that there has been a decrease in manufacturing employment and growing service sector employment in Cape Town since the mid-1980's. It was then hypothesized what effect this would have on the occupational structure. Again, this was tested using population census data. Without pre-empting the findings, I will say that the results were quite surprising. However, as the reader will discover, these results make sense when one examines the evidence more closely.

Questions related to the decline of manufacturing employment were then considered. Here, I was most interested in William Wilson's (1987, 1996) work on the impact of the economic shift

from goods to service production on unskilled, inner-city minorities, specifically African Americans, in the large cities of the northern U.S.A. Wilson (1996) ascribes the “misfortune” of low-skilled men to the decline of mass production and concomitant rise in service sector jobs for workers with little education and experience, which tend to hire relatively more women. It is to the loss of manufacturing industries in these cities over the last few decades that he attributes rising unemployment amongst unskilled African American men. This raises the question: who has been most negatively affected by the loss of manufacturing employment in Cape Town?

By the same token, who has been most positively affected by the rise in service employment in Cape Town? Has the workforce in general become increasingly feminized as a result of the growth in service sector employment? Have women replaced men in unskilled jobs as a result of the dominance of service sector jobs?

Closely tied to these matters is that of the migration of unskilled workers to the cities. During the period under study, most migrants to Cape Town were poor, unskilled Africans who left their rural homes to find work in the city. How has the decline in manufacturing, which tended to have entry level jobs for unskilled workers as well as the chance for upward occupational mobility, affected these migrants' employment prospects? Finally, Hamnett's (1994a) contention that an expanded low-wage service sector exists solely due to the presence of a large unskilled immigrant population is critically examined.

Chapter 1

Literature review

Research has shown substantial increases in socio-economic and spatial inequality in first world cities (Sassen, 1994). Many authors have argued that this is not simply an increase in the extent of social inequality but is due to economic restructuring and the emergence of new social forms (Beall, Crankshaw and Parnell, 2002; Crankshaw and Parnell, 2004; Friedmann and Wolff, 1982; Gu and Liu, 2002; Nijman, 1996; Ribeiro and Telles, 2000; Sassen, 1994; Soja, 1991; Wilson, 1987 and 1996). The core of this argument is focused around the declining centrality of mass production with a concomitant shift to services, and how this in turn has led to increased inequality in cities.

Historically, the type of economic growth experienced in post World War II America facilitated and encouraged the growth of a large middle-class while limiting inequality (Sassen, 1994). The core of the American economy of the time was capital intensive, standardized, mass production and consumption. The importance of this type of manufacturing in the economy also led to greater levels of unionisation and worker empowerment, resulting in regulations that protected worker interests. Thus, some authors argue, the number of poor decreased in the U.S.A. and other highly developed countries. However, the socio-economic system and functioning of the urban labour market began to change from the mid-1970's. Because manufacturing was such a core industry in the economies of the 1950's and 1960's, certain benefits of it, for example, market stability and increased productivity, were transferred to a set of secondary firms (e.g. suppliers and subcontractors) and even less directly related industries. In addition to this, due to its high levels of unionisation, manufacturing also had great wage-setting power. The decline in mass production and the increase in service industries caused manufacturing industries to lose much of this influence by the early 1980's (Sassen, 1994).¹

Due to the competitive and highly unstable markets in which they operate today, employers in major cities in many different important industries, from manufacturing to financial and private consumer services, tend to employ on a shorter-term basis (Sassen, 1994). High unemployment throughout the

¹ Please note that if a body of ideas or data are gleaned from one author, that author is referenced at the beginning and end of that discussion. e.g. if the ideas discussed in a single paragraph were gleaned from one author in particular, then this author will be referenced at the beginning and the end of the paragraph only.

1980's and early 1990's in large cities seriously decreased employees bargaining power, especially that of the marginalized and disadvantaged, resulting in workers accepting increasingly unattractive jobs. The high turn-over rates in these kinds of unstable activities are also attractive to immigrants, especially minorities who experience greater difficulty breaking into more established or closed sectors of the economy, or who are young and single, and therefore do not need a high degree of job security. But this ready supply of migrant labour has serious implications for the wages at the lower end of the job market, the competitiveness of local activities, opportunities for advancement for indigenous workers, and spatial segregation in cities (Sassen, 1994).

The organisation of manufacturing itself has also changed dramatically, with a decrease in mass production and increased small-batch, small-scale, highly differentiated production, with rapid changes in output (Sassen, 1994). These changes have resulted in increased subcontracting and flexible organisation of production. Consequently, there have been significant changes in the labour demands and employment conditions of the manufacturing industry, namely, a decline in unions, loss of protective measures and increased involuntary, part-time and temporary work, as well as informalisation (with the growth of sweatshops and industrial homework serving as extreme examples of informalisation in the downgrading of manufacturing). Thus, the same industries that used to have large organised factories with many well-paid employees have very different forms of production and organisation today, like piecework and industrial homework. Research shows that earnings in manufacturing have decreased, many of these jobs now pay low wages, and the numbers of sweatshops and homework are on the rise (Sassen, 1994).

Employment growth in manufacturing has also been surpassed by that in other sectors in many cities (Friedmann and Wolff, 1982). Most employment growth has occurred in business services such as management, banking, finance, legal services, accounting, technical consulting, telecommunications, computers, international transportation, research and higher education. Workers in these industries are mostly professional and clerical personnel. Jobs in real estate, construction, hotel services, restaurants, luxury shopping, entertainment, tourism, private police and domestic services have also increased rapidly. Most of these jobs are stable and fairly well paying, though not all, e.g. domestic servants are some of the worst paid workers. Depending on the city, potentially the most employment growth is in the informal economy, including anything from the casual services of day labourers to fruit vendors and modest artisans. While these types of activities require low or no overheads, often little start-up capital and are generally extensions of the

household economy, remuneration is low and unstable, working hours long and security absent. For many newcomers to the city, this is usually the first place they can find work, while many stay in these jobs as it is the only way they are able to survive (Friedmann and Wolff, 1982).

The argument therefore is that the income structure has changed and earnings are distributed differently as a result of the shift from manufacturing to services as the city's core industry (Sassen, 1994). The downgrading of the once dominant manufacturing sector has resulted in lower wages in general, while the growing service industries have created a greater share of both low- and high-paying jobs than manufacturing (Sassen, 1994). Thus, the traditional blue-collar working class has shrunk (Friedmann and Wolff, 1982). This has left the professionals in power in the city, in stark contrast to the unskilled service class, which constitutes approximately a third of the population (Friedmann and Wolff, 1982). While the professionals enjoy stable jobs and permanent income, the unskilled workers queue for jobs on the edges of the formal economy and many end up providing personal services to this middle-class and doing the "undesirable" work of the city (Friedmann and Wolff, 1982). Generally, the unskilled service-class come from a different race and ethnic group to the middle-class in the city too, or speak a different language, and are usually physically separated from them in their own residential ghetto (Friedmann and Wolff, 1982).

This increasingly widening gap between the rich and the poor can be seen in many different cities. The populations of New York and Los Angeles, which used to consist mostly of the proletariat and industrial bourgeoisie, are dominated by executives, managers and professionals at one end of the social spectrum and an ethnic minority, unskilled service-class at the other (Soja, 1991). While New York and Los Angeles are subject to different conditions, a similar process has occurred in both. These cities have deindustrialised while taking on specific functions in the global market as a result of the world-wide decentralising of business and the need for a network of cities to provide the specialised services needed to operate and sustain expanding transnational corporations. As a result, the deindustrialised core of the city is experiencing rapid growth of finance, insurance, real estate (FIRE) and related sectors, while industrialisation takes place on the periphery. Modern labour demands are the same though whether a business is involved in producing goods or providing services i.e. for workers either in the top or bottom brackets of income earners and much less in the middle. New York and Los Angeles have also experienced massive influxes of foreign capital and labour, both of which have become vital to the growth and survival of their economies. The inner residential areas of these cities are home to mainly immigrant, Third World workers, where

overcrowding and homelessness are common. These areas also tend to be poor and are “hotbeds” of crime and gang activity (Soja, 1991).

Therefore, in many cities, the post-industrial period has been characterised by not only a shift from manufacturing to services, but also the in-migration of unskilled migrants of a different racial and ethnic character to the native urbanites. This has led to an association between race/ethnicity and employment in the unskilled service class.

Even cities that did not originally fit the profile of the traditional post-industrial city with a manufacturing-based economy have undergone substantial economic and social change - so much so, in fact, that they now share key characteristics with cities like New York. Miami has never had the traditional urban industrial base of a post-industrial city (Nijman, 1996). Instead, the city has always had a large service sector, and relied heavily on trade and tourism in the past. However, a distinct shift has occurred from tourism to other service industries. The producer services, which typically include the finance, insurance and legal services sectors, as well as a variety of management services to control production, have grown the most. These types of services are linked to the wider global economy, and their growth has contributed to the fast paced internationalisation of Miami's economy. This rapid internationalisation of the city is tied to the influx of immigrants, as the large workforce of reasonably skilled and educated bilingual Latinos created by this process made Miami an attractive location for corporations with business dealings in South America. Therefore, while socio-economic polarisation in Miami is complicated by massive immigration, the most significant change has been the growth in service industries, which is “accompanied by a widening of the income gap between various industries, occupations and social groups” (Nijman, 1996:283).

African Americans have suffered most from this shift from manufacturing to services, which has arguably played a part in climbing rates of unemployment, poverty and infant mortality amongst them in areas like South Central Los Angeles (Soja, 1991). Vulnerable urban minorities are particularly affected by these changes in the urban economy, as they tend to seriously disadvantage unskilled workers (Wilson, 1987). The decline in the manufacturing sector has led to increased unemployment among unskilled African Americans, as a large proportion of high-wage, blue-collar jobs were once in manufacturing (Wilson, 1996; Kasarda, 1993). The loss of work and lowering of wages of these low-skilled men has been attributed to not only the decline of mass production

though (which provided many jobs for blue-collar workers with little education and where, for example, high rates of unionisation ensured relatively high wages) (Wilson, 1996). Lower-skilled women have benefited at the expense of lower-skilled men as the demand for workers with little education and experience has been increasing in the service sector, where relatively more women are hired. The shift from goods to information processing has also resulted in the numbers of jobs decreasing most in industries with lower educational requirements while employment has grown in industries requiring higher levels of education (Wilson, 1987; Kasarda, 1993). The new global economy, with its increased reliance on technology, requires workers with more training and education (Wilson, 1996). This shift in labour demand for better-educated workers has had an even greater impact on low-skilled workers who tend to be marginalized. For example, low-skilled African Americans have always been “at the end of the employment queue” (Wilson, 1996:29). They tend to live in areas of high unemployment and low job growth, and have little access to areas where employment and employment growth are higher. So, even though the numbers of lower-skilled jobs have increased, this has not occurred in the inner-cities but rather on the periphery, in the suburbs and non-metropolitan areas, making them inaccessible to poor urban minorities through time and money constraints (Wilson, 1987; Kasarda, 1993). The influx of low-educated immigrants in the 1980’s into U.S. cities also acted to lower wages for low-skilled work (Wilson, 1996).

Even in a city like Miami, which did not have the traditional manufacturing-based economy of a post-industrial city, African Americans are worse off than Anglos or Hispanics (Nijman, 1996). Recent immigrants to the city fare better than long-time African American residents. The African American population of Miami, unlike the Hispanics, has been “left behind in the process of economic restructuring and internationalisation” (Nijman, 1996:292). While a significant number of Hispanics have achieved success (and the Anglos have always enjoyed relatively high status), the socio-economic standing of African Americans has deteriorated. This is because African Americans tend to be concentrated in economic sectors and industries not articulated to the wider global economy, as most of the Hispanics are. African Americans are disproportionately represented in informal economic activity, which is generally disconnected from the internationalisation process, and are underrepresented in the producer services of the city (Nijman, 1996).

This process of simultaneous deindustrialisation and service sector growth leading to increased social polarisation is not unique to the United States though. Many authors have argued that similar

processes are occurring in other countries around the world (Beall, Crankshaw and Parnell, 2002; Crankshaw and Parnell, 2004; Gu and Liu, 2002; Ribeiro and Telles, 2000; Sassen, 1994).

Beijing is an example of a city where social polarisation is a relatively new urban phenomenon (Gu and Liu, 2002). This is argued to have appeared only after economic reforms were implemented in 1978; but was further exacerbated by the introduction of urban reforms in 1984, which led to increasing numbers of rural migrants moving to the cities after migration controls were relaxed. Economic internationalisation and unbalanced distribution of foreign direct investments (FDI) caused rapid growth in certain service and high-tech industries while traditional manufacturing areas in Beijing decayed. This growth in service and high-tech industries resulted in a growing differential between high- and low-paid jobs (i.e. the simultaneous growth of high-skilled, well-paid jobs and unskilled, irregular, low-paid jobs). At the same time, Beijing received a massive influx of migrants from rural areas as a result of the introduction of market mechanisms and the flow of FDI. These migrants tend to be employed in unstable, casual, insecure, temporary, unskilled jobs that pay very little, replacing Beijing natives in the jobs with some of the worst working conditions. They do not enjoy the same rights and advantages as Beijing natives though, such as, guaranteed education for children, low-cost housing and health services and equal opportunity employment in either state owned or international companies. Thus these processes have led to the emergence of two new social groups in Beijing: one is the class of unskilled low-wage earners and the other consists of highly skilled business people and professionals, earning high incomes working for transnational corporations or joint ventures (Gu and Liu, 2002).

Similar changes are also taking place in Rio de Janeiro as it becomes further incorporated into the global economy (Ribeiro and Telles, 2000). Between 1945 and 1980, the city experienced rapid industrialisation and economic growth, which allowed wide-scale social inclusion and occupational mobility. However, in the late 1970's, key industrial sectors in Rio like steel and shipbuilding began to go into decline. Rio had always been more dependent on tertiary sector activities though, including a small amount of finance, computers and commerce, and a large personal services sector. During this period, Rio's traditional service sectors and the modern service sector grew. Another consequence of deindustrialisation in Rio was a decrease in the proportion of salaried workers and public sector jobs (due to monetary adjustment policies), and the growth in the ranks of the self-employed, the majority of whom are manual workers. During this period, the very poor, non-white and mixed race residents of Rio became increasingly concentrated in the infamous "favelas" or

shantytowns, areas generally favoured by people without regular incomes, because of their proximity to work in the centre of the city, especially irregular personal services jobs (Ribeiro and Telles, 2000).

This approach of considering the role of deindustrialisation in increasing social and racial polarisation is even being used in the case of South Africa. While the racially discriminatory policies of the Apartheid government of South Africa were mainly responsible for the inter-racial inequality of the past, they do not explain the rise in intra-racial inequality (Crankshaw and Parnell, 2004). Some have argued that the shift in Johannesburg's economy from the manufacturing sector, with its relatively high, stable wages and upward occupational mobility, to the tertiary sector, with its highly polarised occupational structure, has exacerbated social polarisation and inequality amongst Africans in Johannesburg. Manufacturing employment in Johannesburg increased dramatically until the early 1970's, but fell off sharply in the 1980's. In contrast, employment increased in the tertiary sector from 1980; especially in the financial sector between 1991 and 1996. Thus, during the early Apartheid period, unskilled and semi-skilled workers were in high demand in mining and manufacturing, whereas the late Apartheid era saw a greater demand for skilled white-collar employees and professionals in the commercial and financial sectors (Crankshaw and Parnell, 2004).

Only a certain segment of the population was adequately prepared to take advantage of this changing labour demand though. In the pre- and early Apartheid period, high labour demand in factories and mines for unskilled manual workers attracted rural migrants with little education (Crankshaw and Parnell, 2004). Although the government kept strict controls over African urbanisation, a large number of Africans were granted permanent urban status. Many rural-born Africans were not allowed to stay in Johannesburg, and government policies continued to draw a deep division between them and urbanised Africans in the decades to follow. Then the labour market changed in the late Apartheid era. The number of jobs for semi-skilled and unskilled manual labourers declined, and the demand for white-collar workers grew. Reforms to state education and employment policy meant that Africans who had urbanised during the early Apartheid period were well positioned between the 1980's and 1990's to fill these "more skilled" positions. However, the poorly educated, unskilled rural migrants became subject to growing unemployment. Thus, deindustrialisation and the shift in the economy of the greater Johannesburg region to more tertiary

sector, high-skill, high-pay and low-skill, low-pay jobs could be contributing to increased polarisation (Crankshaw and Parnell, 2004).

Deindustrialisation in Johannesburg has also altered inequality in terms of the gender composition of the workforce (Beall, Crankshaw and Parnell, 2002). As employment levels have fallen in traditionally male dominated industries, so women have formed an increasing proportion of workers. Employment has dropped in mining and manufacturing, which tend to employ more men, and risen in the tertiary sector, which includes community, personal and social services, which employ relatively more women. Besides this affect though, the proportion of women in sectors where their numbers had been fairly low have steadily increased. While women are being increasingly drawn into employment and men are increasingly becoming unemployed, the types of positions women hold in the service sector tend to pay the least and receive the least protection, thereby creating a gender division in this sector (Beall, Crankshaw and Parnell, 2002).

Some authors, however, do not agree with the polarisation hypothesis and are highly critical of it. One of the arguments levelled against the idea that absolute polarisation is occurring throughout the world's cities is the fact that the numbers of semi- and unskilled jobs in most Western capitalist countries have been dropping steadily over the last 20-30 years (Hamnett, 1994a, 1994b). Another criticism of proponents of the polarisation theory is that they have ignored literature on the growth of professionalisation and the "new middle class". This theory states that the shift in Western societies from industrialism to post-industrialism involved a change from producing goods to producing services, and becoming increasingly organised around professional, managerial and technical skills. There is also a body of research that supports this theory of the expansion of professional jobs and the new middle-class in large cities with a solid producer/financial services base. In terms of the growth at the bottom end of the occupational and income distributions in certain cities, the argument has been made that it is the presence of a large, ever-growing pool of ethnic immigrants in cities like Los Angeles and New York that enables a large-scale, low-wage service sector to flourish and a down-graded manufacturing sector to exist; rather than the opposite situation of the escalation in numbers of such jobs causing increased immigration. The suggestion here is not that other cities do not have large immigrant populations concentrated in low-wage occupations; but rather that recent migration into these cities is not as great as in the case of Los Angeles or New York, i.e. thereby making these cities poor examples of the argument for increased social polarisation in general because of their unique situations (Hamnett, 1994a, 1994b).

The case of the Randstad in the Netherlands serves as an example of a major city where one could argue professionalisation, rather than increased social polarisation, has been the dominant process (Hamnett, 1994a). While there has been deindustrialisation and growth of the service sector here, it is the types of jobs available, and the changed income and occupational structure, that is of primary importance. The numbers of specialists and managers has increased substantially in the Netherlands. While a limited amount of polarisation could have occurred in this time (if the increased service sector jobs represent low-skilled and middle occupational groups), the predominant trend has been one of professionalisation. Another point to note is that this has not resulted in women becoming increasingly segregated into low-skilled jobs. In fact, not only did the number of women in administrative and commercial positions rise faster than men, the proportional increases were much greater for women than men. That the educational composition of the Netherlands has shifted upwards is also viewed as evidence of increasing professionalisation, especially amongst women. It could also be argued that there is no clear-cut social segregation in Dutch cities. While the more wealthy tend to occupy houses in the suburbs outside the cities, social support, housing subsidies and a large social housing stock mean that low-income households often live in housing of the same quality as that of high-income earners. Thus, there is no clear relationship between changes in the income and occupational structure, and housing and social segregation. While there has been a large influx of immigrants into the country in the last 30 years, and they do tend to be concentrated in certain areas in the major cities, there do not seem to be “ghettos” of immigrants as seen in the U.S.A. (Hamnett, 1994a).

Chapter 2

Defining the concepts

The debate addressed here revolves around the growth of the service sector and decline in manufacturing. The basic argument of service sector jobs being predominantly either high-skill and high-pay, or low-skill and low-pay, versus the predominantly middle-skill and middle-income manufacturing jobs “of old”, hinges on how one defines these levels of skill and pay. The “traditional” manufacturing sector referred to in the literature is the standardised mass production of the post-war economies of industrialised countries (Sassen, 1994; Soja, 1991). Many authors argue that due to this large, Fordist industry and its high levels of unionisation, manufacturing workers were relatively well-paid, and enjoyed various other contractual benefits (Sassen, 1994; Soja, 1991). However, few authors define exactly what kinds of jobs these “relatively well-paid” workers had. Some authors refer to blue-collar industry (Soja, 1991) and the blue-collar working class (Friedmann and Wolff, 1982). Only a few adequately describe or specifically name these occupations, such as “semi-skilled machine operative employment” (Crankshaw and Parnell, 2004:363) and “operative and assembler jobs” (Wilson, 1996:30).

While these “middle ranks of...relatively well-paid manufacturing workers” (Soja, 1991:369) are poorly defined, the types of jobs considered high- and low-wage vary from one author to the next. As was discussed previously, these high- and low-wage jobs are argued to be more prevalent in the service sector. This sector encompasses quite a few different, although often times related, services. The area showing the most growth in many cities is that of the producer services (Nijman, 1996; Soja, 1991). These include so-called corporate services or high-level business services, as well as other professional and specialised services, for example, finance, insurance and real estate (FIRE), legal and advertising services (Gu and Liu, 2002; Nijman, 1996; Sassen, 1994; Soja, 1991). Included in this are also various management services needed to run production (Nijman, 1996). In other cities, high-tech industries have flourished (Gu and Liu, 2002; Sassen, 1994; Soja, 1991). Other services that have grown dramatically include the retail industry, wholesaling and commerce, warehousing and distributive services, and hotel and catering/restaurant services (Gu and Liu, 2002;

Sassen, 1994; Soja, 1991). Social services (health, education, welfare services) and personal services have also grown (Sassen, 1994; Wilson, 1996).²

Certain jobs in the service sector are generally classed as high-skill and high-pay. Cities where these services have grown have experienced burgeoning numbers of highly skilled, well-paid executives, managers and professional workers like bankers, stockbrokers, securities analysts, corporate lawyers and advertising executives (Crankshaw and Parnell, 2004; Sassen, 1994; Soja, 1991; Gu and Liu, 2002). Even in manufacturing, the numbers of scientists, mathematicians, engineers, computer specialists, and weapons experts have grown in cities where high-tech industries have become the major economic sector (Soja, 1991). Greater use of computer-orientated machine tools has resulted in a need for highly skilled designers, engineers and operators (Wilson, 1996). While the authors cited have all classed these types of occupations as high-income, some would still add further jobs to this list.

For example, in the course of making the argument that less-educated women have benefited from the growth in social services, Wilson states that “the fraction of men who have moved into so-called pink-collar jobs like practical nursing or clerical work remains negligible” (Wilson, 1996:27). The problem with this statement is the implication that nursing and clerical work are low-skill, low-wage jobs. Other authors argue that the most skilled and best-paid occupations in the expanding service sector include schoolteachers, nurses and technicians (Beall, Crankshaw and Parnell, 2002). According to the South African Standard Classification of Occupations (SASCO) (Statistics South Africa, c.1996a), nurses are classed either as professionals or associate professionals, and therefore have a skill rating around 3 or 4 (Table 2.1). If one also considers the earnings of various occupation groups as reported in the 2001 national population census of South Africa, it would appear that more professionals and associate professionals earn amongst the higher salaries (judged by the two adjacent income categories that combined constitute at least 50% of those in the occupation group, Table 2.2).

² It is perhaps worth mentioning here that growth in the services is not only market driven, as is often argued. A great number of the increasing service sector jobs, like those in health and education for example, are in fact government or public sector jobs.

Table 2.1: Occupation categories

<i>Occupation category</i>	<i>Reference in skill level</i>
Legislators, senior officials & managers	Reference in skill level not made
Professionals	4
Technicians & associate professionals	3
Clerks	2
Service workers, shop & market sales workers	2
Skilled agricultural & fishery workers	2
Craft & related trades workers	2
Plant & machinery operators/assemblers	2
Elementary occupations	1

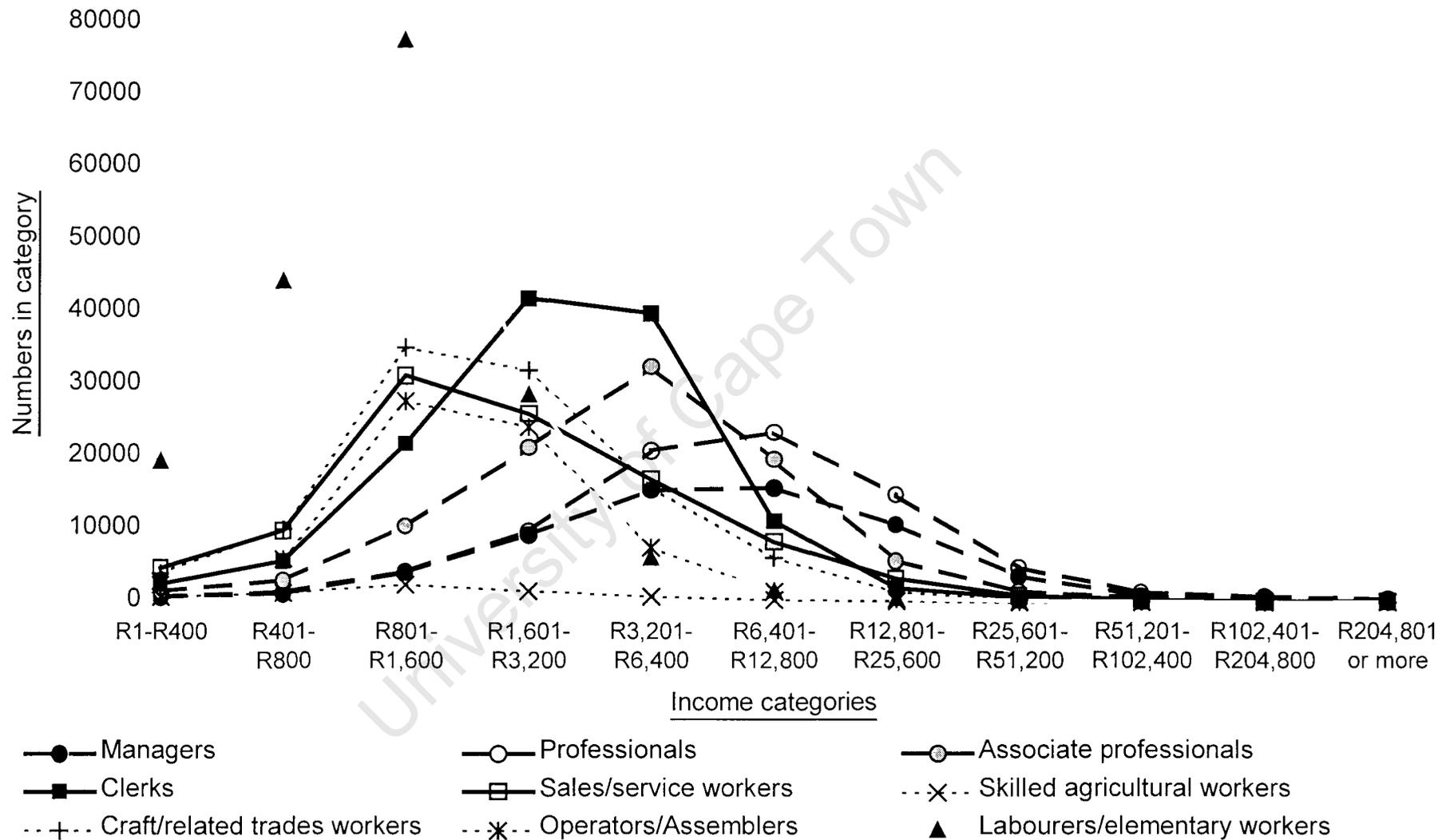
Source: Statistics South Africa (c.1996a).

Table 2.2: Occupations by Income, Cape Town, 2001

<i>Monthly Income</i>	<i>Manager</i>	<i>Professional</i>	<i>Associate professional</i>	<i>Clerk</i>	<i>Sales/service</i>	<i>Skilled agriculture</i>	<i>Craft/related trades</i>	<i>Operator/Assembler</i>	<i>Unskilled</i>	<i>Total</i>
R1-R400	1%	1%	2%	2%	5%	10%	4%	4%	11%	5%
R401-R800	2%	2%	3%	5%	10%	18%	10%	9%	25%	10%
R801-R1,600	7%	5%	11%	17%	31%	32%	33%	40%	43%	26%
R1,601-R3,200	15%	12%	22%	33%	25%	21%	30%	34%	16%	23%
R3,201-R6,400	25%	25%	33%	32%	17%	11%	15%	11%	3%	19%
R6,401-R12,800	25%	28%	20%	9%	8%	5%	6%	2%	1%	11%
R12,801-R25,600	17%	18%	6%	2%	3%	2%	1%	1%	0%	5%
R25,601-R51,200	6%	6%	2%	0%	1%	0%	0%	0%	0%	1%
R51,201-R102,400	1%	2%	1%	0%	0%	0%	0%	0%	0%	0%
R102,401-R204,800	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%
R204,801 or more	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

Figure 2.1: Occupations by Income Groups, Cape Town, 2001



Source: Author's analysis of South African population censuses

While clerks are not considered professionals or semi-professionals, they arguably should not be classed as low-skill, low-pay workers. Sassen, in describing finance and other advanced industries, mentions that these fields consist of mostly “good, white-collar jobs”, but also “a significant share of low-paying jobs, from cleaners to stock clerks” (1994:105). She also groups secretaries together with maintenance workers and cleaners as the kinds of low-wage workers not often considered part of high-level, specialised finance and business services, but who are in fact key to the service economy (Sassen, 1994). Again according to the SASCO system, secretaries fall under the occupation group of clerks, versus cleaners who fall under unskilled/elementary workers, and have a lower skill rating (Table 2.1 above). And again, the majority of clerks fall into higher pay categories than elementary workers (Table 2.2 and Figure 2.1 above).

It is not only the definitions of occupation skill and pay levels provided by proponents of the polarisation theory that are problematic. In refuting the polarisation theory in favour of professionalisation, Hamnett refers to the Labour Force Survey data he employs as “very ambiguous and unsatisfactory for the purpose of occupational class analysis” (1994a:409). Of the evidence provided by income data, he says that it is “far less sanguine than that from occupational data and, in some respects, it is quite contradictory” (Hamnett, 1994a:417). Thus, even those critical of the proof of the polarisation theory find it hard to counter the claims with better evidence, as the data tend to be ill-suited to these purposes.

Thus, the evidence for either the polarisation or professionalisation theory seems to be thin on the ground or, in many cases, non-existent. Even when data are presented, they are quite often imprecise. I do not consider the data presented here to be infallible or ideally suited to these purposes. However, I have taken great pains to be as precise as possible with regard to occupation categories.

I have based my occupation and industrial categories on the South African classifications for these groups, and also used income data from the 2001 South African population census to support these groupings. However, these South African classification systems are based on international classifications. The level of skills needed and remuneration received for the various types of work are also not wildly different in South Africa in comparison to the rest of the world.

The following are examples of the types of jobs and positions included in each of the occupation categories of the SASCO (Statistics South Africa, c.1996a):

Legislators, senior officials & managers: Government minister, administrator and councillor, officers of various ranks in the armed forces, director-general, secretary-general, chief-executive, managing-director and various levels of manager (e.g. department manager, production manager, general manager, etc.), producer (e.g. film and radio), shopkeeper, retailer, restaurant owner, working proprietor of a restaurant, hotel, etc.

Professionals: Physical, mathematical and engineering science professional (from geologists to statistician to engineer), life science and health professional (e.g. doctor, nurse), teaching professional, business professional (e.g. accountant, economist) various types of consultant, legal professional (e.g. lawyer, judge), computer programmer, sociologist, historian, reporter, editor, critic, commentator, painter, actor, musician, conductor, director, priest, rabbi.

Technicians & associate professionals: Natural and engineering science associate professional, life science and health associate professional, technician (in a range of fields e.g. agriculture, metallurgy, sound effects), assistant (e.g. computer, technical, medical), teaching associate professional, photographer, operator (technical equipment e.g. camera, radio), pilot (ship, aeroplane), inspector (from safety and health to quality control), agent (e.g. sales, shipping, sport), buyer, assessor, broker, executive secretary, certain clerks (e.g. legal), officer (tax, customs, immigration), detective, designer, decorator, nightclub/street musician/dancer, sportsman/woman, trainer, lay preacher.

Clerks: clerk (from auditing to data entry to wages), typist, secretary, bookkeeper, dispatcher, controller, postman/woman, cashier, bookmaker, receptionist.

Service workers, shop & market sales workers: conductor, steward, guide, cook, waiter/waitress, nanny, aid (nursing, dental, veterinary), attendant (schoolchildren, hospital, canteen), beautician and make-up artist, hairdresser, valet, mortician, fire-fighter, police officer (sergeant to superintendent), soldier, security guard, model, working proprietor of wholesale/retail business and import/export business, salesperson (in anything from a shop to a street stall), petrol pump attendant.

Skilled agricultural & fishery workers: farmer/grower/raiser/breeder, skilled farm labourer, skilled gardener and groundsman, zookeeper, lumberjack and related (i.e. marker, cutter, feller, logger, trimmer), diver, fisherman/fisherwoman, hunter.

Craft & related trades workers: miner, quarryman, blaster, stonemason and stone workers (including e.g. grinder, cutter, polisher), builder and related (including bricklayer, carpenter, roofer, plasterer, tile layer, insulation worker), repairer (clocks to electronics) fitter (from pipes to machines to electronics), plumber, electrician, painter, welder, moulder, brazier, rigger, tool maker, setter-operator (of various different types of machine), sharpener (tools), polisher, mechanic, blacksmith, instrument maker and tuner, jewellery maker and worker (goldsmith, diamond polisher, jewel setter, etc.), handicraft worker, print worker (from metal die engraver to typesetter), photograph developer and printer, meat/fish worker (cutter, butcher, curer), baker, taster, tobacco worker, weaver, tailor, footwear maker.

Plant & machinery operators/assemblers: Note: many of the occupations here are similar to those under craft and related trades workers. In this group however, the production process usually happens on a much larger scale and therefore involves industrial machinery. These occupations can be practiced in several different industries e.g. a machine-operator can operate equipment involved in anything from wood boring to glaze-mixing to noodle-making. Other occupations include furnace-operator, kiln-operator, assembler and driver (from a taxi to a train).

Elementary occupations: vendor, telephone salesperson, babysitter, char, cook in private household, cleaner (domestic, office, aircraft), hand launderer and dry-cleaner, caretaker, janitor, messenger, night watchman, attendant (fun-fair, lavatory), collector (of anything from tolls to garbage), scavenger, labourer (in a wide variety of activities), ranch hand, packer, labeller, loader, animal driver, porter.

I have decided to further consolidate these occupation groups into larger groupings (Table 2.3 below) based on their skill ratings (Table 2.1 above) and level of pay (Table 2.2, Figure 2.1 above).

Table 2.3: Occupations according to skills categories

<i>Occupation category</i>	<i>Occupation skill level</i>
Legislators, senior officials & managers Professionals Technicians & associate professionals	Highly skilled
Clerks Service workers, shop & market sales workers	Semi-skilled: White-collar
Skilled agricultural & fishery workers Craft & related trades workers Plant & machinery operators/assemblers	Semi-skilled: Blue-collar
Elementary occupations	Unskilled

Source: Author's adaptation of SASCO (Statistics South Africa, c.1996a).

The legislators/senior officials/managers group and professional group not only have an almost identical income distribution but, as was discussed above, managerial and executive positions are generally considered, along with professionals to be high-skill, high-income occupations. I have decided to include associate professionals/technicians in the highly skilled occupation group, as most of these occupations are quite skilled (their skill rating of 3 is higher than that of the main body of occupations) and require tertiary education. Also, although the income distribution of associate professionals/technicians is not as similar to that of professionals and managers as they are to each other, it still resembles these distributions more closely than any others.

In the SASCO system, clerks, sales/service workers, skilled agriculturists, craft workers and operators/assemblers all have the same skill rating of 2 (Table 2.1 above). This seems to be fair, as the jobs in these categories all require a certain level of skill, but not an inordinate amount of specialised education or training as in the case in many professional type occupations. The income distribution for each of these categories is also remarkably similar (even though clerks do seem to earn on average slightly more than the other three groups), and the bulk of workers with these kinds of occupations are in lower income categories than the highly skilled workers. Also, over half of the workers in these occupation groups fall into the two income categories that constitute over 50% of all workers (see Total column of Table 2.2). Thus, I have referred to all of these occupation categories as semi-skilled. The only division I have made within this larger grouping is to separate the office orientated and retail or service-type occupations from the more manual type jobs. Thus, clerks, sales and service workers have been designated white-collar workers, while craft/related trades workers and machine/plant operators and assemblers are blue-collar workers.

The final occupation group is that of the elementary workers. These jobs have a skill rating of only 1, and most of these workers fall into the two lowest income categories. These are the unskilled occupations.

I have also used population census data in order to assess if there has been a change in the dominant economic sector in Cape Town. The four sectors accounting for 82% of jobs in Cape Town in 2001 (Statistics South Africa, c.1996b) are:³

- **Community and personal services:** The “community, social and personal services” sector as it is called in the population censuses includes government bureaucracies at the national, provincial and municipal level, both public and private health and education services, sanitation, welfare, the activities of trade unions, professional associations and religious organisations, sporting, recreational and cultural activities, libraries, museums, botanical and zoological gardens, all entertainment activities, news agency activities, as well as private services like laundries, hairdressing and funereal services. According to Statistics South Africa (c.1996b), domestic services fall into a residual category including those employed in private households, extraterritorial organisations and those representing foreign governments. For the purposes of this analysis, this residual category will be included in community and personal services.
- **Commerce:** This includes all wholesale and retail trade, catering and accommodation services, from the sale of various materials and products, to motor vehicle and appliance repairs, to the activities of hotels and restaurants.
- **Manufacturing:** All manufacturing activities fall under this category, from the processing and manufacture of chemical products, basic metals, machinery, electrical equipment and appliances to wood products, furniture, textiles, clothing, jewellery, beverages and food products; as well as printing and publishing activities.
- **FIRE:** This acronym refers to all financial, insurance, real estate and business services and also includes legal and accounting services, the renting of machinery and equipment, hardware and software consultancy and supply, data processing activities, advertising, research and development in the natural and social sciences, as well as architectural and engineering

³ Note that the four sectors providing the bulk of employment in Cape Town are referred to as the *main sectors* from this point onwards.

activities. There are also a host of “miscellaneous” activities that fall into this category. These include disparate services like labour recruiting, photographic activities, building cleaning, disinfection and extermination activities, security and debt collecting.

University of Cape Town

Chapter 3

Methodology

The polarisation hypothesis

Before commencing with the discussion of my methodology, I would like to address more of a conceptual issue concerning the polarisation hypothesis. This idea was originally conceived as a result of changes in the socio-economic situation of so-called “world cities”. Thus, some might question the validity of applying this theory to Cape Town. However, many of the authors referred to in this thesis have used the polarisation theory as a framework in which to examine economic restructuring and its impacts on the labour markets of a range of cities throughout the world, without entering into a debate as to whether or not their subjects can be classed as world cities (Crankshaw and Parnell, 2004, Gu and Liu, 2002, Nijman, 1996, Ribeiro and Telles, 2000, Wilson, 1996). As Crankshaw and Parnell state (2004:350):

“We have chosen to reflect on the world city literature to extract analytical tools for reinterpreting urban change. Our specific attention falls on the utility of linking global economic...shifts to the changing patterns of employment inequality within the city.”

Thus, I believe that testing the polarisation hypothesis in the context Cape Town is both a valid and relevant exercise.

Consolidating Population Census Boundaries

I originally wanted to collect population census data according to the current metropolitan boundary of Cape Town. However, prior to the 1996 and 2001 censuses, the population census data on sectors and occupations are published by Magisterial District only.⁴ Therefore, as the data used in this study include all the censuses from the 1940’s through to 2001, the data had to be collated by Magisterial District. The Magisterial Districts chosen were those that best approximated the current

⁴ The only exception is the 1946 Population Census, which does not use Magisterial District boundaries but simply refers to “Cape Town and suburbs”.

municipal boundaries of the City of Cape Town. The districts used from the 2001 population census include⁵:

- Bellville
- Cape
- Goodwood
- Kuilsriver
- Mitchell's Plain
- Simonstown
- Somerset West
- Strand
- Wynberg

Collating the data by magisterial district arguably gives the most accurate coverage of Cape Town, both in the past and present. However, one potentially significant shortcoming of this approach is that the part of the Blaauwberg Municipality of Cape Town that includes Atlantis, a predominantly industrial area, is excluded. In population censuses prior to 1996, Atlantis falls under the Malmesbury Magisterial District. This district is quite vast though, and includes much that cannot be considered part of Cape Town, even today. Therefore, including the Malmesbury Magisterial District for earlier censuses simply for the sake of capturing Atlantis would lead to greater inaccuracy. This would also be a rather fruitless exercise, as Atlantis was only established in the 1970's. Instead, it was possible to ascertain how many respondents in Atlantis were employed in manufacturing in 2001, to counter any possible assertions that the data showed a decrease in the numbers of Coloured manufacturing employees in Cape Town due to these jobs moving out of the area in question.

Atlantis was originally touted as “a new, self-contained city for 500,000 people, 45km from Cape Town...a new growth point backed by the central government” (South Africa Board for the Decentralisation of Industry, 1975:1). To this end, the government offered concessions to

⁵ Please note that many of these Magisterial Districts only came into existence “later”, i.e. they developed as Cape Town grew. For example, the only districts of those above that existed in 1960 are the Cape and Somerset West. By 1970 though, the Strand had been established as a separate Magisterial District, and was therefore included. Mitchell's Plain is another Magisterial District that was demarcated much later, although these residents would have fallen into one or more of the neighbouring districts prior to this.

decentralise industries, especially new endeavours and industries moving from certain other areas in South Africa to selected points like Atlantis. In truth, the industry in Atlantis was intended to “provide an economic base for the decentralisation of the Coloured population away from Cape Town” (Foundation for Contemporary Research, 1992:2). Few of the ambitious plans envisaged for the area came to fruition though. Only one of the 6 proposed towns was ever built and while between 170,000 and 200,000 jobs were to have been created, by 1992, there were only 7,100 manufacturing and 2,500 commercial jobs (Foundation for Contemporary Research, 1992). Of these jobs, even fewer were available to Atlantis residents, as 3,000 skilled workers commuted in from Cape Town every day. Thus, by 1992, unemployment had reached a rate of around 40% in Atlantis. However, in 2001, there were 6,084 Coloured manufacturing workers living in Atlantis.

One could argue that these approximately 6,000 workers form a relatively substantial share of the over 29,000 manufacturing jobs lost to Coloureds in Cape Town between 1985 and 2001 (20%). However, in trying to determine the impact of the decline in the manufacturing sector on Coloured employment levels, the figure I considered was the number of people who would potentially have had jobs if manufacturing employment had continued to grow at pre-1985 rates (see Chapter 5 later). Had employment growth continued at pre-1985 levels, approximately 163,736 more Coloureds would have been employed in manufacturing in 2001 (as against the reported total of 94,411). This even exceeds the number of unemployed Coloureds in Cape Town in 2001 (139,209). These numbers are much larger than the 6,000 odd manufacturing jobs held by Coloureds in Atlantis. Thus, it seems unlikely that the drop in manufacturing employment in Cape Town can be attributed to the relocation of manufacturing industries to Atlantis.

Manufacturing employment data

Another issue surrounding the use of population census data is that of the accuracy of the manufacturing employment figures. Some authors have questioned the disparity in numbers of manufacturing workers between the population census and other surveys (Wittenberg, 2004). Below is a comparison of the population census figures used in this thesis and manufacturing census figures. The manufacturing census figures were collected for the same years as the population census figures and the same Magisterial Districts in Cape Town. No obvious trend of difference between the population and manufacturing census figures is noticeable though, i.e. the population census does not appear to have consistently undercounted the number of manufacturing workers (Table 3.1). The most these manufacturing census data point to is that the drop in employment could have occurred at a later date than shown in the population census data. In other words, according to the manufacturing census data, manufacturing employment started to decline after 1991 and not after 1985. If anything though, the manufacturing census data shows an even greater drop in employment than does the population census data. The decrease in the number of manufacturing workers in the population censuses between 1985 and 1996 is only 2,980 people. The decrease between 1991 and 1996 in the manufacturing censuses is 7,770 people. As a percentage of 1991 manufacturing jobs, this loss represents a drop of 4.1% of manufacturing employment. The decline in manufacturing jobs in the population censuses represents a drop of only 1.7% of manufacturing jobs in 1985. Thus, whether using the manufacturing or population census figures, by 1996 at the latest, manufacturing employment was in decline.

Table 3.1: A comparison of manufacturing and population census data for manufacturing employment, Cape Town, 1970-1996

<i>Census</i>	1970	1979*	1985	1991	1996
Manufacturing census	136,971	154,077	171,353	189,903	182,133
Population census	129,082	163,658	172,292	170,134	169,312
Manufacturing – Population census = Difference	7,889	-9,581	-939	19,769	12,821
Difference as a percentage of the population census figures	6.10%	-5.90%	-0.50%	11.60%	7.60%

Source: Author's analysis of South African population and manufacturing censuses.

*As no manufacturing census was available for 1980, the manufacturing census of 1979 was used; however, the population census figures are from the 1980 census.

Sectoral data

The employment figures by sector for each of the relevant Magisterial Districts were taken from the population census reports on industries for the years 1946, 1960, 1970, 1980, 1985, 1996 and 2001.⁶

The sectors themselves were defined quite uniformly from one census to the next and did not require much reworking. The categories were also quite consistent with those of the South African Standard Classification of Industries (SASCI) (Statistics South Africa, c.1996b). Therefore, employment figures were collected quite easily for each of the population census years listed above for the following sectors (the shortened name used in the tables and graphs appears in parentheses):

- Agriculture, hunting, forestry and fishing (Agriculture)
- Mining and Quarrying (Mining)
- Manufacturing
- Electricity, gas and water supply (Utilities)
- Construction
- Wholesale and retail trade (Commerce)
- Transport, storage and communication (Transport)
- Financial intermediation, insurance, real estate and business services (FIRE)
- Community, social and personal services (Community and personal)⁷

Occupational data

Unfortunately, the definitions of occupations from one census to the next were not uniform. In several of the earlier population census reports, occupational classifications are mixed with sectoral classifications. For example, in the 1960 population census (amongst others), skilled tradesmen, semi-skilled and unskilled production workers are all combined in one category. Police officials and domestic workers also appear in one group. Thus, these categories are not at all consistent with the SASCO system, and it was not possible, given the level of detail in the census reports, to separate

⁶ The 1950 census was excluded as the reports provided data at the provincial level only, making it impossible to isolate the relevant data for Cape Town.

⁷ As was mentioned earlier (see Chapter 2: Defining the Concepts), those working in private households, e.g. domestic workers, have been incorporated into this sector.

occupations with disparate skill requirements and earnings levels from each other and regroup them appropriately.⁸

This is not the only problem with the occupational data in the population census reports. In certain of the earlier census reports, the unemployed may have been included in the occupational data, while in other censuses they have not. However, the fact of whether or not they are employed is not indicated in the reports. This was not the case with the sectoral data. The instruction to interviewers in most of these censuses was to record the sector “in which the person is working”. Therefore, a respondent was viewed as not belonging to any specific sector if he/she was not actually employed in a sector at the time of the census. With regard to the occupational data however, in certain population censuses (1946, 1980, 1985, 1991), respondents were asked to give their previous occupation if they were unemployed at the time but seeking work, and this was supposed to be included in the data. As there are greater numbers in the occupational categories than in the sectors in these reports, I suspect at least some of the unemployed may be included in the occupation figures. It was therefore impossible to extract the unemployed from the employed in the occupational data.

Therefore, because of the combining of occupations of different skill levels, as well as the potential inclusion of at least some of the unemployed, it was not possible to use census reports prior to 1996 to study changes in the occupational distribution over time. From 1996 onwards, the question regarding occupation was asked of the employed only. Also, the occupations were classified in a manner consistent with the SASCO system. Thus, the occupational data from the latest census, i.e. 2001, could be used in its published form. For an earlier census however, the unit record data had to be purchased directly and analysed.⁹ The 1980 census was selected, as this was around the time of the height of manufacturing employment.¹⁰

The set of data from the 1980 population census was, in some respects, too detailed for the purposes of this study, and I had to complete much recoding and reclassifying before I could analyse the data. For example, the 20 population group categories had to be reduced to four races (African, Coloured,

⁸ See Chapter 2: Defining the Concepts for the discussion of occupation skill and income levels.

⁹ Many thanks go to Piet Albert of Statistics South Africa and Dr. Andrew Boule of the School of Public Health, University of Cape Town, respectively, for their help in acquiring and reformatting these record unit data.

¹⁰ One might have expected the 1985 population census to be used, as the figures indicate that this is when the most people were employed in the manufacturing sector. However, concerns have been raised over the accuracy of these data.

Indian and White). The sectoral data consisted of 224 separate categories. There were no fewer than 284 occupational categories, each of which included several different occupations (anywhere from three to 40 different occupations per category). I had to re-group these into the 9 occupational groups of the SASCO system. Unfortunately, even with this level of detail, occupations requiring different skill levels were still being combined in the same groups. For example, a category like “medical, dental and related workers not elsewhere classified” became a kind of catch-all, including both professionals and associate professionals. This merging of occupation groups in the 1980 population census was another reason it was necessary to further reduce the occupational categories from the 9 of the SASCO system to the 4 skill groups (highly skilled, semi-skilled white- and blue-collar and unskilled). Thus, in the case of the example given above, I combined professionals and associate professionals in the same group in the final analysis anyway, i.e. highly skilled. In general though, there was not significant mixing of the manager, professional and associate professional occupational groups in the 1980 census occupational classification (i.e. these three separate occupation groups could still be discerned from each other quite easily).

Unfortunately, the same cannot be said of crafts and related tradesmen, and machine operators and assemblers. These two separate groups of occupations (as set out in the SASCO system) were often combined in the same occupational categories in the 1980 census. It is impossible to accurately separate them in the 1980 population census data. Again, this is not too great a problem in the final analysis though, as combined, they constitute the semi-skilled, blue-collar worker category.

There were several occupational categories in the 1980 population census where unskilled workers were grouped together with more qualified workers. Therefore, the number of unskilled workers in the 1980 census data is probably an undercount. However, I do not think this effect was too great, as there were certain dedicated occupational categories for unskilled labourers in the 1980 census, and in the categories where they were included with better-skilled workers, they were generally the minority (e.g. in an occupational category like mineral and stone treaters, only four of the 40 occupations mentioned would be classed as unskilled).

Average Annual Employment Growth Rates

The average annual employment growth rates for the sectors were calculated, using the available census data, according to the following formula:¹¹

$$\left\{ \left[\left(\frac{T_2}{T_1} \right)^{\frac{1}{(Y_2 - Y_1)}} \right] - 1 \right\} * 100$$

Where:

T_1 = Total number of people employed in the first year

T_2 = Total number of people employed in the second year

Y_1 = First year

Y_2 = Second year

For example, the average annual employment growth rate of Coloureds in manufacturing between 1946 and 1985 is:

$$\left\{ \left[\left(\frac{123,800}{20,778} \right)^{\frac{1}{(1985-1946)}} \right] - 1 \right\} * 100 = 4.7\%$$

Thus, the number of Coloureds employed in the manufacturing sector grew on average approximately 4.7% per annum between 1946 and 1985.

The Khayelitsha/Mitchell's Plain Survey 2000 (KMPS-2000)

This survey was designed with a special focus on labour market issues (SALDRU, 2003). The magisterial district of Mitchell's Plain was chosen as it contained almost 30% of the population in the Cape Metropolitan Council area, housing nearly 74% of the African and over 20% of the Coloured population. This was not intended to be a representative sample of Cape Town, but rather of the working class population of the city (Nattrass, 2002).¹²

¹¹ Mohr, P., van der Merwe, C., Both, Z. and Inggs, J. 1988. *The Practical Guide to South African Economic Indicators*. Johannesburg: Lexicon Publishers.

¹² Please note that in both the survey report (SALDRU, 2003) and the working paper by Professor Nicoli Nattrass (Nattrass, 2002), the African township of Langa is mentioned as being included in the survey (page 1 of both

For the purposes of this thesis, I used the KMPS-2000 to provide data on African migrants to Cape Town and their employment prospects. While much work had already been done on the raw data, I found a certain amount of recoding was required. There were a few minor recodes, such as those for race, e.g. I recoded respondents who had called themselves “Malay” or “Muslim”, and had originally been coded as “other”, as Coloured. Also, I grouped the responses to the question regarding the highest level of education achieved into the categories preparatory, primary and high school.

When migrants arrived in Cape Town

One question that was of particular importance to me was: “In what year did you first move to stay in Cape Town?” (Question B6).¹³ However, there were 187 missing answers to this question out of the 1,835 African respondents in the survey sample though. I found that at least 46 of these missing responses came from emergency questionnaires, which were severely truncated versions of the adult questionnaire, where several sections were omitted, one of them being that on migration. In order to fill in as many of the rest of these missing values as possible, I had to cross-check a respondent’s answers to other questions dealing with migration history and where they had spent most of their childhood.¹⁴ For example, in one case where the respondent had not indicated when he/she had arrived in Cape Town, I had to use the answers to 3 other questions in order to determine the date. Because the year they had first moved to a township was the same as the year in which they had moved to live in their current dwelling in Gugulethu (a formal township in Cape Town), one could assume that this was the year they had first moved to stay in Cape Town.

As many respondents left out quite a few answers to the questions in the migration section of the questionnaire, it was often necessary to consult the answers to different combinations of questions, as in the case of the example above, to determine their year of arrival in Cape Town, or if they were born in the city. In quite a few cases, the interviewers seem to have simply failed to fill in the year in which the respondent first moved to Cape Town if they were born here, instead of using the

documents). This is incorrect, however, as Langa was not one of the areas surveyed. This is an important point, as Langa is home to more middle-class African residents than other townships in Cape Town. Thus, the KMPS-2000 does capture mostly the working class population of Cape Town.

¹³ Section B (Migration) of the KMPS-2000 adult questionnaire.

¹⁴ Questions about where the respondent spent most of his/her childhood were asked in Section C (Intergenerational Mobility).

default code of '0' as per the instructions. These cases were quite obvious, as their answer to the question about the name of the place had last stayed before moving to their current dwelling was "not applicable: born in this dwelling", i.e. they were born in Cape Town. This was the case with no fewer than 35 of the African respondents missing an answer to question B6.

One flaw of this question is that it does not deal well with those respondents who were born in Cape Town, moved away and came back to the city later in their lives. This would not be a problem if all the other questions in the section were answered properly. This was rarely the case when a respondent's answers to question B6 were missing though. To simply answer the default of "not applicable: born in Cape Town" is not particularly helpful if they did not grow up in Cape Town. For the purpose for which I was using this survey, i.e. to study migrants and their employment opportunities in Cape Town, it is crucial to know where the respondent spent most of his/her life. Whether a respondent has been raised in a rural or urban setting greatly influences his/her chances of finding work in the city through mechanisms such as differences in quality of education, social support and contact networks. In one case, while the respondent was born in Cape Town, he/she only moved to his/her current dwelling in 1983. However, this person was only 20 years old at the time of the survey (2000). Therefore, even if he/she had moved away from Cape Town for the first three years of his/her life, this person's formative, teenage and young adult years were spent in Cape Town. I therefore classed this kind of respondent as having been born in Cape Town. Note that I also classified those who migrated to Cape Town within the first 6 years of their lives as "born in Cape Town", as they too would have grown up in the city.

This cross-checking of questions was originally only done in cases where the answer to question B6 was missing. However, I eventually checked all the answers to question B6, as in certain cases, the year given was the same year in which the respondent was born. In other words, these respondents were born in Cape Town and not migrants at all. This applied to at least 21 respondents.¹⁵

Thus, every attempt was made to ensure that there were as many responses to the question regarding the year of arrival in Cape Town as possible, and that these were accurate.

¹⁵ This closer inspection of answers revealed several cases where respondents seemed to have given contradictory information, or where their answers to question B6 were inconsistent with their other answers. However, as there was no way for me to refute these answers or determine exactly what the correct dates were, I left them unaltered.

Employment Status

Respondents were asked about all income-earning activities across several sections of the KMPS-2000, and therefore, not allocated to specific labour market categories during the interviewing process (SALDRU, 2003). Nicoli Nattrass, Director of the Centre for Social Science Research Unit and Professor in the School of Economics at the University of Cape Town, designed a recoding system to process the information gleaned from these many questions. It is beyond the scope of this study to detail exactly how the coding was structured.¹⁶ However, one issue regarding the classification of the unemployed needs to be addressed. Under this system, three types of unemployed respondents were defined:

1. Active-searching unemployed: respondent wants a job, is available to work, and actively searched for work during the week prior to the interview
2. Exclusively network-searching unemployed: respondent wants a job, is available to work and relies on household members/friends/friends in other households to tell him/her about work or get him/her a job.
3. Marginalized unemployed: respondent wants a job and is available to work, but does not fall into either of the first two categories.

However, such meticulous differentiation of the unemployed was not required for my study. Therefore, I combined the three categories to create one class of unemployed.

Occupation

While the respondents' answers to questions about the sector and occupation in which they were working at the time of the survey were coded using the SASCO system, there seemed to be some inconsistency. For example, in some cases respondents who reported that they were delivery persons were coded as unskilled workers and in other cases, as machine operators, which they would be if they were delivering by vehicle, i.e. they drive a delivery vehicle. As no clear reason could be discerned from the answers as to why some respondents would be classified as unskilled workers

¹⁶ For the full discussion see Nattrass, N. 2002. *Unemployment, Employment and Labour-force participation in Khayelitsha/Mitchell's Plain*. Centre for Social Science Research Working Paper No. 12, University of Cape Town.

while others were classed as drivers. I coded all respondents who called themselves delivery persons as drivers (i.e. semi-skilled blue-collar, as opposed to unskilled workers).

There were cases where respondents gave their occupation as “delivery assistant”, but were coded as drivers. Arguably though, delivery assistants do not drive the delivery vehicles, but are unskilled subordinates. Assistants in many other types of work also tend to be unskilled, e.g. assistant builders or assistant mechanics. To be sure of this, I checked the respondent’s answer to the question regarding the highest level of education achieved. If a respondent described his/her work as an assistant mechanic, for example, but had no formal training in motor mechanics, I recoded him/her as an unskilled worker.¹⁷

In addition, if a respondent described a certain craft/trade, but only in a very general sense, and he/she had no formal training in this work, I also classed him/her as unskilled. For example, if a respondent indicated that his/her work was “fixing taps and sinks”, technically, this activity would make the respondent a plumber, and therefore, a craftsman. However, if the respondent did not actually call him/herself “a plumber” and also did not have a trade certificate or some kind of qualification, it seemed more prudent to categorize him/her as an unskilled worker. In a case like this, it is likely that the respondent does not work alone or unsupervised, but has not indicated that he/she is an assistant or only allowed to do very simple repairs, for example.

A list of 20 coded activities was drawn up for the section on self-employment.¹⁸ This list still had to be recoded to make it consistent with the SASCO system. However, there were still several “inadequately defined” responses in the final data set. On closer inspection, I found that many of the descriptions given were of unskilled work, and I recoded them accordingly.

¹⁷ While all occupations were checked and several changes made to the original coding, I have only mentioned the kinds of changes made in terms of unskilled occupations, as these are the only figures I use in the discussion on migrants (Chapter 7: Migrants and employment).

¹⁸ Section G. Self-Employment, Question G.2. “Describe your main non-wage income-earning activity”.

Chapter 4

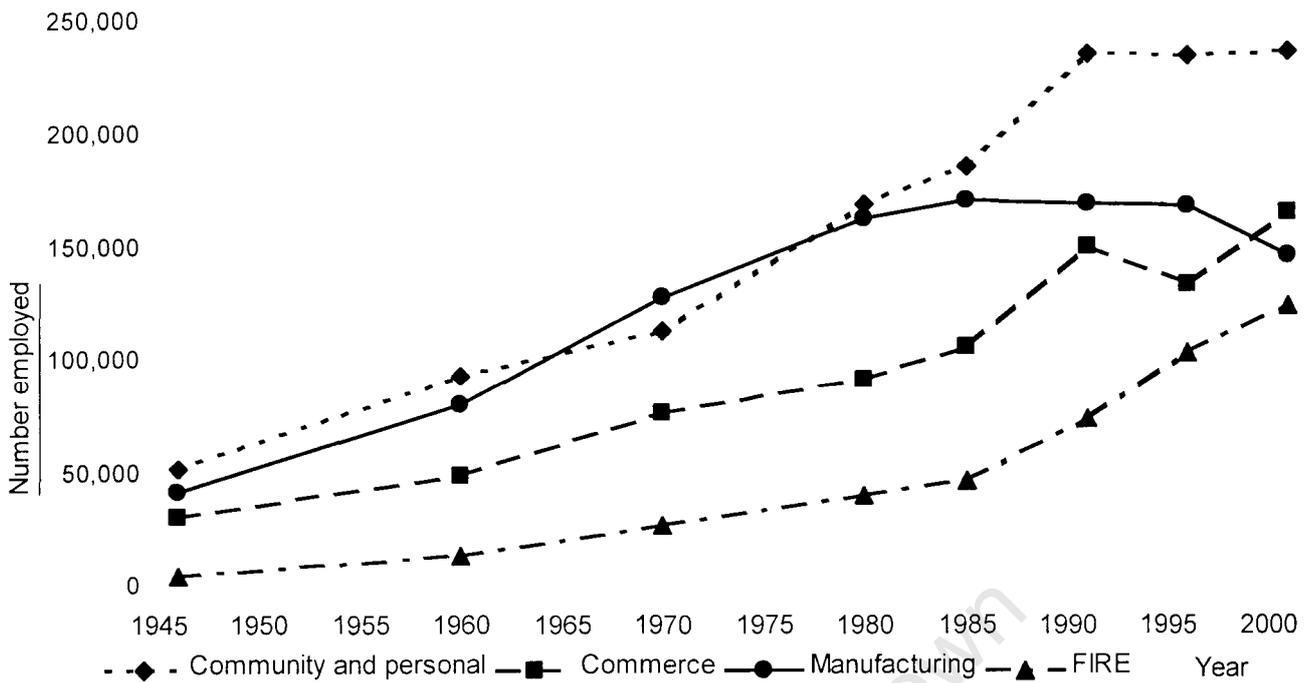
Economic restructuring and the occupational distribution in Cape Town

In this chapter, population census data on employment are used to determine whether or not deindustrialisation and the growth of the service sector have occurred in Cape Town. It is then hypothesized what the possible implications of this have been on the distribution of occupations. Using population census data again, it is then shown whether this has resulted in professionalisation or polarization of the occupational structure.

Changes in the sectoral distribution of employment

Many authors argue that the change in the core of the city's economy from the manufacturing industry to the service industry, especially financial and business services, has resulted in greater social polarisation (Beall, Crankshaw and Parnell, 2002; Crankshaw and Parnell, 2002; Friedmann and Wolff, 1982; Gu and Liu, 2002; Nijman, 1996; Ribiero and Telles, 2000; Sassen, 1994; Soja, 1991; Wilson, 1987 and 1996). To test this theory with regard to Cape Town, it was first necessary to determine what role manufacturing had played in the economy of the city, and what had happened to it relative to the service sector over time.

Although Cape Town's economy was originally dominated by trade, agriculture and fishing, small-scale industries also emerged in the 19th century (Wilkinson, 2000). Johannesburg, with its urban-industrial economy, became South Africa's largest city during the 1920's, while Cape Town became an important administrative, cultural and service centre. Manufacturing played a significant role in Cape Town's economy during the First World War though, especially in the clothing, textile, paper and printing, food, beverages, and light engineering sectors (Wilkinson, 2000). In addition to its growth during the First World War and the inter-war years, the Western Cape's manufacturing industry also developed during the Second World War, mainly because of the protection afforded it by the war's artificial import barriers (Van der Horst, 1964; Cole, 1984).

Figure 4.1: Employment by main sectors, Cape Town, 1946-2001

Source: Author's analysis of South African population censuses.

Table 4.1: Frequency distribution of employment by sector, Cape Town, 1946-2001

Sector	1946	1960	1970	1980	1985	1991	1996	2001
Community and personal	53,946	94,843	114,039	170,646	186,781	236,886	235,736	237,708
Commerce	32,187	50,605	78,068	93,038	106,886	151,273	134,713	166,481
Manufacturing	43,720	82,199	129,082	163,658	172,292	170,133	169,312	147,488
FIRE	6,429	14,734	28,170	41,636	48,438	75,626	105,113	125,192
Construction	12,066	23,697	52,025	47,530	65,816	65,570	65,853	66,772
Transport	22,702	26,501	39,915	47,848	46,181	56,647	51,880	49,793
Agriculture	4,381	12,722	12,055	15,572	16,913	17,802	15,687	21,314
Utilities	0	3,397	3,935	6,034	6,941	6,733	7,313	4,589
Mining	265	980	1,390	2,917	2,538	2,759	1,757	2,113
Total	175,696	309,678	458,679	588,879	652,786	783,429	787,364	821,450

Source: Author's analysis of South African population censuses.

Table 4.2: Percentage distribution of employment by sector, Cape Town, 1946-2001

Sector	1946	1960	1970	1980	1985	1991	1996	2001
Community and personal	31%	31%	25%	29%	29%	30%	30%	29%
Commerce	18%	16%	17%	16%	16%	19%	17%	20%
Manufacturing	25%	27%	28%	28%	26%	22%	22%	18%
FIRE	4%	5%	6%	7%	7%	10%	13%	15%
Construction	7%	8%	11%	8%	10%	8%	8%	8%
Transport	13%	9%	9%	8%	7%	7%	7%	6%
Agriculture	2%	4%	3%	3%	3%	2%	2%	3%
Utilities	0%	1%	1%	1%	1%	1%	1%	1%
Mining	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

The manufacturing sector continued to grow, so much so that by 1960 it formed the largest share of Cape Town's GGP and constituted just under a third of the Cape metropolitan region's GGP (Dewar, Watson and Howes, 1990). Between 1946 and 1980, the manufacturing sector provided a sizeable share of all employment in the city: between 25% and 28%.¹⁹

Manufacturing employment had enjoyed steady growth up until 1970, with an average annual employment growth rate of 4.6%.²⁰ This growth was not sustained, however. The rate of job growth slowed from 2.4% between 1970 and 1980 to 1.0% between 1980 and 1985. By 1983, only 23% of the city's GGP came from manufacturing (Dewar, Watson and Howes, 1990). Also, Cape Town's manufacturing sector accounted for 15% of South Africa's total manufacturing in 1960, but only contributed 11% to the national total in 1978 (Dewar, Watson and Howes, 1990).

After 1985, the growth trend in manufacturing was completely reversed (Tables 4.1 and 4.2, and Figure 4.1 above). Between 1985 and 2001, the sector shed 24,804 jobs, and the average growth rate of manufacturing employment was -1.0% per annum. While certain manufacturing sub-sectors experienced above-average growth from 1996 to 2000 (e.g. beverages and tobacco; wood and furniture; paper, printing and publishing; rubber and plastics; electronic and electrical; and transport equipment), major industries like food, textiles and clothing and chemicals and petroleum performed badly, thereby lowering the overall growth of the manufacturing sector considerably (Economic and Social Development Directorate, 2001). The heavy steel industries (i.e. metal, steel and machinery industries), although growing strongly from 1996 to 1998, also declined between 1998 and 2000. Therefore, despite growth in real output in Cape Town's overall economy between 1980 and 2000, employment growth slowed. Whereas 1% growth in output implied 1% growth in employment in 1980, a 1% increase in output in the 1990's resulted in only a 0.7% increase in employment on average. This can be attributed to capital intensification in most sectors (including manufacturing) as a result of factors like technological advances in production techniques as well as factors that alter the real and potential cost ratio between capital and labour, like labour legislation and trade union pressure for higher wages (Economic and Social Development Directorate, 2001). In addition

¹⁹ These data are contained in Tables 4.1 and 4.2, and Figure 4.1. Totals in the tables may not add up to 100% precisely, as the figures have been rounded off for presentation purposes. Please note that in all tables and calculations involving economic sectors, employment data for sectors reported as 'unknown' or 'inadequately defined' were not included. This is the same for tables and calculations involving occupations. See Methodology for further details of how these census data were collated, and the list of primary sources in the References for the census reports.

²⁰ See Chapter 3: Methodology for the calculation of average annual employment growth rates.

to this, the exposure to international competition in the 1990's (especially in clothing and textiles) also led to fewer jobs being available in Cape Town's formal economy than there would have been otherwise (Wilkinson, 2000).

The service industry continued to grow in the period 1985-2001 though (Tables 4.1 and 4.2, and Figure 4.1 above). As was mentioned earlier, Cape Town has always been an important administrative, cultural and service centre. This is demonstrated by the fact that the community and personal services provided a similar number of jobs to manufacturing between 1946 and 1980. However, employment in these two sectors diverged in 1980. Between 1985 and 2001, the period in which the manufacturing sector shed jobs, the community and personal services sector gained 50,927 workers (Tables 4.1 and 4.2 above). Employment in the community and personal services sector continued to grow at an average annual rate of 1.5% between 1985 and 2001. Thus, while manufacturing and community and personal services both accounted for about 28% of employment in 1980, manufacturing's relative employment share had dropped to 18% by 2001 while community and personal services still accounted for 29% of employment in Cape Town.

The commerce and FIRE sectors also experienced continued employment growth since 1946; so much so, that commerce provided more jobs than manufacturing in 2001 (Tables 4.1 and 4.2, and Figure 4.1 above). While employment growth in manufacturing stagnated and declined between 1980 and 2001, commerce and FIRE gained 73,443 and 83,556 employees respectively. These gains represent an annual average growth rate of 2.8% in commerce and 5.4% in FIRE for that period. Though historically providing fewer jobs, commerce overtook manufacturing in 2001, contributing 166,481 jobs to Cape Town's economy versus manufacturing's 147,488.

The sector that experienced the most rapid growth is the FIRE sector. Between 1946 and 2001, FIRE gained 118,763 jobs versus 183,762 in community and personal services and 134,294 in commerce (Tables 4.1 and 4.2, and Figure 4.1 above). However, the annual average employment growth rate of the FIRE sector between 1946 and 2001 was 5.5%. This is much higher than the 2.7% average annual growth rate in community and personal services or 3.0% growth rate in commerce in the same period. FIRE was also the only sector besides commerce to actually increase its relative share of employment. While FIRE contributed only 4% to the total number of jobs in 1946, this proportion had increased to 15% by 2001.

It is therefore clear that the economy of Cape Town underwent similar processes experienced in other cities throughout the world: namely, the growth of the service industry and the decline of manufacturing, at least in terms of employment. Employment growth in the manufacturing sector had been stagnating since 1985, while all service sub-sectors continued to employ increasing numbers of people. But did these sectoral changes result in a more polarised occupational structure?

The possible effects of sectoral change on the occupational structure²¹

In the context of the debate outlined earlier, the main concern around the decline in manufacturing and the growth of services is that these sectors have different job distributions. Manufacturing tends to offer more middle-income, “medium-skilled”, blue-collar jobs, with less high- and low-skilled work. Service industry jobs on the other hand tend to be concentrated at either end of the occupational distribution, i.e. more high- and low-skilled jobs, and fewer blue-collar worker jobs. Therefore, with the decline in manufacturing and the increase in service jobs, one could expect to see greater polarisation in the occupational structure of a city, i.e. more professionals, managers and technicians (high-skilled jobs) and unskilled, elementary workers (low-skilled jobs), with a shrinking semi-skilled, blue-collar working class (machine operators and craftsmen).

Cape Town’s manufacturing sector comprised mainly semi-skilled workers. Only 20% of manufacturing jobs in 2001 were highly skilled, and even fewer, 16%, were unskilled (Table 4.3). Thus the bulk of manufacturing work, 64%, was semi-skilled. Furthermore, most of these jobs were blue-collar work. Close to half of all manufacturing work, 46%, was semi-skilled blue-collar work.

Table 4.3: Percentage distribution of occupations by main sectors, Cape Town, 2001

<i>Occupation skill level</i>	<i>Manufacturing</i>	<i>Commerce</i>	<i>FIRE</i>	<i>Community & personal</i>
Highly skilled	20%	23%	45%	38%
Semi-skilled: White collar	18%	42%	41%	23%
Semi-skilled: Blue collar	46%	18%	6%	5%
Unskilled	16%	17%	9%	34%
Total	100%	100%	100%	100%

Source: Author’s analysis of South African population censuses.

²¹ Note that using census data to track changing sectoral employment trends and comparing the occupational distribution of the growing service sectors to that of manufacturing is modelled on the approach used by Crankshaw and Parnell (2004).

All three of Cape Town's growing service industries had more polarised occupational structures than the declining manufacturing sector in 2001 (Table 4.3 above). None of the three growing service industries had as great a proportion of semi-skilled workers, least of all blue-collar workers, as the manufacturing sector. The community and personal services, the sector that had outstripped manufacturing in terms of employment growth since the mid-1980's, had a far more polarised occupational distribution than manufacturing. In the community and personal services sector, high- and low-skilled work comprised 72% of all jobs (38% and 34% respectively) in 2001, leaving only 28% of jobs in this sector to semi-skilled workers. And only 5% of jobs in this sector were semi-skilled blue-collar jobs. Considering how much of the total employment these two sectors provided in the 1980's, one might have expected that the considerable increase in community and personal services employment and concomitant decrease in manufacturing employment would have led to far fewer semi-skilled workers and a greater proportion of high- and low-skilled workers in Cape Town in 2001, i.e. a more polarised workforce.

The community and personal services was just one sub-sector of the service industry that experienced employment growth while manufacturing shed jobs. As was mentioned earlier, FIRE experienced the fastest growth of the four main sectors in Cape Town. Over half of the jobs in the FIRE sector were either high- or low-skill though: 45% and 9% respectively (Table 4.3 above). Thus 54% of FIRE jobs fell into these two categories versus only 36% of manufacturing jobs. Therefore, only 46% of FIRE employment was in semi-skilled work, compared to 64% in manufacturing. Again only 6% of jobs in FIRE were blue-collar jobs. Therefore, increasing FIRE employment coupled with the decline in the manufacturing sector could also lead one to expect proportionately fewer semi-skilled jobs and more high- and low-skilled work in 2001 in comparison to the 1980's.

The continued growth of commerce employment could also have contributed to a drop in the number of blue-collar workers. Commerce, which overtook manufacturing in terms of number of jobs provided in 2001, was only slightly more polarised in terms of occupations than the manufacturing sector (Table 4.3 above). Only a slightly higher proportion of jobs in commerce fell into the categories high- or low-skilled. Therefore, commerce had a mere 3% more highly skilled workers, and only 1% more unskilled workers than manufacturing in 2001. This still left 60% of work in the commerce sector to semi-skilled workers. However, in contrast to manufacturing, the majority of these semi-skilled jobs were white-collar jobs (clerks, sales and service workers), not

blue-collar jobs. A massive 42% of commerce jobs were white-collar, while only 18% were blue-collar. Thus, the simultaneous increase in commerce jobs and drop in manufacturing employment could also have led to a shrinking blue-collar working class.

Evidence of increasing occupational polarisation

Many authors have argued that besides the effects on the occupational structure of the changes in cities' economies from a reliance on manufacturing to services, modern labour demands are the same whether a business is involved in producing goods or providing services, i.e. the new global economy, with its increased reliance on technology, requires workers with more training and education and, therefore, workers are either in the top or bottom brackets of income earners and much less in the middle (Soja, 1991; Wilson, 1996).

Besides the possible effects of sectoral changes on the occupational structure, it would appear that the occupational structure in Cape Town became increasingly polarised in general between 1980 and 2001. In all four of the main sectors, the proportion of professional, managerial and technical workers was higher in 2001 than 1980 (Table 4.4).²² In both commerce and the community and personal services, 6%-7% more workers were highly skilled in 2001 than in 1980. Even manufacturing comprised 9% more highly skilled workers in 2001 than 1980. The greatest relative increase in highly skilled workers over this period was in FIRE, where there was a 10% leap in these jobs. As the professional complement of these sectors grew, so did their ranks of low-skilled workers though. The relative share of elementary workers increased by 3% in FIRE, 4% in commerce and 6% in manufacturing between 1980 and 2001. Only the community and personal services sector experienced a decline in the proportion of elementary workers (down by 3% in 2001). Generally speaking though, most sectors experienced growth in the relative numbers of high- and low-skilled workers between 1980 and 2001.

²² Percentage difference here and elsewhere in this thesis is calculated as the percentage in one year minus the percentage in another, e.g. the percentage of highly skilled jobs in manufacturing in 2001 (Table 4.3) minus the percentage of highly skilled jobs in manufacturing in 1980 (Table 4.7) is: 20% - 11% = 9%.

Table 4.4: Change in the percentage distribution of occupations by main sectors between 1980 and 2001, Cape Town

<i>Occupation skill level</i>	<i>Manufacturing</i>	<i>Commerce</i>	<i>FIRE</i>	<i>Community & personal</i>
Highly skilled	+ 9%	+ 6%	+10%	+7%
Semi-skilled: White collar	+ 3%	- 8%	-16%	- 3%
Semi-skilled: Blue collar	-19%	- 2%	+ 2%	- 2%
Unskilled	+ 6%	+ 4%	+ 3%	- 3%

Source: Author's analysis of South African population censuses.

Relative growth in the top and bottom ends of the occupational spectrum meant that the middle shrank. Across all four of the main economic sectors in Cape Town, the employment of semi-skilled workers dropped relative to the other occupational groups between 1980 and 2001 (Table 4.4). While the employment of semi-skilled workers decreased by approximately only 4% in the community and personal services group, this proportion of workers declined by much more in the other three sectors. Commerce employed 10% fewer semi-skilled workers in 2001 than in 1980. The biggest decreases in semi-skilled workers occurred in FIRE and manufacturing, with relative losses of 14%-15% each. Note though that the biggest decreases for FIRE and commerce occurred amongst white-collar workers, while only semi-skilled blue-collar workers lost ground to the other occupations in manufacturing.

A process of professionalisation rather than polarisation?

As was also discussed previously, not all authors agree with the polarisation hypothesis. Some proponents of this theory are criticised for alternating between arguments based on occupational distribution and income structure, and for being unclear about whether polarisation is increasing in absolute or relative terms (Hamnett, 1994a). The argument of increasing polarisation has been countered with that of increasing professionalisation, i.e. that the shift from goods to service production has led not to an increase in both high- and low-skill jobs but rather to an increased reliance on professional, managerial and technical skills. Thus it is argued that the complement of highly skilled workers has increased in most Western capitalist countries, while semi-skilled and unskilled work has been in decline for several decades. Only those cities, such as L.A. and New York, with large immigrant populations, and, therefore, large and increasingly expanding cheap, unskilled labour forces, have experienced an increase in the numbers of low-skilled workers too. Therefore these cities are subject to increasing social polarisation (Hamnett, 1994a).

Given that occupationally less polarised industries (manufacturing) declined, while sectors that are traditionally more polarised (FIRE, community and personal services) experienced employment growth; and given that all the main sectors seemed to become relatively more polarised, one would expect the overall distribution of occupations in Cape Town to be more polarised in 2001 than in 1980. But was this the case?

In absolute terms, approximately 18,289 fewer people were employed as semi-skilled, blue-collar workers in Cape Town in 2001 than 1980 (Table 4.5). In addition, more people were employed in highly skilled and unskilled work in 2001 than 1980. However, the increase in numbers of highly skilled workers was far greater than the increase in the number of unskilled workers. In 1980, approximately 115,529 people were employed in highly skilled occupations. A similar number of people were employed in unskilled work that year, 117,603. By 2001, the number of highly skilled workers had expanded to 247,545 while the number of unskilled workers had grown to only 182,289.

Table 4.5: Occupational distribution, Cape Town, 1980 and 2001

<i>Occupation skill level</i>	<i>1980</i>		<i>2001</i>		<i>Difference (2001-1980=)</i>
Highly skilled	115,529	19%	247,545	29%	+132,016
Semi-skilled: White collar	160,229	27%	233,180	27%	+ 72,951
Semi-skilled: Blue collar	204,760	34%	186,471	22%	- 18,289
Unskilled	117,603	20%	182,888	22%	+ 65,285
Total	598,121	100%	850,084	100%	+ 251,963

Source: Author's analysis of South African population censuses.

As the proportion of all work consisting of highly skilled jobs rose from 19% in 1980 to 29% in 2001, it would appear that there was both an absolute and relative increase in highly skilled employment in Cape Town (Table 4.5 above). While there was an absolute increase in the numbers of elementary workers in this same time period, the relative increase was negligible (from 20% to 22%).²³ Thus the occupational structure of Cape Town arguably better matched the pattern of increased professionalisation than increased polarisation in 2001.

This conclusion might come as a surprise, given the sectoral changes discussed thus far. However, the very same sectoral changes that might have predicted an increase in occupational polarisation

²³ I say "negligible" increase as the 1980 Population Census data probably underestimate the number of elementary workers and labourers (see Chapter 3: Methodology). Note again that these figures are for all known sectors and occupations.

could help explain why this does not seem to be the process that has occurred in Cape Town. FIRE, which grew to such an extent since 1980 that it provided almost the same proportion of overall employment in 2001 as manufacturing (15% and 18% respectively, Table 4.2 above), was not so much highly polarised as it was heavily skewed towards the professional ranks of workers: 45% of workers in this sector were professionals, managers or technicians, while only 9% were elementary workers in 2001 (Table 4.3 above). Table 4.6 shows that over half of the jobs gained in FIRE between 1980 and 2001 were in highly skilled occupations (39,751 out of 79,348), while this sector added the second lowest number of unskilled occupations (8,340) of all four main sectors (second only to manufacturing, in which total employment actually declined between 1980 and 2001). Thus, the contribution FIRE made to overall employment growth was one of many highly skilled jobs and very few low-skilled ones.

Table 4.6: Change in the frequency distribution of occupations by main sectors between 1980 and 2001, Cape Town

<i>Occupation skill level</i>	<i>Manufacturing</i>	<i>Commerce</i>	<i>FIRE</i>	<i>Community & personal</i>	<i>Total</i>	
					<i>Absolute</i>	<i>Percentage</i>
Highly skilled	+11,243	+21,569	+39,751	+35,974	+108,537	+10%
Semi-skilled: White collar	+ 2,119	+22,514	+25,492	+10,176	+ 60,301	0%
Semi-skilled: Blue collar	-37,932	+10,424	+ 5,765	+ 342	- 21,401	-12%
Unskilled	+ 7,144	+15,623	+ 8,340	+16,777	+ 47,884	+ 1%
Total	-17,426	+70,130	+79,348	+63,269	+195,321	0%

Source: Author's analysis of South African population censuses.

The overall proportion of low-skilled jobs did not change because of the similar and higher proportions of elementary workers in the other growing service industries in comparison to the declining manufacturing sector. For example, the community and personal services sector, by far the largest employer in 2001, had a much higher proportion of elementary workers than manufacturing or FIRE (Table 4.3 above). This sector alone added 16,777 unskilled jobs between 1980 and 2001 (Table 4.6 above). Thus, by 2001, the growth in and increasing dominance of this sector in terms of employment helped to counteract the very low number of elementary workers in FIRE, to give an overall proportion of elementary workers similar to that in 1980. Commerce, which overtook manufacturing in 2001 as the second largest employer, also had approximately the same proportion of elementary workers as manufacturing, and added 15,623 unskilled jobs between 1980 and 2001.

In addition, even though the numbers and proportions of both highly skilled and unskilled jobs in these four main sectors increased between 1980 and 2001 (with the exception of community and personal services), the overall relative increase in highly skilled occupations was greater than that in unskilled work. Except for the community and personal services, in all other main sectors, the proportion of highly skilled jobs was greater than that of unskilled jobs in 1980 (Table 4.7). In all sectors, without exception, the increase in the number of highly skilled jobs was greater than the increase in numbers of unskilled jobs between 1980 and 2001 (Table 4.6 above). The differences in increases ranged from a relatively small number of only 4,099 more highly skilled than unskilled jobs added in manufacturing, to a difference of 19,197 jobs in favour of highly skilled work in community and personal services, to an even greater 31,411 more highly skilled than unskilled jobs added in FIRE in 2001 (Table 4.6 above). Therefore, each sector showed a minimum increase of 6% in the number of highly skilled workers, reaching as high as 10%; while two sectors showed an increase of unskilled workers of only 3% and 4%, with only one reaching even 6% (Table 4.4 above). And the numbers of unskilled workers in community and personal services in 2001 was actually 3% lower relative to 1980. Thus it is clear that in these main sectors, the number of highly skilled jobs increased far more than the numbers of unskilled jobs (108,537 versus only 47,884, Table 4.6 above) and that the trend was therefore more one of professionalisation than polarisation.

Table 4.7: Percentage distribution of occupations by main sectors, Cape Town, 1980

<i>Occupation skill level</i>	<i>Manufacturing</i>	<i>Commerce</i>	<i>FIRE</i>	<i>Community & personal</i>
Highly skilled	11%	17%	34%	31%
Semi-skilled: White collar	15%	50%	56%	25%
Semi-skilled: Blue collar	65%	20%	4%	7%
Unskilled	9%	12%	5%	37%
Total	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

Far more significant than the overall decline in manufacturing employment though, is the fact that the actual decline in jobs in this sector was confined to one set of occupations: semi-skilled blue collar jobs. The numbers of jobs in all other occupations in manufacturing grew between 1980 and 2001 (Table 4.6 above). However, there was a dramatic loss of semi-skilled, blue-collar workers in manufacturing over this time period. The number of blue-collar jobs lost rivalled even the number of highly skilled jobs gained in the rapidly growing FIRE sector in this period (37,932 versus 39,751), and outnumbered even the gains in highly skilled workers in community and personal

services (35,974). Therefore, while manufacturing employment declined, this occurred exclusively among blue-collar workers, which did not affect the numbers in other occupations in the sector.

Even though there was a relative decrease in most semi-skilled work in all main sectors (Table 4.4 above), the overall relative share of semi-skilled white-collar jobs remained virtually unchanged between 1980 and 2001 (between 26% and 27%, Table 4.5). While this result may seem counter intuitive, the relative losses in semi-skilled, white-collar work must be viewed in the context of the far greater absolute loss of over 18,000 semi-skilled, blue-collar jobs (Table 4.5 above). It is in regard to this decline in semi-skilled blue-collar work that the drop in manufacturing employment played a vital role. All three of the other main sectors gained blue-collar jobs between 1980 and 2001 (10,424 in commerce, 5,765 in FIRE and 342 in community and personal services): over 16,500 combined (Table 4.6 above). However, the huge loss of blue-collar work in the manufacturing sector was so large that it overshadowed any gains made in other sectors.

Chapter 5

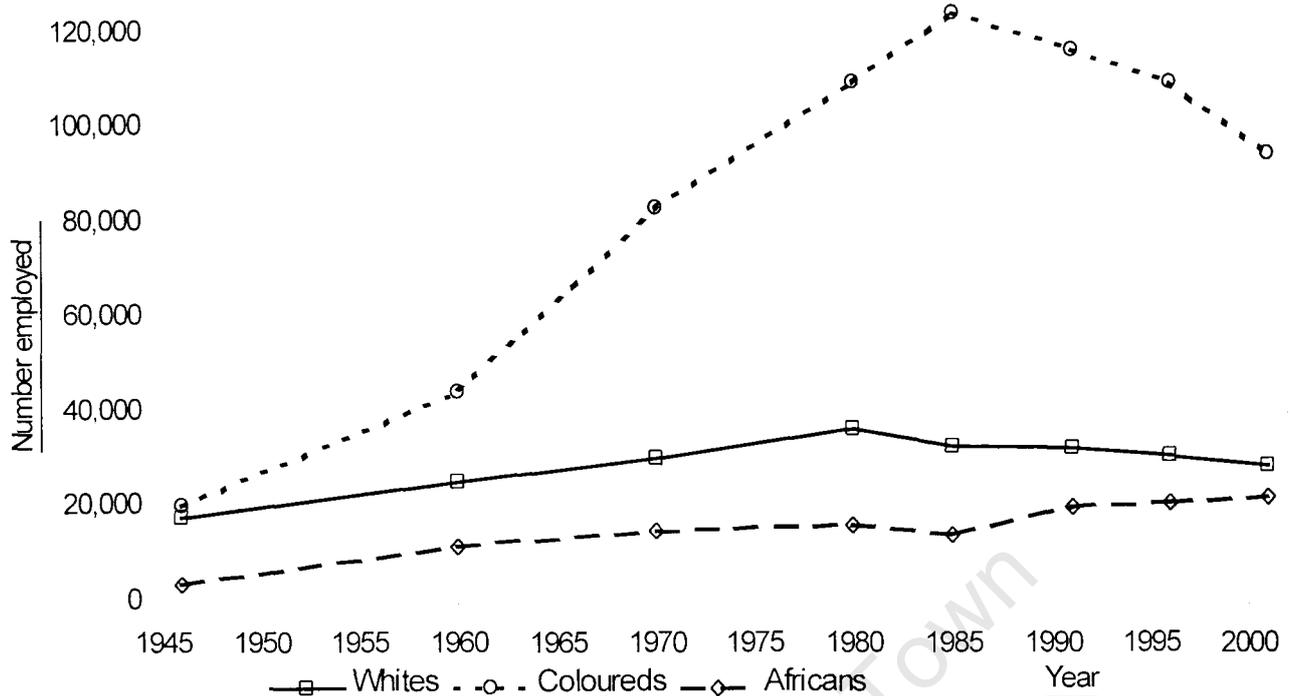
The impacts of the decline in manufacturing on employment

How has the decline in manufacturing in Cape Town affected workers and work seekers? While many scholars argue that Black men have been most affected by the decline in manufacturing in the U.S.A., the same cannot be said of Cape Town. Taking the differing urbanization patterns of Africans and Coloureds into consideration, it is shown, using population census and survey data, that Coloured employment probably suffered most from the decline in the number of manufacturing jobs. It is argued, after close scrutinisation of the population census data on employment, that the drop in manufacturing employment, and specifically semi-skilled, blue-collar jobs, had the greatest negative impact on Coloured male employment.

Employment

One of the arguments around the decline in the manufacturing sector is that this process has had the most severe consequences for Black, unskilled men in the inner city in the U.S.A. (Wilson, 1996). Large-scale Black migration from the South of the U.S.A. to the cities of the North started in the early 20th century and continued for several decades (Wilson, 1987). This led to a disproportionate concentration of low-income Blacks in these cities. These large metropolises experienced the most rapid growth during the industrial era though, when they became centres of goods production and distribution. Therefore, low-skilled, poorly-educated migrant Blacks could readily find work in blue-collar positions in the growing manufacturing sector (Wilson, 1996). Towards the last quarter of the 20th century, the manufacturing industries began relocating out of these central cities, which then also proceeded to become centres of higher-order service provision (Wilson, 1987). Thus, unskilled Black men, whose fathers previously found relatively well-paid employment in the manufacturing sector, where they even experienced upward occupational mobility, tend to work increasingly in low-pay, dead-end service sector jobs and face rising levels of unemployment (Wilson, 1996).

The situation in Cape Town, while sharing certain similarities with that of North America, is somewhat different.

Figure 5.1: Manufacturing employment by race, Cape Town, 1946-2001

Source: Author's analysis of South African population censuses.

Table 5.1: Frequency distribution of manufacturing employment by race, Cape Town, 1946-2001

Race	1946	1960	1970	1980	1985	1991	1996	2001
Coloureds	20,778	44,330	83,111	109,492	123,800	115,915	108,989	94,411
Whites	18,281	25,480	30,293	36,526	33,088	32,673	30,899	29,004
Africans	4,226	12,110	15,118	16,571	14,355	20,266	21,166	22,188
Indians	435	279	560	1069	1049	1280	2,075	1,885
Total	43,720	82,199	129,082	163,658	172,292	170,134	163,129	147,488

Source: Author's analysis of South African population censuses.

Table 5.2: Percentage distribution of manufacturing employment by race, Cape Town, 1946-2001

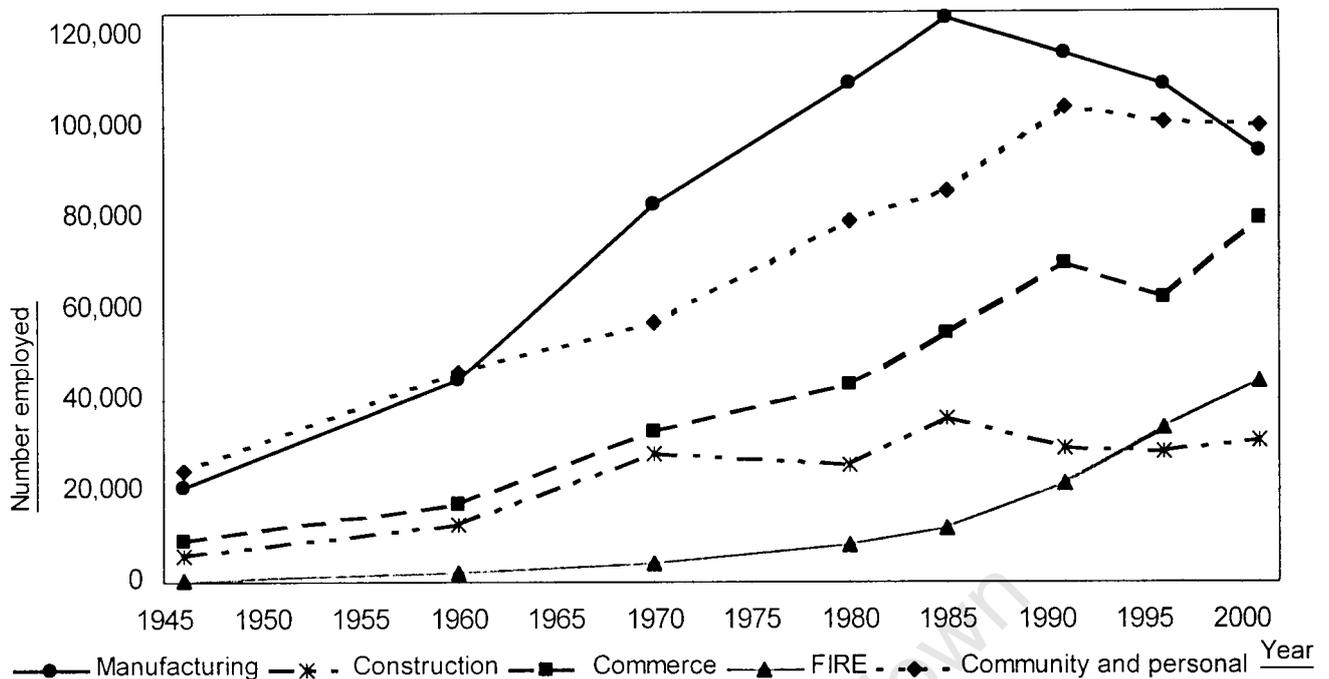
Race	1946	1960	1970	1980	1985	1991	1996	2001
Coloureds	48%	54%	64%	67%	72%	68%	67%	64%
Whites	42%	31%	23%	22%	19%	19%	19%	20%
Africans	10%	15%	12%	10%	8%	12%	13%	15%
Indians	1%	0%	0%	1%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

In this case, it is perhaps not African migrants to the city who lost the most as manufacturing employment declined, but Coloureds. Coloureds occupy a similar position in the socio-economic structure of Cape Town to that of African Americans in the large cities of the U.S. They have dominated manufacturing employment in Cape Town since 1946 (Tables 5.1 and 5.2, and Figure 5.1). After 1960, manufacturing increasingly became the largest employer of Coloured people in Cape Town. The increased share of Coloured employment in manufacturing in the 1960's is indicative of the upward mobility of the Coloured working class at the time (Goldin, 1987). Prior to the early 1900's, semi-skilled Coloured artisans had dominated certain trades. However, White European immigrants arriving around the 1900's started forming closed, White trade unions, seeking to exclude Coloured craftsmen from certain jobs in certain industries, such as manufacturing. Several laws passed in the 1920's further restricted Coloured's from entering apprenticeships and skilled work, and forced them out of the crafts, even those they had previously dominated. In spite of this, the labour demands of the post-war economy and the increased mechanisation of industry necessitated state-supported skills training of Coloureds, as the semi-skilled White workforce was too small (Cilliers, 1971; Evans, 1985). Even though Whites were protected by the Department of Labour and continued to have the upper hand in the labour market, the Coloured Labour Preference Policy (CLPP) improved the employment opportunities of Coloured semi-skilled workers and artisans in relation to Africans. As Africans were generally kept out of training and apprenticeships, Coloureds were protected from competition with Africans for semi-skilled, operative and artisan work (Goldin, 1987).

The number of Coloured employees in the manufacturing sector grew by 103,022 between 1946 and 1985 (Table 5.1 above) at an annual average growth rate of 5.7%. By 1985, Coloureds held 72% of all jobs in the manufacturing sector (Table 5.2 above), and manufacturing constituted 36% of all Coloured employment (Table 5.4). The number of Coloured employees in this sector began to decline after 1985 though. By 2001, 29,389 fewer Coloureds were employed in the manufacturing sector than in 1985 (Table 5.3) and the average annual employment growth rate for Coloureds for this period was -1.7%. Just how significant a drop-off in numbers of Coloured workers this is becomes clear when one considers that due to African gains in employment in this sector of over 7,000 jobs, manufacturing employment only dropped by 24,804 jobs between 1985 and 2001. Thus the loss to Coloured employment outweighed total job decline in the manufacturing sector. By 2001, the community and personal services had overtaken manufacturing as the biggest employer of Coloureds in Cape Town, employing 100,086 Coloureds versus manufacturing's 94,411 (Table 5.3).

Figure 5.2: Coloured employment by sector, Cape Town, 1946-2001



Source: Author's analysis of South African population censuses.

Table 5.3: Frequency distribution of Coloured employment by sector, Cape Town, 1946-2001

Sector	1946	1960	1970	1980	1985	1991	1996	2001
Community and personal	24,692	46,193	57,216	79,199	85,913	104,034	100,703	100,086
Manufacturing	20,778	44,330	83,111	109,492	123,800	115,915	108,989	94,411
Commerce	8,856	17,345	33,261	43,499	54,716	69,691	62,365	79,809
FIRE	406	2,134	4,185	8,019	12,029	21,671	33,764	43,919
Construction	5,818	12,590	28,335	25,714	35,989	29,222	28,510	30,862
Transport	5,110	8,205	11,088	17,124	18,553	20,276	23,081	22,525
Agriculture	2,131	6,918	6,339	8,551	9,779	9,174	7,821	9,695
Utilities	0	1,888	1,613	2,925	3,384	2,760	3,216	2,343
Mining	32	54	379	886	969	929	674	708
Total	67,823	139,657	225,527	295,409	345,132	373,672	369,123	384,358

Source: Author's analysis of South African population censuses.

Table 5.4: Percentage distribution of Coloured employment by sector, Cape Town, 1946-2001

Sector	1946	1960	1970	1980	1985	1991	1996	2001
Community and personal	36%	33%	25%	27%	25%	28%	27%	26%
Manufacturing	31%	32%	37%	37%	36%	31%	30%	25%
Commerce	13%	12%	15%	15%	16%	19%	17%	21%
FIRE	1%	2%	2%	3%	3%	6%	9%	11%
Construction	9%	9%	13%	9%	10%	8%	8%	8%
Transport	8%	6%	5%	6%	5%	5%	6%	6%
Agriculture	3%	5%	3%	3%	3%	2%	2%	3%
Utilities	0%	1%	1%	1%	1%	1%	1%	1%
Mining	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

In contrast, Africans have always held fewer jobs in manufacturing than Coloureds and Whites, and at their most, only occupied 22,188 positions in the manufacturing sector, just over a quarter of the number of jobs held by Coloureds (Table 5.1 above). In 2001, manufacturing employment accounted for only 11% of jobs held by Africans in Cape Town (Table 5.5), versus 25% of Coloured employment (Table 5.4 above).

Table 5.5: Percentage distribution of African employment by sector, Cape Town, 1946-2001

<i>Sector</i>	<i>1946</i>	<i>1960</i>	<i>1970</i>	<i>1980</i>	<i>1985</i>	<i>1991</i>	<i>1996</i>	<i>2001</i>
Community and personal	36%	29%	21%	31%	35%	36%	38%	36%
Commerce	19%	12%	12%	15%	16%	20%	16%	20%
Construction	10%	12%	24%	16%	21%	16%	16%	13%
Manufacturing	20%	27%	23%	22%	15%	13%	13%	11%
FIRE	0%	2%	2%	2%	2%	2%	7%	11%
Transport	10%	8%	12%	7%	5%	9%	5%	5%
Agriculture	4%	8%	6%	5%	4%	3%	3%	4%
Utilities	0%	1%	1%	1%	0%	1%	1%	0%
Mining	0%	2%	1%	1%	1%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

Some explanation of why Coloureds have dominated this industry is necessary.²⁴ Cape Town has historically been populated mainly by Coloured people. By the time the National Party Government's Population Registration Act (No. 30 of 1950) was passed in 1950, Cape Town had a population of 742,400, consisting of 361,000 Coloureds, 307,000 Whites and 74,100 Africans (Centre for Intergroup Studies, 1983; Wilkinson, 2000). Or, as Cross, Bekker and Eva put it in their report of their survey of migration into the Cape Metropolitan Area (CMA), "the Coloured population is...the CMA's demographic anchor" (1999:15). In addition to the influx control measures enacted earlier to limit the numbers of African migrants to the Cape, the state embarked on "an ambitious and ruthless programme of social engineering" in the 1960's that deprived most South Africans of their citizenship and led to the forced removal of over 3,5 million people from newly created White areas to the ethnic "homelands" (Posel, 1991).

Africans urbanised much later than Coloureds in Cape Town, due in no small part to the policies of the CLPP and other influx control measures. A survey conducted in June 1988 in the African shack areas of Khayelitsha reported that only 11% of the respondents were born in the Western Cape

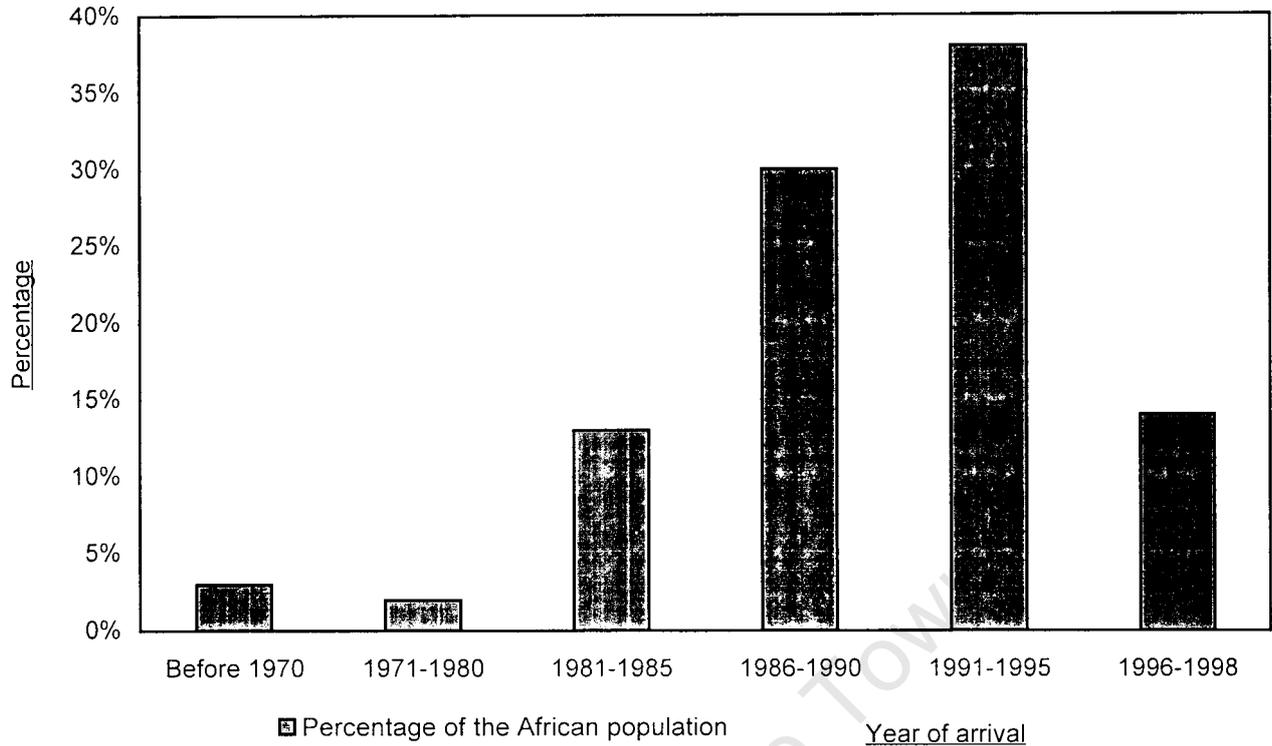
²⁴ See Appendices A and B (Coloureds: A Race Apart and Coloured and African Labour in Cape Town) for a more comprehensive discussion of these issues.

(Seekings, Graaf and Joubert, 1990). The later survey of the CMA conducted in 1998 found that 85% of the African respondents originally came from outside the area, in comparison to the 80% of the Coloured sample in the survey who were either born in the city or who had migrated there before 1970 (Cross, Bekker and Eva, 1999). These results are consistent with those from the Khayelitsha/Mitchell's Plain survey conducted in 2000 (KMPS-2000) that show that only 13% of the sample of Africans interviewed were born in Cape Town, versus 72% of Coloureds.²⁵ Thus, Coloureds were urbanised long before Africans in Cape Town.

In addition to the fact that so many Africans are migrants, another point to consider is exactly when they arrived in Cape Town. The CMA survey showed that, with respect to Africans, "recent migration has exploded since the end of the Coloured labour preference restrictions and the threat of clearances" (Cross, Bekker and Eva, 1999:15). In this survey, over 80% of the rural-born African migrant sample arrived in the CMA after 1985 (Figure 5.3). Again, using the KMPS-2000 results it is clear that any Coloureds who weren't born in Cape Town but who migrated here did so mostly before the downturn in manufacturing employment, i.e. before 1985 (this includes about 80% of Coloured migrants in the sample). Most of the African sample, over 57%, migrated to Cape Town after 1985 (Figure 5.4 shows absolute numbers). However, of the total number of African migrants, over 70% migrated here after 1985, i.e. during the period of manufacturing employment decline. Therefore, besides any legislative measures such as the CLPP favouring Coloured employment and the fact that Coloureds urbanised before Africans, many Africans arrived in Cape Town after the boom in manufacturing employment was over. Thus it is not surprising that manufacturing employment has been dominated by Coloureds and not Africans.

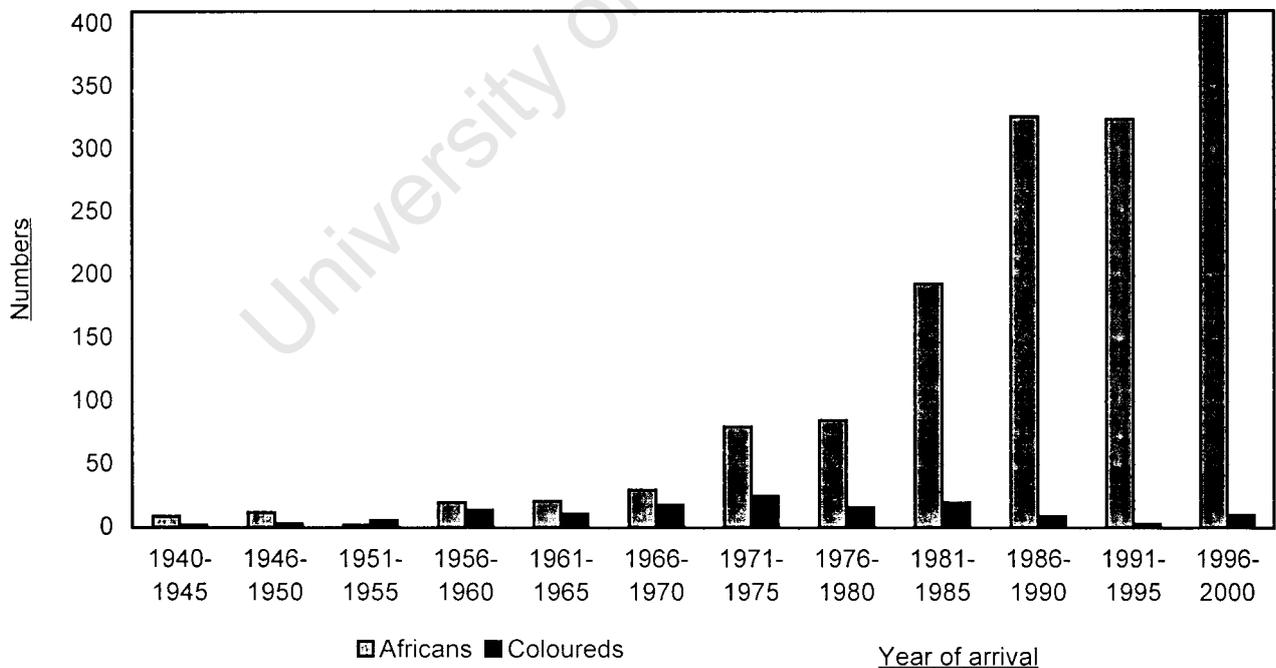
²⁵ See the section in Chapter 3: Methodology on the KMPS-2000 for how I coded and analysed these unit record data.

Figure 5.3: African migration to Cape Town, 1970-1998



Source: Author's analysis of CMA Survey data (Cross, Bekker and Eva, 1999).²⁶

Figure 5.4: African and Coloured migration to Cape Town, 1940-2000



Source: Author's analysis of KMPS-2000 unit record data.

²⁶ Please note that the 1996-1998 category represents an incomplete time period of only 3 years instead of 5.

Even though manufacturing has played a vital role in providing employment for Coloured people in Cape Town, it is perhaps not the case that the stagnation and decline in job growth in this sector has affected them most. In order to determine what the possible effect of the decline in manufacturing employment was on Coloured employment, it is necessary to consider what would have happened if employment growth had continued at the pre-decline levels. So, for example, had manufacturing employment continued to grow post-1985 at the rate at which it had during the period 1946-1985 for Coloureds (i.e. at a rate of 5.7% per annum), 258,147 Coloured people would have held manufacturing jobs in 2001. As it is, the population census for that year put the figure at only 94,411 (Table 5.3 above). This difference of 163,736 jobs between the real and projected figures is more than the total number of unemployed Coloured people in Cape Town in 2001, 139,209. Therefore, it could be argued that the decline in manufacturing employment was a leading cause of increased unemployment amongst Coloureds in Cape Town in 2001.

If the same model is applied to Africans, i.e. the rate of growth of manufacturing employment amongst Africans between 1946 and 1980 (as the numbers actually decreased in 1985) is applied from 1985 to the year 2001, then a figure of 32,810 jobs is reached. This is not much more than the actual 22,188 manufacturing jobs held by Africans in 2001 (as reported in the population census), and the difference between the two, 10,622 jobs, would hardly make a dent in the figure of 224,398 unemployed Africans in 2001 (also as reported in the population census). Therefore, it seems that the decline in manufacturing employment had a negligible impact on African employment levels.

Perhaps one of the reasons why there is such a small difference between the number of real and predicted jobs for Africans is that manufacturing employment continued to grow amongst Africans when it was in decline for Whites and Coloureds. The number of Africans in manufacturing jobs grew by 5,617 between 1980 and 2001 at an annual average growth rate of 1.4% at the same time that the number of Whites and Coloureds was dropping (Tables 5.1 and 5.2, and Figure 5.1 above). Tied to this and perhaps of even greater significance is what has happened to the races' relative shares of manufacturing employment since 1980/1985. Coloureds accounted for a steadily increasing share of manufacturing employment from 48% in 1946 to a massive 72% in 1985. After 1985 however, the proportion of manufacturing jobs held by Coloureds gradually decreased to 64% in 2001. The White population's share held steady at 19-20% during this period. Africans however increased their share of manufacturing employment from 10% in 1980 to 15% in 2001. Therefore, while Coloureds and Whites "lost" work in the manufacturing sector, Africans gained not only more

jobs, but also a greater relative share of manufacturing employment. But why would this occur in a sector where employment was decreasing for all other groups? Again, a certain amount of history is necessary to explain this.

During the 1960's employers in the Western Cape had opposed CLPP out of anxiety over the dwindling unskilled African labour supply (Goldin, 1987). Influx controls were implemented far more strictly in the Western Cape than anywhere else in the country as a result of this policy, and soon employers were hampered in recruiting unskilled African migrants, whose cheap labour was viewed as vital to the survival of certain industries in the Cape. In the 1970's and early 1980's though, the focus had shifted to shortages of skilled and semi-skilled workers in the Western Cape. Employers argued that the CLPP had limited the training of Africans and given Coloured workers a monopoly over skilled and semi-skilled work. In the late 1970's, the upswing in the economy had resulted in more skilled and semi-skilled workers being required for the growing manufacturing and construction sectors than could be supplied by the Coloured labour force. Coloureds could, as a result of the demand, be more discerning about types of job and pay. Western Cape employers were not prepared to compete with the higher paying jobs in the Transvaal, and so, many Coloured workers migrated to the Witwatersrand, causing a shortage of skilled and semi-skilled labour in the region. Employers therefore petitioned the government to allow Africans already resident in the Cape to be trained and employed in skilled and semi-skilled work. The Cape Chambers of Commerce and Industry and the Cape Employer's Association even had the backing of large businesses like the Sanlam and Rembrandt corporations and others this time in pushing for a "better deal" for skilled Africans permanently resident in the Western Cape (e.g. they should be exempt from influx controls, allowed to buy/rent their own houses and compete on equal footing with Coloureds for the better jobs). Initially, the government barely budged on these issues. However, the announcement of the scrapping of the CLPP in 1984 heralded the beginning of the end of the government's attempts to promote Coloured interests in employment and residence at the expense of Africans (Goldin, 1987).

Thus it would appear that the drop in manufacturing employment amongst Coloureds was not simply a case of a declining sector, but some would have actively chosen to leave, while others would not even have entered it in the first place, thereby opening up positions for more Africans in Cape Town. Considering how few Africans there were in manufacturing in 2001, the number of Coloureds leaving manufacturing or choosing not to enter it in order to work elsewhere was

probably quite small in comparison to the number of jobs no longer available in the sector. The 10,622 additional jobs that Africans would have gained between 1985 and 2001 if employment had continued to grow at pre-1985 levels is only a fraction of the 163,736 additional manufacturing jobs that Coloureds could have gained theoretically between 1985 and 2001. Thus I believe it is still reasonable to argue that the decline in manufacturing employment played a significant role in overall unemployment amongst Coloureds in Cape Town, but not Africans.

This argument assumes, of course, that those who would have worked in the manufacturing sector prior to 1985 did not find work in other sectors, like the growing service sectors of commerce, community and personal services or FIRE. This seems unlikely. These service sectors have undergone tremendous growth since the 1980's, and the number of Coloureds employed in each has grown markedly. However, Coloured unemployment increased from approximately 5% in 1980 to around 24% in 2001.²⁷ One could argue that had manufacturing not gone into decline, the unemployment rate amongst Coloureds would have been much lower than it was in 2001. Another part of this argument is the nature of the kinds of jobs previously plentiful in manufacturing, but less prevalent in the growing service sectors, i.e. semi-skilled blue-collar jobs. This is where the changes in occupational distribution become particularly salient for the gender distribution of employment in Cape Town.

Occupational changes and Gender in manufacturing

While Coloureds have dominated the manufacturing sector in terms of employment, this has not been led by Coloured men as one might expect, but rather by Coloured men and women in tandem.

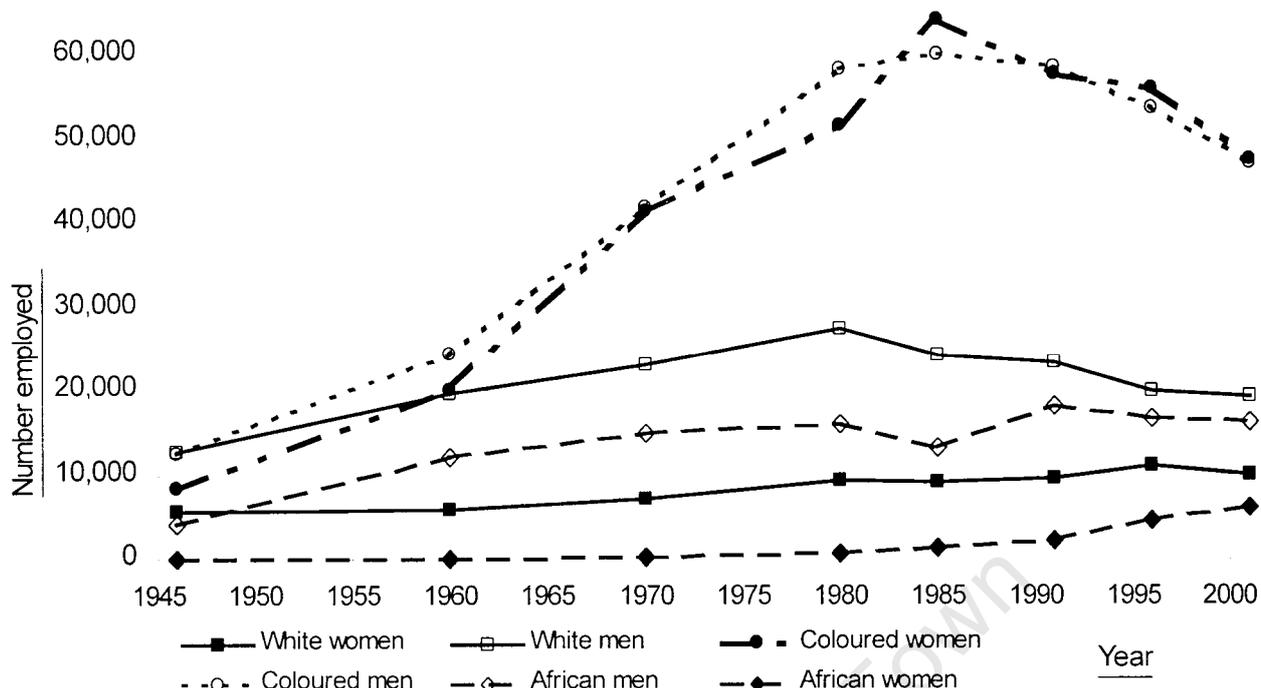
In the early 1900's, over 90% of Coloured women were unskilled, and 87% were domestic workers (Goldin, 1987). The sexual and racial division of labour in the Western Cape changed dramatically in the 1920's and 1930's however. The labour restructuring process that began with the Civilised Labour Policy intensified during the Great Depression, and increasing job fragmentation and mass-production saw women replacing men. Both White and Coloured women were substituted for semi-skilled Coloured men. Coloured women, however, advanced substantially during this period. In the greater Cape Town area in 1921, over 85% of Coloured women were employed as domestic

²⁷ Calculated as the percentage of the population defined as unemployed in the 1980 and 2001 censuses, i.e. the unemployed as a percentage of the sum of the employed and the unemployed. Note that this does not include scholars, those who choose not to work, the elderly, etc (i.e. the economically inactive).

workers. This proportion had fallen to 66% by 1936, with increasing numbers of Coloured women securing semi-skilled work (from only 4% of Coloured women in 1921 to over 19% in 1936). This change was mainly due to the expansion of the garment industry in South Africa. Clothing manufacturers in the Cape preferred Coloured women because of the low wages they could pay them, on the grounds that most of them lived with their parents, or that they were merely supplementing their husbands' income. The manufacturing sector recovered very quickly after the Depression, and had, by 1948, overtaken the primary and tertiary sectors in the Western Cape and the rest of South Africa. The growth in industrial employment resulted in the number of Coloured women in industry in the Western Cape increasing by a massive 132% between 1933 and 1949. Mechanisation and automation also led to the proliferation of differentiated job-opportunities and specialisation, increasing job opportunities for semi-skilled female operators in particular (Cilliers, 1971). Coloured women increasingly moved out of domestic service and agriculture and into semi-skilled manufacturing and sales and clerical work in the 1970's and early 1980's (Goldin, 1987). As Coloured semi-skilled women were paid less than Coloured men, they were even preferred for this kind of work (Goldin, 1987).

Thus, the patterns of manufacturing job growth and decline after 1946 were very similar amongst Coloured men and women (Tables 5.6 and 5.7, and Figure 5.5). Coloured men had more jobs than Coloured women in 1946, but the annual average growth rate of employment was higher amongst Coloured women than men between 1946 and 1985 (5.4% versus 5.1%). Coloured men still held 6,533 or 6% more of Coloured manufacturing jobs than Coloured women in 1980 (Table 5.8). However, by 1985, Coloured women had 4,258 more manufacturing jobs than Coloured men (Table 5.6). Therefore, from 1985 onwards, Coloured women held more jobs in manufacturing than Coloured men. Both Coloured men and women held fewer jobs in manufacturing in 2001 than 1980, but the drop for Coloured men was greater than for Coloured women (11,247 versus 4,314, Tables 5.9 and 5.10).²⁸ Thus, even though Coloured men had occupied most manufacturing jobs in 1980 (36% of all manufacturing work, and 53% of manufacturing jobs amongst Coloureds, Tables 5.7 and 5.8), by 2001, Coloured women had the same relative share of this employment (32%, up from 31% in 1980, and approximately 50% of Coloured manufacturing work, Tables 5.11, 5.12 and 5.8).

²⁸ The numbers of employees per sector in these occupation skill level tables will be lower than earlier sectoral figures (e.g. Table 5.6), as these do not include respondents whose occupation was "undetermined" (it is obviously impossible to assign a skill rating to an occupation when one does not know what that occupation is).

Figure 5.5: Manufacturing employment by race and gender, Cape Town, 1946-2001

Source: Author's analysis of South African population censuses.

Table 5.6: Frequency distribution of manufacturing employment by race and gender, Cape Town, 1946-2001

<i>Race and Gender</i>	1946	1960	1970	1980	1985	1991	1996	2001
Coloured women	8,329	19,920	41,398	51,360	64,029	57,511	55,700	47,426
Coloured men	12,449	24,410	41,713	58,132	59,771	58,404	53,289	46,985
White men	12,645	19,688	23,128	27,273	24,033	23,183	19,859	19,052
African men	4,191	12,028	14,958	15,944	13,056	18,061	16,649	16,126
White women	5,636	5,792	7,165	9,253	9,055	9,490	11,040	9,952
African women	35	82	160	627	1,299	2,205	4,517	6,062
Indian men	307	211	403	767	771	871	1,325	1,207
Indian women	128	68	157	302	278	408	750	678
Total	43,720	82,199	129,082	163,658	172,292	170,133	163,129	147,488

Source: Author's analysis of South African population censuses.

Table 5.7: Percentage distribution of manufacturing employment by race and gender, Cape Town, 1946-2001

<i>Race and Gender</i>	1946	1960	1970	1980	1985	1991	1996	2001
Coloured women	19%	24%	32%	31%	37%	34%	34%	32%
Coloured men	28%	30%	32%	36%	35%	34%	33%	32%
White men	29%	24%	18%	17%	14%	14%	12%	13%
African men	10%	15%	12%	10%	8%	11%	10%	11%
White women	13%	7%	6%	6%	5%	6%	7%	7%
African women	0%	0%	0%	0%	1%	1%	3%	4%
Indian men	1%	0%	0%	0%	0%	1%	1%	1%
Indian women	0%	0%	0%	0%	0%	0%	0%	0%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

Table 5.8: Percentage distribution of Coloured manufacturing occupations by gender, Cape Town, 1980 and 2001

Occupation skill level	1980		2001	
	Men	Women	Men	Women
Highly skilled	78%	22%	57%	43%
Semi-skilled: White collar	54%	46%	40%	60%
Semi-skilled: Blue collar	51%	49%	51%	49%
Unskilled	59%	41%	50%	50%
Total	53%	47%	50%	50%

Source: Author's analysis of South African population censuses.

Table 5.9: Frequency distribution of manufacturing occupations by race and gender, Cape Town, 1980

Occupation skill level	White		Coloured		African		Total
	Men	Women	Men	Women	Men	Women	
Highly skilled	13,478	1,930	1,916	556	52	7	18,116
Semi-skilled: White collar	2,816	6,249	7,156	5,975	848	75	23,413
Semi-skilled: Blue collar	10,605	938	40,849	39,027	11,830	392	104,197
Unskilled	129	56	7,061	4,891	2,911	136	15,218
Total	27,028	9,173	56,982	50,449	15,641	610	²⁹ 160,944

Source: Author's analysis of South African population censuses.

Table 5.10: Frequency distribution of manufacturing occupations by race and gender, Cape Town, 2001

Occupation skill level	White		Coloured		African		Total
	Men	Women	Men	Women	Men	Women	
Highly skilled	10,764	4,602	6,577	4,965	1,145	589	29,359
Semi-skilled: White collar	2,799	4,169	6,255	9,261	1,472	1,076	25,532
Semi-skilled: Blue collar	4,458	743	25,528	24,407	8,179	2,438	66,265
Unskilled	510	231	7,375	7,502	4,880	1,750	22,362
Total	18,531	9,745	45,735	46,135	15,676	5,853	143,518

Source: Author's analysis of South African population censuses.

Table 5.11: Percentage distribution of manufacturing occupations by race and gender, Cape Town, 1980

Occupation skill level	White		Coloured		African		Indian		Total
	Men	Women	Men	Women	Men	Women	Men	Women	
Highly skilled	74%	11%	11%	3%	0%	0%	1%	0%	100%
Semi-skilled: White collar	12%	27%	31%	26%	4%	0%	1%	0%	100%
Semi-skilled: Blue collar	10%	1%	39%	37%	11%	0%	0%	0%	100%
Unskilled	1%	0%	46%	32%	19%	1%	0%	0%	100%
Total	17%	6%	35%	31%	10%	0%	0%	0%	100%

Source: Author's analysis of South African population censuses.

²⁹ Although employment figures for Indians are not always presented in each table, they are included in the totals in all tables. Employment figures for Indians have only been included for the sake of completion though, as their numbers in Cape Town are very small in comparison to the other three races.

Table 5.12: Percentage distribution of manufacturing occupations by race and gender, Cape Town, 2001

<i>Occupation skill level</i>	<i>White</i>		<i>Coloured</i>		<i>African</i>		<i>Indian</i>		<i>Total</i>
	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	
Highly skilled	37%	16%	22%	17%	4%	2%	2%	1%	100%
Semi-skilled: White collar	11%	16%	24%	36%	6%	4%	1%	1%	100%
Semi-skilled: Blue collar	7%	1%	39%	37%	12%	4%	1%	0%	100%
Unskilled	2%	1%	33%	34%	22%	8%	0%	0%	100%
Total	13%	7%	32%	32%	11%	4%	1%	0%	100%

Source: Author's analysis of South African population censuses.

How, while employment in the manufacturing sector had been declining since the 1980's, were Coloured women able to increase their share of manufacturing jobs and even outnumber Coloured men in the sector by 2001 (even though only slightly)? To answer this question, one needs to consider the kinds of positions Coloured men and women tend to hold in the manufacturing sector. Coloured men and women increased their number of highly skilled workers in this sector by a similar number between 1980 and 2001 (4,661 for men, and 4,409 for women, Tables 5.9 and 5.10 above). The number of semi-skilled blue-collar jobs held by Coloured men and women also dropped by similar amounts between 1980 and 2001 (15,321 and 14,620 respectively). Coloured men held fewer semi-skilled, white-collar jobs in 2001 than 1980 (only by 901), whereas Coloured women increased their numbers in white-collar manufacturing positions by a substantial 3,286. Not only did this increase Coloured women's relative share of white-collar jobs (from 26% in 1980 to 36% overall in 2001, Tables 5.11 and 5.12 above), they overtook Coloured men in terms of white-collar work in 2001 (9,261 versus 6,255). In terms of unskilled work, the numbers of Coloured men barely grew between 1980 and 2001 (only by 314). In contrast, Coloured women gained 2,611 unskilled manufacturing jobs between 1980 and 2001.

Therefore, as Coloured men and women had very similar numbers of blue-collar workers in 1980 and 2001, one could argue that the participation of Coloured men in manufacturing dropped that much more than Coloured women because an increasing number of Coloured women were entering all the other kinds of occupations, especially white-collar work and unskilled work. While semi-skilled, white-collar work provided a similar share of employment for Coloured men and women in 1980 (13% and 12% respectively, Tables 5.13 and 5.14), this type of work played a much more significant role in the employment of Coloured women in manufacturing in 2001, when a fifth of all Coloured women's jobs in the manufacturing sector was in white-collar occupations. Semi-skilled, white-collar jobs constituted only 14% of all Coloured male manufacturing employment in 2001.

Coloured women also participated more in unskilled labour in manufacturing in 2001 than in 1980, but also more so than Coloured men, even though they lagged behind their numbers in 1980 (from 7,061 in 1980 to 7,375 in 2001 for men, and 4,891 in 1980 to 7,502 in 2001 for women, Tables 5.9 and 5.10). Unskilled labour constituted 10% of Coloured women's manufacturing employment and 12% of Coloured men's employment in 1980 (Tables 5.14 and 5.13 respectively). But by 2001, 16% of both Coloured men and Coloured women in the manufacturing sector were unskilled workers. Besides white-collar and unskilled work though, Coloured women also increased their share of highly skilled work (78% of highly skilled work held by Coloureds went to men, while only 22% was held by women in 1980 in comparison to 57% and 43% respectively in 2001, Table 5.8). Therefore, it would appear that the occupations in which the most employment growth occurred in manufacturing were not only increasingly employing Coloured women, some even employed more Coloured women than men in 2001.

Table 5.13: Percentage distribution of male manufacturing occupations by race, Cape Town, 1980 and 2001

Occupation skill level	White men		Coloured men		African men	
	1980	2001	1980	2001	1980	2001
Highly skilled	50%	58%	3%	14%	0%	7%
Semi-skilled: White collar	10%	15%	13%	14%	5%	9%
Semi-skilled: Blue collar	39%	24%	72%	56%	76%	52%
Unskilled	0%	3%	12%	16%	19%	31%
Total	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

Table 5.14: Percentage distribution of female manufacturing occupations by race, Cape Town, 1980 and 2001

Occupation skill level	White women		Coloured women		African women	
	1980	2001	1980	2001	1980	2001
Highly skilled	21%	47%	1%	11%	1%	10%
Semi-skilled: White collar	68%	43%	12%	20%	12%	18%
Semi-skilled: Blue collar	10%	8%	77%	53%	64%	42%
Unskilled	1%	2%	10%	16%	22%	30%
Total	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

Thus it seems the decline in semi-skilled, blue-collar manufacturing jobs had the greatest negative impact on Coloured male employment. As the numbers of semi-skilled, white-collar jobs increased, semi-skilled blue-collar work declined. However, while Coloured men and women lost similar numbers of blue-collar jobs, only the women gained the growing white-collar manufacturing employment. Thus one could reasonably expect the greatest impact of manufacturing decline, especially considering the fact that the decline occurred exclusively in blue-collar jobs, to be on Coloured male employment.

Manufacturing employment in Cape Town has stagnated and declined, while service sector employment has soared. Therefore, the next question to address is: how did the growth of services impact on employment in Cape Town?

University of Cape Town

Chapter 6

The impact of the growth of services on racial and gender inequality

Some authors argue that as manufacturing has declined and the number of blue-collar jobs available to low-skilled men have decreased, so the employment prospects for low-skilled women have improved with the growth of the service sector, which tends to employ more women (Beall, Crankshaw and Parnell, 2002; Sassen, 1994; Wilson, 1996). These jobs are argued to be lower paying and more unstable than the jobs men used to get in the manufacturing sector. So, while there is increased feminisation of the workforce, the contention is that women are becoming increasingly segregated into low-skilled, low-pay jobs. Critics of the polarisation theory oppose this view though, and argue that women are becoming increasingly professionalised along with their male counterparts (Hamnett, 1994a).

As to the point of increased feminisation of the employed workforce: this process has definitely occurred in Cape Town. In 1980, only 36% of the workforce consisted of women (Table 6.1). By 2001, this proportion had increased to 46%. While men gained an additional 82,196 jobs in Cape Town in this period, women gained more than double that number, 169,767.

Table 6.1: Percentage distribution of occupations by gender, Cape Town, 1980 and 2001

<i>Occupation skill level</i>	<i>1980</i>		<i>2001</i>	
	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>
Highly skilled	65%	35%	54%	46%
Semi-skilled: White collar	51%	49%	43%	57%
Semi-skilled: Blue collar	77%	23%	77%	23%
Unskilled	56%	44%	46%	54%
Total	64%	36%	54%	46%

Source: Author's analysis of South African population census data.

This feminisation process is arguably linked to the growth of service employment. Women made a gain in manufacturing employment between 1980 and 2001 of only 1,859 jobs (Table 6.2). Therefore, the vast majority of additional jobs came from the three major service sectors, i.e. community and personal services, commerce and FIRE (just under 138,000 jobs in total). As men also held fewer jobs in manufacturing in 2001 than in 1980 (over 19,000 in fact), their job gains also came mainly from the three service sectors. However, in two of the three major growth service sub-sectors, the number of new jobs going to women in 2001 far outweighed that gained by men. Female commerce employment grew by 40,725 jobs, while men gained only 29,405; and the number of additional jobs going to women in community and personal services was nearly 14 times higher than that of men (59,031 versus only 4,238). In FIRE, men gained fewer than 3,000 more jobs than women (41,163 versus 38,185). Therefore, women were increasingly entering employment thanks in large part to the growth of services.

Table 6.2: Change in the frequency distribution of occupations by main sectors and gender between 1980 and 2001, Cape Town³⁰

<i>Occupation skill level</i>	<i>Manufacturing</i>			<i>Commerce</i>		
	<i>Men</i>	<i>Women</i>	<i>Total</i>	<i>Men</i>	<i>Women</i>	<i>Total</i>
Highly skilled	+3,424	+7,819	+11,243	+10,950	+10,619	+21,569
Semi-skilled: White collar	-255	+2,374	+2,119	+6,302	+16,212	+22,514
Semi-skilled: Blue collar	-25,153	-12,779	-37,932	+6,540	+3,884	+10,424
Unskilled	+2,699	+4,445	+7,144	+5,613	+10,010	+15,623
Total	-19,285	+1,859	-17,426	+29,405	+40,725	+70,130

Source: Author's analysis of South African population census data.

Table 6.2 continued...

<i>Occupation skill level</i>	<i>FIRE</i>			<i>Community and personal</i>		
	<i>Men</i>	<i>Women</i>	<i>Total</i>	<i>Men</i>	<i>Women</i>	<i>Total</i>
Highly skilled	+19,431	+20,320	+39,751	+12,693	+23,281	+35,974
Semi-skilled: White collar	+13,557	+11,935	+25,492	-5,266	+15,442	+10,176
Semi-skilled: Blue collar	+4,507	+1,258	+5,765	-1,051	+1,393	+342
Unskilled	+3,668	+4,672	+8,340	-2,138	+18,915	+16,777
Total	+41,163	+38,185	+79,348	+4,238	+59,031	+63,269

Source: Author's analysis of South African population census data.

³⁰ Calculated as, e.g. the number of men employed in highly skilled manufacturing jobs in 1980 minus the number of men employed in highly skilled manufacturing jobs in 2001.

Thus the trend of increased feminisation of the workforce, related to growing service sector employment, is relatively straightforward to illustrate. The question of whether women became increasingly segregated into low-pay jobs or underwent the process of professionalisation seen in the workforce in general is more difficult to answer.

One way to test whether or not employed women as a group are experiencing the professionalisation trend shown for the whole working population of Cape Town between 1980 and 2001, is to produce a similar occupational distribution as in Table 4.5 (above), but to break it down into separate figures for men and women (Tables 6.3 and 6.4). If one compares these tables of the occupational structure of Cape Town's formally employed male and female workforces, one notices a similar proportional increase in highly skilled occupations of 9%-10% between 1980 and 2001 for both men and women. This is consistent with the 10% increase in highly skilled work for the entire employed working population of Cape Town (Table 4.5 above). There also seems to be a 1% increase in unskilled work amongst women and men between 1980 and 2001, which would also be consistent with the results for the whole population. Thus it would appear that women, as a group, experienced increased professionalisation.

Table 6.3: Occupational distribution of women, Cape Town, 1980 and 2001

<i>Occupation skill level</i>	<i>1980</i>		<i>2001</i>		<i>Difference</i>
Highly skilled	40,856	19%	112,932	29%	72,076
Semi-skilled: White collar	78,546	36%	133,649	34%	55,103
Semi-skilled: Blue collar	46,195	21%	43,195	11%	-3,000
Unskilled	52,322	24%	97,910	25%	45,588
Total	217,919	100%	387,686	100%	169,767

Source: Author's analysis of South African population censuses.

Table 6.4: Occupational distribution of men, Cape Town, 1980 and 2001

<i>Occupation skill level</i>	<i>1980</i>		<i>2001</i>		<i>Difference</i>
Highly skilled	74,673	20%	134,613	29%	59,940
Semi-skilled: White collar	81,683	21%	99,531	22%	17,848
Semi-skilled: Blue collar	158,565	42%	143,276	31%	-15,289
Unskilled	65,281	17%	84,978	18%	19,697
Total	380,202	100%	462,398	100%	82,196

Source: Author's analysis of South African population censuses.

Although the relative increase in the percentage of women in highly skilled and unskilled work was consistent with the overall trend, the absolute increase in numbers was not. Referring to Table 4.5 again, the absolute increase between 1980 and 2001 in highly skilled work for the whole employed population of Cape Town was double that of the increase in unskilled workers (132,016 versus 65,285). Tables 6.3 and 6.4 (above) show that the number of unskilled jobs gained by men in this period was only a third of the number of additional highly skilled jobs held by men in 2001 (a difference of 19,697 unskilled jobs as opposed to 59,940 highly skilled jobs). Thus, men seem to have experienced greater relative growth in the number of highly skilled jobs than the average. Women on the other hand experienced less relative growth in these jobs, as even though they gained 72,076 highly skilled jobs between 1980 and 2001, the numbers of women doing unskilled work increased by 45,588 in this period, which represents nearly two thirds of the growth in highly skilled work. Also, even though highly skilled work formed a similar proportion of women and men's work, a greater proportion of women than men were still in unskilled work, i.e. 25% of employed women were unskilled workers, versus only 18% of men in 2001. As unskilled work represented a greater proportion of women's work in 1980 than highly skilled work, one could even argue that the increase in highly skilled work made the occupational distribution of women's jobs in Cape Town more polarised. Whatever the case, while women gained professional jobs between 1980 and 2001, they also gained a substantial number of unskilled jobs; and while less than a fifth of all men's work was unskilled in 2001, a full quarter of women's jobs in 2001 were unskilled.

It is also important to remember that while highly skilled jobs formed approximately the same proportion of work amongst women and men, within the ranks of women (and men too, of course), there was huge disparity in terms of the distribution of these jobs across the races. While a great many more women held highly skilled jobs in 2001 than did previously, these jobs fell to certain race groups more than others.

The evidence suggests that White women experienced a greater degree of professionalisation than Coloured and African women. Of the 44,084 highly skilled jobs gained by Whites between 1980 and 2001, the majority of these, 29,638, went to White women (Tables 6.5 and 6.6). This is close to three times the number gained by African women (10,808). Coloured women gained a similar number of additional highly skilled jobs in 2001 (29,558), but these constituted less than half of the total 70,702 jobs gained by Coloured women between 1980 and 2001. In the case of White women, because their numbers in semi-skilled white-collar work decreased in the same period, the 29,638

additional highly skilled jobs actually outnumbered the overall increase in jobs of 27,141 between 1980 and 2001. Of these highly skilled jobs, only 2,672 came from manufacturing (Tables 5.9 and 5.20 above). The rest, of course, came from the growing community and personal services, commerce and FIRE sectors. Not surprisingly, the greatest number of highly skilled jobs was gained in the FIRE sector (13,119, Tables 6.7 and 6.8). Thus, White women, who represented only 12% of the workforce, held 22% of all the highly skilled jobs in Cape Town in 2001 (Tables 6.9 and 6.10). Perhaps most importantly, highly-skilled work constituted only 33% of White women's work in 1980, but increased by 20% to form 53% of White women's work overall in 2001 (Table 6.12). This was the largest percentage increase in any type of occupation for any of the three main race-gender groups in this time (Tables 6.11 and 6.12).

Table 6.5: Frequency distribution of occupations by race and gender, Cape Town, 1980

Occupation skill level	White		Coloured		African		Total
	Men	Women	Men	Women	Men	Women	
Highly skilled	60,903	25,648	11,985	13,525	885	1,319	115,529
Semi-skilled: White collar	39,243	48,900	33,132	26,252	7,378	2,529	160,229
Semi-skilled: Blue collar	34,331	1,789	92,890	43,239	30,401	946	204,760
Unskilled	2,062	931	40,843	36,758	22,152	14,513	117,603
Total	136,539	77,268	178,850	119,774	60,816	19,307	598,121

Source: Author's analysis of South African population censuses.

Table 6.6: Frequency distribution of occupations by race and gender, Cape Town, 2001

Occupation skill level	White		Coloured		African		Total
	Men	Women	Men	Women	Men	Women	
Highly skilled	75,349	55,286	42,997	43,083	11,957	12,127	247,545
Semi-skilled: White collar	25,573	43,872	46,291	66,951	25,550	20,604	233,180
Semi-skilled: Blue collar	17,326	2,501	82,356	34,519	42,164	5,822	186,471
Unskilled	3,869	2,750	40,877	45,923	39,661	48,832	182,888
Total	122,117	104,409	212,521	190,476	119,332	87,385	850,084

Source: Author's analysis of South African population censuses.

Table 6.7: Frequency distribution of FIRE occupations by race and gender, Cape Town, 1980

Occupation skill level	White		Coloured		African		Total
	Men	Women	Men	Women	Men	Women	
Highly skilled	10,724	2,453	986	174	51	6	14,511
Semi-skilled: White collar	5,601	12,621	2,660	2,036	839	69	23,997
Semi-skilled: Blue collar	463	52	959	147	131	5	1,776
Unskilled	170	60	854	458	641	59	2,247
Total	16,958	15,186	5,459	2,815	1,662	139	42,531

Source: Author's analysis of South African population censuses.

Table 6.8: Frequency distribution of FIRE occupations by race and gender, Cape Town, 2001

<i>Occupation skill level</i>	<i>White</i>		<i>Coloured</i>		<i>African</i>		<i>Total</i>
	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	
Highly skilled	21,461	15,572	7,092	5,471	2,041	1,389	54,262
Semi-skilled: White collar	4,947	12,138	9,471	11,620	7,983	2,517	49,489
Semi-skilled: Blue collar	1,108	310	3,389	889	1,485	240	7,541
Unskilled	388	446	2,274	2,595	2,651	2,176	10,587
Total	27,904	28,466	22,226	20,575	14,160	6,322	121,879

Source: Author's analysis of South African population censuses.

Table 6.9: Percentage distribution of occupations by race and gender, Cape Town, 1980

<i>Occupation skill level</i>	<i>White</i>		<i>Coloured</i>		<i>African</i>		<i>Indian</i>		<i>Total</i>
	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	
Highly skilled	53%	22%	10%	12%	1%	1%	1%	0%	100%
Semi-skilled: White collar	24%	31%	21%	16%	5%	2%	1%	1%	100%
Semi-skilled: Blue collar	17%	1%	45%	21%	15%	0%	0%	0%	100%
Unskilled	2%	1%	35%	31%	19%	12%	0%	0%	100%
Total	23%	13%	30%	20%	10%	3%	1%	0%	100%

Source: Author's analysis of South African population censuses.

Table 6.10: Percentage distribution of occupations by race and gender, Cape Town, 2001

<i>Occupation skill level</i>	<i>White</i>		<i>Coloured</i>		<i>African</i>		<i>Indian</i>		<i>Total</i>
	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	
Highly skilled	30%	22%	17%	17%	5%	5%	2%	1%	100%
Semi-skilled: White collar	11%	19%	20%	29%	11%	9%	1%	1%	100%
Semi-skilled: Blue collar	9%	1%	44%	19%	23%	3%	1%	0%	100%
Unskilled	2%	2%	22%	25%	22%	27%	0%	0%	100%
Total	14%	12%	25%	22%	14%	10%	1%	1%	100%

Source: Author's analysis of South African population censuses.

Table 6.11: Percentage distribution of male occupations, Cape Town, 1980 and 2001

<i>Occupation skill level</i>	<i>White men</i>		<i>Coloured men</i>		<i>African men</i>	
	<i>1980</i>	<i>2001</i>	<i>1980</i>	<i>2001</i>	<i>1980</i>	<i>2001</i>
Highly skilled	45%	62%	7%	20%	1%	10%
Semi-skilled: White collar	29%	21%	19%	22%	12%	21%
Semi-skilled: Blue collar	25%	14%	52%	39%	50%	35%
Unskilled	2%	3%	23%	19%	36%	33%
Total	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

Table 6.12: Percentage distribution of female occupations, Cape Town, 1980 and 2001

<i>Occupation skill level</i>	<i>White Women</i>		<i>Coloured Women</i>		<i>African Women</i>	
	<i>1980</i>	<i>2001</i>	<i>1980</i>	<i>2001</i>	<i>1980</i>	<i>2001</i>
Highly skilled	33%	53%	11%	23%	7%	14%
Semi-skilled: White collar	63%	42%	22%	35%	13%	24%
Semi-skilled: Blue collar	2%	2%	36%	18%	5%	7%
Unskilled	1%	3%	31%	24%	75%	56%
Total	100%	100%	100%	100%	100%	100%

Source: Author's analysis of South African population censuses.

Thus it is clear that White women most certainly did not become segregated into low-skill, low-pay service sector work. Rather, the changes in occupation distribution between 1980 and 2001 support the argument that White women professionalised in this period. It would also appear that White women underwent an exceptional amount of professionalisation in this time in comparison to the other two race groups of women.

The number of Coloured women holding highly skilled jobs had already started rising before 1980. From the 1960's onwards, an increasing number took up professional and technical positions due to improved Coloured education under the CLPP and therefore their improved ability to compete in the white-collar job market (which was also facilitated by the CLPP) (Evans, 1985). Thus, the Coloured female share of highly skilled work increased substantially between 1960 and 1980, thanks mainly to rapid growth in the numbers of teaching and nursing professionals, the vast majority of which (80%) were employed by the government (Goldin, 1987). During this time many Coloureds also moved to clerical and sales positions, and Coloured women, as a result of increased employment in these types of occupations, had greatly increased their share of white-collar work by 1980.

Between 1980 and 2001, Coloured women experienced the same increase in number of highly skilled jobs as White women (over 29,000, Tables 6.5 and 6.6 above). Highly skilled occupations constituted only 11% of Coloured female employment in Cape Town in 1980, but had reached 23% by 2001 (Table 6.12 above). However, this 23% was still significantly lower than the 53% of White women holding highly skilled jobs in 2001. The increase in highly skilled work also represented only part (albeit more than 40%) of Coloured women's overall job growth.

The most growth for Coloured women in the services, as in manufacturing, occurred amongst semi-skilled white-collar work. Of the 70,702 additional Coloured women employed in 2001, close on

60% (40,699) of these were semi-skilled white-collar workers (Tables 6.5 and 6.6 above). White-collar work already constituted 22% of all Coloured women's jobs in 1980 (Table 6.12 above). By 2001, semi-skilled white-collar work constituted the biggest share, 35%, of Coloured women's work. Also, Coloured women represented only 22% of the employed workforce in 2001 but held the highest proportion of white-collar jobs, 29% (Table 6.10 above). This stands in contrast to the 16% of white-collar employment Coloured women held in 1980, only the fourth highest share of all white-collar employment in the city then (Table 6.9 above).

Thus, while Coloured women professionalised, they did not do so as successfully as White women. Coloured women were also not pushed in droves to low-income unskilled work either. Instead, most of the employment growth for Coloured women occurred amongst occupations generally requiring a medium degree of skill and paying a reasonable salary, i.e. semi-skilled white-collar jobs.

What of African women then? In trying to understand the situation of African women in Cape Town it is necessary to address several issues. First is the fact that most African women, unlike Coloured and White women, are migrants to the city. Surveys of African migrants to Cape Town have found them to be from mostly poor, rural areas in the former homelands, where they generally received very little education, leaving vast numbers of them functionally illiterate and unskilled (Cross, Bekker and Eva, 1999; Graaf, Seekings and Joubert, 1990). As a result of the ever-increasing numbers of unskilled Africans competing for a limited number of unskilled jobs, high levels of unemployment were, and still are, common in the townships. For migrant African women though, unemployment rates of 48% were reported in the early 1990's in comparison to only 17% of men (Graaf, Seekings and Joubert, 1990). African men also generally earned significantly more than African women (Graaf, Seekings and Joubert, 1990).

So, over and above the fact that they are migrants, which already puts them at a disadvantage relative to "local" Coloured and White women in terms of the education, skills, contacts and local knowledge necessary to find employment, African women seem to be at a disadvantage to migrant African men too. One reason for this is the timing of African women's arrival in Cape Town. As was mentioned earlier, Coloureds were urbanised long before Africans in Cape Town, and the greatest influx of African migrants occurred only after influx control measures were relaxed in the 1980's. In the case of migrant African women though, the move to the city generally occurred after

their husbands. In other words, most women did not come to Cape Town of their own accord, but rather followed their husbands here, often with children in tow (Dewar, Rosmarin and Watson, 1991). Surveys have shown that in cases where a married couple did not move to the Western Cape together, the husband came first 98% of the time (Graaf, Seekings and Joubert, 1990). Therefore, a large number of African women urbanised even later than African men.

Another important issue is that of the Apartheid state's campaign to keep African women out of Cape Town. While the struggle of Africans against the state in terms of urban land and housing occupation predates 1948, the most rigorous controls were imposed by the government after 1950 (Cole, 1989). Effective influx control in Cape Town only became a reality at the end of 1952 with the implementation of the Natives (Urban Areas) Consolidation Act in the city, thereby allowing authorities to expel Africans who remained in their areas longer than 72 hours (Van der Horst, 1964; Kinkhead-Weekes, 1983). From 1953, police raids on squatter camps to find illegally resident Africans became weekly events, the primary goal of which was to flush out illegally resident squatters and African women (Kinkhead-Weekes, 1983; Cole, 1984). Originally, African women could be expelled by a local authority if they could not prove they had accommodation (Kinkhead-Weekes, 1983). After 1946 though, African women could not join their husbands in the Western Cape unless they had permits from the authorities in the area to which they were travelling. In 1955, it was announced that the amended pass laws would also be made applicable to African women, and increasing numbers of illegally resident African women were "rounded up" and threatened with prosecution if they did not leave. The 1957 Natives (Urban Areas) Amendment Act came into effect in Cape Town in February 1958, thereby introducing even stricter conditions for Africans to remain in urban areas legally. Administrative structures were also erected that facilitated the removal of "surplus" Africans from the cities (Kinkhead-Weekes, 1983). From the early 1960's to the late 1970's, the government tried to keep a tight rein on the movements of Africans in and out of the cities across the whole country (Cole, 1989). As the Western Cape was a Coloured preferential area (Coloured Labour Preference Policy of 1954), influx control was more rigorously applied in Cape Town than elsewhere in the country (Wilkinson, 2000). More than this though, African women in Cape Town were disproportionately victimised in order to prevent families from settling here (Van der Horst, 1964; Ramphela, 1993).

Thus, while African migrants have long been at a disadvantage to other race groups in Cape Town, African women arguably experienced the greatest difficulty and hardship. All of the factors

mentioned here left African women with very few employment opportunities. The only real option left open to unskilled migrant African women was domestic service (Van der Horst, 1964). As mentioned before, domestic service in Cape Town used to be dominated by Coloured women. As was also mentioned earlier though, manufacturing jobs started becoming increasingly accessible to Coloured women (Whisson and Weil, 1971). From 1945 onwards, Cape Town's secondary industry, particularly the textile industry, underwent substantial change. This, together with the expansion of commercial activities, meant the range of jobs available to non-white women in Cape Town changed dramatically. As girls also tended to be better educated than those in the past, and were capable of doing semi-skilled and clerical work, more women, especially Coloured women, started rejecting domestic work, with its very low status, poor pay and practically non-existent occupational mobility. African women were still far more restricted in terms of work choices though and were therefore more inclined to look for work as domestic servants (Whisson and Weil, 1971). In 1970, 40% of Coloured women were still domestic servants (Goldin, 1987). However, by 1980, the number had fallen to only 29%, with the place of Coloured female domestic workers in the Western Cape being filled by illegally employed African women and Coloured youths.

All of the issues discussed here form part of the explanation of why African women have tended to have higher levels of unemployment than African men and earn less than them. That being said, African women made huge strides in employment numbers since 1980. While they represented only 3% of employed people in Cape Town in 1980, by 2001, they held 10% of all available jobs, making the biggest percentage gain in employment in this period (Tables 6.9 and 6.10 above). They even increased their numbers nearly as much as Coloured women: 68,078 versus 70,702 (Tables 6.5 and 6.6 above).

Still, given their history of limited work opportunities and a predominance of low-skill, low-pay domestic service jobs, it is no surprise that African women were doing nowhere near as well as Coloured and White women in terms of the types of occupations in which they worked in 2001. Of the 68,078 jobs African women gained between 1980 and 2001, just under 11,000 were highly skilled occupations in comparison to the 34,319 that were unskilled occupations (Tables 6.5 and 6.6 above). These unskilled jobs represent more than half of the jobs gained by African women in this period. Even though the proportion of African women's work formed by unskilled labour dropped between 1980 and 2001, this kind of work still accounted for 56% of African women's jobs in 2001, the highest proportion by far of any of the race-gender groups (Tables 6.11 and 6.12 above).

Table 6.13: Frequency distribution of community and personal services occupations by race and gender, Cape Town, 1980

<i>Occupation skill level</i>	<i>White</i>		<i>Coloured</i>		<i>African</i>		<i>Total</i>
	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	
Highly skilled	14,935	17,083	5,769	11,995	582	1,238	52,097
Semi-skilled: White collar	15,671	12,378	8,271	4,388	1,443	395	42,716
Semi-skilled: Blue collar	4,071	218	5,511	352	878	25	11,087
Unskilled	782	676	14,712	27,030	5,862	12,900	62,108
Total	35,459	30,355	34,263	43,765	8,765	14,558	168,008

Source: Author's analysis of South African population censuses.

Table 6.14: Frequency distribution of community and personal services occupations by race and gender, Cape Town, 2001

<i>Occupation skill level</i>	<i>White</i>		<i>Coloured</i>		<i>African</i>		<i>Total</i>
	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>	
Highly skilled	16,709	22,013	11,995	22,947	4,463	7,867	88,071
Semi-skilled: White collar	5,385	12,013	9,961	14,924	4,606	5,347	52,892
Semi-skilled: Blue collar	1,428	438	5,085	1,100	2,840	433	11,429
Unskilled	904	1,120	8,758	22,721	9,522	35,638	78,885
Total	24,426	35,584	35,799	61,692	21,431	49,285	231,277

Source: Author's analysis of South African population censuses.

Thus it would appear that White women's increased participation in the workforce tends to be in higher-skilled, better paying jobs like those that dominate the FIRE sector, while a substantial share of Coloured women's employment gains have been in semi-skilled white-collar work. The majority of African women continue to be able to find work only in low-skill, low-pay occupations though.

This brings us back to the argument that the increase in service sector work favours unskilled women over unskilled men. Coloured men experienced a 12% decline in their share of unskilled work between 1980 and 2001 (Tables 6.9 and 6.10 above). In comparison, Coloured women experienced only a 6% drop. African men gained a 3% share of unskilled work from 1980 to 2001. African women however, experienced not only the greatest percentage increase in unskilled employment, 15%, but by 2001, they also held the largest share of unskilled work, 27%. This is remarkable growth when one considers that in 1980 they held only the fourth largest share of unskilled work (12% versus 35%, 31% and 19% for Coloured men, Coloured women and African men respectively).

This is not surprising, considering African women's history in Cape Town, the fact that many are migrants and the tremendous growth of employment in the community and personal services. After all, of the over 34,000 unskilled jobs they gained between 1980 and 2001, over 22,000 of these came from the community and personal services sector (Tables 6.5, 6.6, 6.13 and 6.14 above). Most of these jobs were domestic and cleaning services, work traditionally dominated by unskilled African women. Thus, while 60% of the unskilled work done by Africans in 1980 went to African men, and 40% went to African women, by 2001 this pattern had been reversed, and 55% was held by African women, while only 45% went to African men (Table 6.15). Therefore, it appears that the increase of service sector employment worked in the favour of unskilled women over unskilled men, at least in terms of the number of available jobs.

Table 6.15: Percentage distribution of African occupations by gender, Cape Town, 1980 and 2001

<i>Occupation skill level</i>	<i>1980</i>		<i>2001</i>	
	<i>Men</i>	<i>Women</i>	<i>Men</i>	<i>Women</i>
Highly skilled	40%	60%	50%	50%
Semi-skilled: White collar	74%	26%	55%	45%
Semi-skilled: Blue collar	97%	3%	88%	12%
Unskilled	60%	40%	45%	55%
Total	76%	24%	58%	42%

Source: Author's analysis of South African population censuses.

Chapter 7

Migrants and employment

One of the main criticisms Hamnett (1994a, 1994b) levels against Sassen's (1994) rendering of the social polarisation hypothesis centres on immigrants. Hamnett argues that the growth at the bottom end of the occupational and income distributions in the cities on which Sassen has based her arguments is due, not to the growth of low-wage service jobs, but to massive immigration. A large-scale low-wage service sector and downgraded manufacturing sector are only able to exist in cities like Los Angeles and New York because of the presence of a large, ever-growing pool of poor, uneducated ethnic immigrants, willing to work for low wages. Hamnett does not suggest that other cities do not have large immigrant populations concentrated in low-wage occupations; but rather that recent migration into these cities is not as great as in the case of cities such as Los Angeles or New York. Therefore, these cities, on which Sassen has based her argument, are poor examples for increased social polarisation in general because of their unique situations (Hamnett, 1994a, 1994b).

In the case of Cape Town, although the changes in the city's economy are more consistent with increasing professionalisation (rather than growing polarisation), this process happened in the face of the immigration of significant numbers of unskilled workers to the city, both in the past and more recently.

African people began flocking to Cape Town as early as the 1900's to take advantage of the burgeoning employment opportunities (Dewar, Rosmarin and Watson, 1991), with ever-increasing numbers migrating from the rural areas particularly during the depression years (Centre for Intergroup Studies, 1983; Wilkinson, 2000).³¹ To escape state control, many Africans chose to live outside of the municipal boundaries rather than in the locations, leading to the establishment of the first squatter camps or informal townships in Cape Town (Kinkhead-Weekes, 1983; Wilkinson, 2000). Moreover, provision had not been made in the "model" formal township, Langa, for the huge influx of migrants from the Native reserves (later: homelands), leaving many with no option but to stay in informal settlements (Wilkinson, 2000). Despite increasingly strict legislation, during

³¹ For a more detailed history of African migration to Cape Town and Cape Town's history in general, please see Appendices C and D (A Brief History of Cape Town and Migration to Cape Town).

the late 1930's and early 1940's, large informal settlements grew in and around the major cities, largely as a result of growing African urbanisation "stimulated by the labour demands of the war-time economy" (Wilkinson, 2000:197; Pinnock, 1981). The growing numbers of squatter camps and inner-city poor led an increasingly anxious White population to vote into power the National Party (Pinnock, 1981; Wilkinson, 2000), which subsequently restructured and greatly intensified the controls over the African labour market (Posel, 1991).

The government's forceful attempts to reduce the number of African labourers in Cape Town had only limited success however (Cole, 1984; Goldin, 1984). Although the number of employed African contract workers dropped by 37% between 1960 and 1965, there was a steady increase in the proportion of those employed between 1968 and 1974. There was even an estimated increase in numbers of migrant workers of 56% between 1970 and 1973 (Cole, 1984; Goldin, 1984). The Riekert Commission estimated a 69% increase in the African population in the Cape Peninsula between 1960 and 1970 (Fast, 1995). Despite the state's repeated attempts to limit its growth, the African population of Cape Town increased by an estimated 109% between 1980 and 1988 (Dewar, Rosmarin and Watson, 1991). Thus, there was already substantial African migration to Cape Town before influx control measures were scrapped in 1986.

African migration "exploded" after Coloured labour preference and the threat of clearances was removed though (Cross, Bekker and Eva, 1999:15). Despite the size and growth of their population being notoriously inexact with widely varying estimates (as a result of their being denied urban status and therefore generally 'not counted'), the most rapidly growing population group in Cape Town in the early 1990's was Africans (Dewar, Rosmarin and Watson, 1991). Less than a quarter of the African adults in the CMA survey sample (referred to earlier) was born in Cape Town or living there before 1970 (Cross, Bekker and Eva, 1999). Migration into Cape Town also increased consistently between 1997 and 2001 (Smith, 2005). In this period, Cape Town had the highest figures of nett migration in the whole of South Africa: 192,623 people (Smith, 2005). Over 43,000 of these migrants arrived in 2001 alone, representing an increase of 47% on the 1997 figures (Smith, 2005). Over 58% of the migrants to Cape Town in this period were African (Smith, 2005).

Many of these migrants came from poorer rural areas in the Eastern Cape and former Transkei in search of work and a "better life" in terms of housing, health care and other services (Cross, Bekker and Eva, 1999; Dewar, Rosmarin and Watson, 1991; Seekings, Graaf and Joubert, 1990). However,

they did not have the experience in the urban setting, or the information and personal networks to get the better, higher paying jobs available to established residents who are able to access these resources. Also, most of these migrants had very little education. In their study of the CMA, Cross, Bekker and Eva (1999) found that of the migrants who came from the former Transkei, i.e. the majority of African respondents, approximately 11% of household heads had no education.³² A further 42% had a standard 6-9 education, with only 6% achieving their matric qualification (final year of high school). More than half of the heads of African migrant households were functionally illiterate. The result of the growing numbers of poorly educated African migrants was of course increased competition for a finite number of unskilled jobs in the CMA. Not surprisingly, only 56% of Africans migrants from the former Transkei were employed, with a self-employment rate of around 11% (Cross, Bekker and Eva, 1999).

More recent African migrants to Cape Town share many of these same characteristics with earlier immigrants. They still tend to be poorly educated.³³ For example, amongst the African migrant sub-sample (i.e. not born here or grew up elsewhere) of the KMPS-2000, only 53% of respondents had high school education, and 27% had received schooling at the primary school level only.³⁴ In total, less than 13% of the African migrants to Cape Town had a tertiary qualification, and over 7% of these had only a certificate of some sort. Less than 1% had a university degree. Again, not surprisingly, the employment prospects for these migrants were bleak. Of this group, less than 31% had wage employment, with a self-employment rate of just over 10%.³⁵ In the case of those who had formal wage employment, just under half held jobs in unskilled work (68% of women, and 36% of men); and at least 35% of the self-employed were also doing unskilled work. The unemployed constituted a massive 45% of these respondents.

Therefore, even though Cape Town continued receiving substantial numbers of unskilled migrants, a bloated low-skilled, low-paid migrant class, doing menial service sector work for an increasingly

³² By far the main source of migrants into the CMA was the former Transkei, accounting for 77% of formal township residents, 68% of informal area residents and 59% of hostel residents (Cross, Bekker and Eva, 1999).

³³ Several studies have shown that migrant Africans are often better educated than Africans born and raised in Cape Town (Cross, Bekker and Eva, 1999; Smith, 2005). The purpose in discussing education here is not to show that the migrants are better or worse educated than locals, but simply that they are generally not well-educated and therefore their presence creates more competition for unskilled jobs.

³⁴ A total of 14% of the African sub-sample did not answer this question. I suspect most of these respondents received very little or no education. However, excluding these missing respondents, 62% of the African sub-sample received at least some degree of high school education, and 31% have only been schooled to a primary school level.

³⁵ This variable was coded by Nicoli Nattrass of the School of Economics of the University of Cape Town. See Chapter 3: Methodology for how unemployment was defined.

affluent upper-class, did not develop. As was shown earlier, although the number of unskilled jobs had increased since 1980, there was much more employment growth in highly skilled or professional and managerial work.³⁶ Considering that the occupational distribution in Cape Town became more professionalised than polarised, the contention that increased polarisation occurs in cities only where there are large numbers of poorly-educated migrants does not seem to hold, i.e. large numbers of immigrants may be a necessary but not sufficient condition for the growth of an expanded low-wage service sector.

Why, given that there were plenty of unskilled migrants looking for work, did the huge low-pay, low-skill service sector seen in many other cities throughout the world not develop in Cape Town? To answer this question, one might query if in fact there are enough migrants and therefore sufficient competition for jobs to drive down wages for unskilled work. To be fair, the numbers of migrants Cape Town has received is probably not on the same scale as that received by cities like New York or Los Angeles. Thus one might argue that Cape Town simply does not have the sheer numbers of unskilled migrants necessary to create enough competition to lower wages for unskilled work, thereby precluding the development of an expanded low-wage service sector. Considering the high levels of unemployment amongst Africans in Cape Town though, it seems unlikely that there is not enough competition for jobs and that the costs of unskilled labour are prohibitively high. Even if there are smaller numbers of them, unskilled workers in the service sector in Cape Town arguably earn less relative to the unskilled migrant workers in cities like Los Angeles and New York. Considering the squatter problems in the city, unskilled migrants to these affluent American cities probably earn more and have a better quality of life than those in Cape Town. Therefore, it seems unlikely that wages for unskilled workers in Cape Town are too high for an expanded service sector to exist.

So, even though there are plenty of unskilled migrants seeking work, instead of the numbers of low-paying service sector jobs ballooning, the ranks of the unemployed increased considerably.³⁷ Herein

³⁶ See Chapter 4: Economic restructuring and the occupational distribution in Cape Town.

³⁷ Burgers (1996) contends that Hamnett's (1994a) criticisms of the polarisation theory espoused by Sassen (1994) are invalid because, amongst other things, he omits the unemployed from his analysis. Hamnett counters that Sassen's arguments do not include the unemployed and deal with changes in the occupational and income structure of the employed population almost exclusively. Unemployment levels are not mentioned here in an attempt to address this debate. Rather, the point is that Hamnett potentially puts too much emphasis on the numbers of migrants. In other words, if the existence of a large unskilled migrant population is so important in the establishment of an expanded low-pay service sector, why is there so much unemployment instead of a burgeoning low-pay service sector in Cape Town?

lies the crux of the matter: while the presence of a large pool of unskilled migrants prepared to do menial jobs for very little pay facilitates the development of an expanded low-wage service sector, such a system can only exist if there is enough money to support it. There must be a sufficiently large middle-class to create the demand for specialised personal and commercial services on a large scale. Perhaps the problem in Cape Town then is that there are simply not enough people with a sufficient level of wealth to support such an industry.

Considering that the distribution of occupations in Cape Town became more professionalised (i.e. there were more people in 2001 than ever before doing the kind of work that tends to require the most skill and pay the highest salaries), one might have expected that there would be more people with more money to spend on services. However, on closer inspection of the increase in highly skilled jobs between 1980 and 2001, one notices that the greatest increase occurred amongst associate professionals (Table 7.1).

Table 7.1: Distribution of highly skilled occupations, Cape Town, 1980 and 2001

<i>Occupation</i>	<i>1980</i>	<i>2001</i>	<i>Absolute Difference</i>	<i>Percentage Difference</i>
Managers	27,642	63,875	36,233	3%
Professionals	51,262	84,829	33,567	1%
Associate professionals	36,625	98,841	62,216	6%
All other occupations	482,592	602,539	119,947	-10%
Total	598,121	850,084	251,963	

Source: Author's analysis of South African population censuses.

Of the 132,016 highly skilled jobs gained between 1980 and 2001, over 62,000 were in associate professional positions. Referring back to the distribution of monthly incomes for each occupation group, it is clear that not as many associate professionals as managers and professionals earned over R6,000 per month in 2001.³⁸ 25% and 28% of managers and professionals respectively earned between R6,401 and R12,800 per month, versus only 20% of associate professionals. With regards to the next highest income bracket (R12,801-R25,600), 17% and 18% of managers and associate professionals respectively fell into this category, while only 6% of associate professionals did. Therefore, most of the growth in highly skilled jobs occurred amongst the sub-group of higher paying occupations paying the least relatively, i.e. associate professionals. This may partially

³⁸ See Chapter 2: Defining the concepts

explain why, even though the numbers and proportion of people holding “better” jobs and earning more has increased, there was no substantial increase in the number or proportion of unskilled jobs.

This effect, though related, may be negligible in the face of the primary cause of why there was not a massive expansion of low-wage service sector work in Cape Town. Perhaps the key point is not that a large share of highly skilled job growth occurred amongst the lower paying jobs. Arguably, all-told, there simply are not enough people earning high enough salaries to support a greatly expanded service industry. The reality is that even those who held some of the best paying jobs in 2001 did not actually earn all that much. Amongst managers, 75% earned less than R12,800 per month. A comparable proportion of professionals, 73%, earned less than R12,800 per month as well, and an even greater proportion of associate professionals, 91%, earned less than this per month. Thus, even though there was a substantial increase in the numbers of people earning relatively higher salaries, the amount they earned was probably still not enough to finance a greatly expanded service sector.

Chapter 8

Summary and Conclusions

John Friedmann and Goetz Wolff (1982), Edward Soja (1991) and Saskia Sassen (1994) argue that due to simultaneous deindustrialisation and the taking on of new business service functions in the global economy, large, post-industrial cities are subject to increased social polarisation. These authors contend that an economy based on a strong manufacturing sector creates a large middle-income class by means of a predominance of relatively well-paid, stable, secure blue-collar jobs. A service sector-based economy, however, especially one with a dominant producer services sector, leads to increased social polarisation, due to the polarised nature of its occupations, i.e. more professional, high-pay and low-skill, low-pay jobs, and fewer middle-income jobs. Thus, these authors argue, as a result of the shift in their economies from manufacturing to services, cities like Los Angeles, New York, London and Tokyo have become increasingly polarised.

This same argument has been applied to many other cities throughout the world. Chaolin Gu and Haiyong Liu (2002) contend that Beijing is undergoing similar processes to Western cities, with the decay of the traditional manufacturing sector and growth of the service and high-tech industries. Thus the city is experiencing the relatively new urban phenomenon of social polarisation due to the increase in high-income professionals and a massive influx of unskilled, low-wage rural migrants. Luiz Ribeiro and Edward Telles (2000) attribute increased social polarisation in Rio de Janeiro to the decline of the city's key industrial sectors, such as shipbuilding, and growth in the service sectors too. Owen Crankshaw and Susan Parnell (2004) believe that the shift in Johannesburg's economy from the manufacturing sector, with its relatively high, stable wages and upward occupational mobility, to the tertiary sector, with its highly polarised occupational structure, has led to increased polarisation as well. Even a city like Miami, that did not have a strong manufacturing core to its economy, is argued to have undergone so much growth in its service industries that it now resembles a traditional post-industrial city such as New York in terms of social polarisation (Jan Nijman, 1996).

Not all authors agree with this assessment of changes in the world's cities though. Chris Hamnett (1994a, 1994b) believes that the theory of economic restructuring leading to increased social

polarisation does not apply to all cities. He argues that Saskia Sassen has formulated her theory on social polarisation around the cities of Los Angeles and New York, which have very specific circumstances that facilitate increased polarisation. It is these cities' large unskilled immigrant populations that he believes enables them to have expanded low-wage service sectors in addition to their high-income business services sectors, and thereby predisposes them to becoming more polarised. Therefore, Hamnett contends that the polarisation hypothesis as posited by Saskia Sassen cannot be applied to most other cities. In fact, he argues that her assessment of London as a city undergoing increasing polarisation is incorrect. Rather, he argues, the occupational distributions of most cities are becoming more professionalised as their economies change from an emphasis on goods to service production, e.g. as in the Randstad (Hamnett, 1994a).

Thus, I wanted to determine whether the model of an increasingly polarised or professionalised city better matched the situation in Cape Town. In trying to answer this question, I was mindful of the "seductive" nature of the polarisation hypothesis, to borrow a phrase from Feinstein, Gordon and Harloe (1992). This theory simply and rather neatly explains increasing polarisation in cities as a result of economic restructuring. However, proving a causal link between various separate processes is never a simple task. The authors who make the argument for increasing polarisation provide what seems at first to be convincing evidence. When this is examined more closely, though, one discovers that they are quite vague on, for example, what they define as low-skilled and high-skilled jobs. Sassen (1994) and Wilson (1996) are both guilty, I believe, of incorrectly classifying certain higher skilled occupations along with lower skilled ones. One would more easily come to the conclusion that the numbers of low-skilled workers were increasing if these numbers were being artificially inflated by adding in occupations that were in fact higher skilled. The opposite could be said of the shrinking middle-class, i.e. that misclassifying middle-skilled, middle-income jobs as low-skilled, low-wage jobs would cause the numbers in the middle-class to be lower than expected. I found Hamnett's (1994a, 1994b) evidence for professionalisation in the Randstad and London to be far from flawless though, as there was also too much mixing of occupations of different skill and income brackets in the same groups. Thus, in my examination of the evidence, I paid close attention to the definitions of occupations and occupation skill groupings in order to be as precise as possible.

It was shown, using population census data, that Cape Town's manufacturing sector had been in decline since the mid-1980's. This was contrasted with the tremendous growth in the community and personal services, FIRE and commerce. The occupational distributions of the manufacturing

and service sectors were also shown to be quite different, with semi-skilled, blue-collar jobs dominating in manufacturing, and a greater proportion of highly skilled jobs in the service sector. Thus it was illustrated that the number of highly skilled workers had increased substantially more than the number of unskilled workers across all sectors, and that both in absolute and relative terms, Cape Town was experiencing increasing professionalisation rather than polarisation.

Before making the argument that Cape Town was undergoing professionalisation, I did show how one could have misinterpreted certain data as proof of increasing polarisation. This illustrates the point that while the polarisation hypothesis seems to explain certain processes quite neatly, closer inspection of the evidence may well prove it wrong.

Even though Cape Town seems to be professionalising in line with Hamnett's theories, I do not agree that large numbers of migrants are the main cause of increased polarisation in cities like New York and Los Angeles. There is a long history of migrant labour in South Africa and Cape Town is no exception to this. While the Apartheid state tried their utmost to keep African migrants out of Cape Town, they arguably did not succeed. Thus Cape Town has experienced and continues to be subject to the influx of large numbers of unskilled African migrants from poor rural areas of the Eastern Cape. Yet Cape Town does not have an expanded low-wage service sector. Instead, it has high levels of unemployment. Thus, it can be argued that there is simply not a suitably large pool of highly skilled people earning sufficiently high salaries to support such a sizeable low-wage service industry. Perhaps Hamnett does not consider this point because his argument is based on world cities. Arguably, world cities have better developed professional-managerial classes and therefore greater levels of wealth than a city like Cape Town. However, these results raise the question that large-scale immigration may be a necessary but not sufficient condition for social polarisation.

In terms of who is most affected by the decline in manufacturing, John Kasarda (1993), Jan Nijman (1996), Edward Soja (1991) and William Wilson, (1987, 1996) all point to the flagging fortunes of African Americans in the U.S.A. These authors argue that unskilled African American men, who once relied heavily on the manufacturing sector for employment, are now facing increasing unemployment as the number of blue-collar jobs dwindle, as well as lower incomes, as the growing numbers of immigrants drive down wages for low-skilled work.

In addressing this issue, Coloureds in Cape Town were likened to inner-city African Americans, and it was shown that manufacturing was dominated by Coloureds (partly because of state policies to encourage their employment in the Western Cape, but also because they had been urbanised for longer). The number of Coloureds employed in manufacturing between 1980 and 2001 dropped by just under 30,000 – a greater number even than the total loss in manufacturing employment across all race groups in this period. Thus, I argued, the decline in manufacturing employment probably had the greatest negative effect on Coloured unemployment levels. Even though this dominance of manufacturing employment had been shared by Coloured men and women, Coloured women would arguably be less severely affected by the decline in semi-skilled blue-collar employment, as they were increasingly gaining semi-skilled white-collar and unskilled jobs, the numbers of which were steadily growing. Thus, Coloured men were probably the group worst affected by the decline in manufacturing.

Wilson (1996) also makes the argument that unskilled women benefit most from the growth in the service sector, and at the expense of unskilled men, as the service sector tends to hire more women. Beall, Crankshaw and Parnell (2002) also point to increasing female employment as the service sector grows. They caution that these jobs tend to pay less and are more unstable than those of their male counterparts. Hamnett (1994a, 1994b) disagrees with the notion that women are becoming segregated into low-skilled work as service sector employment increases though.

The employed workforce in Cape Town was shown to be feminising, mostly due to burgeoning numbers of service sector jobs. It was evident from their occupational distribution that women workers were subject to the same professionalisation trend seen across the whole working population of Cape Town though. However, it was also shown that there was less relative growth in the absolute numbers of highly skilled jobs amongst women than men, as well as a greater increase in the numbers of unskilled jobs amongst women. Thus, while they were not professionalising to the same extent as men, women were certainly not becoming segregated into low-skilled service sector jobs.

This professionalisation amongst women was not uniform across the different race groups. White women's increased participation in the workforce tended to be in higher-skilled, better paying jobs, while Coloured women's employment gains had been in semi-skilled white-collar work mainly. Not surprisingly, the majority of African women could still find work only in low-skill, low-pay

occupations. In fact, while Coloureds had lost a substantial proportion of their relative share of unskilled work, African women had achieved the greatest relative share of unskilled employment of all the race-gender groups by 2001. In addition to this is the fact that Coloured men lost a greater proportion (nearly twice as much in fact) of unskilled work than Coloured women, and African men held a smaller proportion of unskilled work than African women in 2001, even though they had held a greater proportion than them in 1980. Thus, it would appear that increased service sector employment does give unskilled women an advantage over unskilled men in terms of employment levels.

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Appendix A

Coloureds: A Race Apart

The concept of the Coloured people of South Africa is a problematic one as no other country in the world has such a population group or system of classification.³⁹ Coloured people are generally considered to have mulatto origins though, having resulted from the interbreeding of European colonialists, indigenous population groups and imported slaves (Cilliers, 1971; Pickel, 1997).

While some argue that the concept of “Coloured” was non-existent in the Cape before the 1900’s, others hold that already within the first two decades of colonial rule, a hierarchical system of racial differentiation had been established in which the group of people who would later be known as Coloureds held an intermediate position. The formation of a Coloured identity in the Cape was partly due to racist ideology and social Darwinism, i.e. Coloureds, having both European and native origins were not on the same level as Whites, but were, on the other hand, “better” than Bantus (Africans). There was an active drive by the colonial authorities to create this distinction between Coloureds and Africans. As the Cape colony grew, so too did the African and Coloured populations. Therefore, throughout the 18th and 19th centuries, the colonial government practised policies of preference towards Coloureds to prevent them from uniting with the Bantus and forming one large group of dispossessed and disenfranchised that could oppose the government. Some also argue that skilled Coloureds helped create this identity to keep their position in relation to Africans and motivate continued preferential treatment. Prior to the early 1900’s, the term “coloured” had referred to any non-European. By 1904 though, the term had been reconstituted basically to exclude Africans.

From 1904 to the early 1930’s, preferential treatment of Coloureds led to the continued improvement of the position of Coloured workers at the expense of Africans. Coloureds were also spared the gross imposition of influx control measures and residential segregation in the Western Cape. This served to further increase the racial divide between Africans and Coloureds and heighten racial identification amongst Coloureds and Africans. However, although the government

³⁹ Unless otherwise indicated, the information discussed in this section is taken from Goldin, I. 1984. *Coloured preference policies and the making of Coloured political identity in the Western Cape region of South Africa, with particular reference to the period 1948 to 1984*. Ph.D. thesis, Oxford University.

used its preference policy to attempt to incorporate them, the position of Coloured people actually declined in this period. The Civilised Labour Policy caused Coloureds to be increasingly at a disadvantage to White workers during the 1920's in the Western Cape, especially those of the Coloured artisan class, who were being employed more as cheap labour. For example, the Coloured share of private manufacturing employment dropped from 50% in 1924 to 43% in 1932. Whereas Whites constituted only 35% of the workforce in private manufacturing in 1924, they had surpassed Coloureds by 1932 to hold 44% of these jobs. The Great Depression also acted to further erode the position of Coloured and African workers.

Coloured political power too decreased dramatically in this period. Despite having the right to vote in the Cape before 1910, Coloureds were not truly able to exercise this right. With the introduction of the South Africa Act in 1909, any chance of Coloureds representing themselves in government was lost in any case, as the act stated that all parliamentary candidates had to be British subjects of White origin. Coloured people's rights in South Africa were gradually eroded from this point onwards. The Coloured share of the vote was even halved between 1929 and 1930.

Influx control measures were even more strictly enforced against Africans between 1935 and 1948 and preference continued to be shown towards Coloureds, thereby further dividing Africans and Coloureds and reinforcing the advantages of being identified as part of the Coloured race. Although the political power of Coloureds had been seriously eroded by this time, Coloureds were still on the common voters' roll and represented on the Cape Town City Council. Economically though, Coloured men had been forced from most skilled positions and Coloureds in general "had been reduced to an unskilled proletariat" (Goldin, 1984:162). The government tried to further entrench Coloured identity by establishing the Coloured Affairs Department and the Coloured Affairs Council. However, this move backfired in that it led to increased resistance to the government.

The reconstitution of Coloured identity was one of the main objectives of the Apartheid government of the National Party after it came into power in 1948. It was fairly easy for wealthier, skilled Coloureds to pass for White until the turn of the century. Some estimates suggest that as much as 38% of the population of the Cape Province that had been classified as White by 1936 was in fact of "mixed descent". Therefore, in order to establish a White "volk" (nation), the government realised that Coloureds who had been allowed to pass for White had to be removed from the White

population, while the Coloured middle-class had to be prevented from becoming assimilated into the White population too. The practice of “passing for white” had allowed Coloureds to tap into White political power and evade the discriminatory practices enacted against them up until 1950. In that year though, several pieces of legislation were passed that cut off this avenue of escape for many Coloureds, e.g. the Population Registration Act, the Immorality Amendment Act and the Group Areas Act (Note: Coloureds were arguably most affected by the Group Areas Act, with one in 6 coloured families being moved and relocated during the time the act was enforced [Centre for Intergroup Studies, 1983; Pickel, 1997]). This legislation sought to limit the interaction of Coloureds and Whites and stop any miscegenation (Centre for Intergroup Studies, 1983, Goldin, 1987). Thus, the Nationalists reasoned that by forcing the Coloured middle-class to develop independently of the White middle-class, a goal would be provided to which the Coloured working-class could aspire, instead of looking to improve their position in the Apartheid system. Considering how slim their victory had been in the 1948 polls, the Nationalists saw fit to remove Coloureds from the common voters’ roll with the introduction of the Separate Representation of Voters Act in 1951 (eventually passed, after much perseverance on the part of the Nationalists, in 1956 [Curry, 1972]), thereby eliminating what the party saw as a decisive vote and serious threat to the survival of the government.

Many Nationalists worried though that this further disenfranchisement of Coloureds would lead to increased support of resistance to the government. Added to this was the continued concern of a unified non-European resistance of Coloureds and Africans (Goldin, 1984; Marais, 1984; Pickel, 1997). Again the idea that Coloureds should see themselves as separate from Africans and have their own identity came to the fore. In 1951, 35% of Coloureds were estimated to live in the Western Cape. Thus, the Western Cape was viewed as the “natural homeland” of the Coloureds, and therefore, any attempt at establishing an integrated Coloured identity would have to be focused in this area (Goldin, 1984; Marais, 1984; Pickel, 1997). Therefore, government introduced the Coloured Labour Preference Policy (CLPP) in 1955 (Marais, 1984; Pickel, 1997). One of the main aims of this policy was to eventually replace all African labour in the Western Cape with Coloured labour (Cilliers, 1971; Goldin, 1984; Marais, 1984; Pickel, 1997). In this way, the Apartheid goal of denying Africans residence and work in the Western Cape would be achieved as well as the co-opting of Coloureds into the apartheid system and the further alienation of Coloureds and Africans from each other (Goldin, 1984; Pickel, 1997).

Various government initiatives like development programmes and the CLPP were designed to improve the standard of living of Coloureds (Pickel, 1997). In comparison to Africans, Coloureds were relatively better off in terms of education, housing, sport and health facilities, freedom of movement and occupational mobility (Pickel, 1997). But while many Coloureds fared better in the labour market than Africans as a result of the protection offered by the CLPP in terms of jobs and skills availability, Coloureds were still kept out of many of the better positions and jobs reserved for Whites. Thus, even though the CLPP was designed to improve the position of Coloured people in general, in reality, only a small group of skilled, educated Coloureds truly benefited. Most Coloureds were no better off in fact. National census data for 1970 showed that over 50% of both Coloured men and women earned below the poverty datum line. Also, despite the fact that one of the main intended effects of the CLPP was to foster feelings of unity amongst Coloureds, these economic and residential divisions actually served to reinforce class divisions between the large pool of poor Coloureds, the emerging Coloured middle-class and the Coloured elite (Goldin, 1984; Pickel, 1997).

That approximately half of those killed in the Western Cape in protests in the wake of the Soweto riots of the 16th of June 1976 were Africans and half were Coloureds, was testimony to the fact that the various economic and political mechanisms the government had used in its attempts to foster a separate identity amongst Coloureds had failed to prevent a united African-Coloured resistance to the Apartheid (Goldin, 1984; Pickel, 1997). In addition to this, all the measures put in place had also failed to prevent African influx into the Western Cape. Thus, the scrapping of the policy was announced at the September 1984 conference of the Cape National Party.

Appendix B

Coloured and African Labour in Cape Town

The Cape colony at the turn of the century

Up until the late 1800's, the Coloured population was the main source of labour in the Cape colony. With the long-standing dispute between management and workers in the Table Bay docks culminating in a potentially devastating strike in 1880 though, management hired 200 African workers from the Transkei and fired the striking "Cape Boys". The recruitment of Africans worked so well in quelling worker resistance in the docks that other employers in the Cape decided to adopt the same strategy. Thus, by 1899, African men from outside the Western Cape occupied most of the lowest paid, unskilled, manual labour jobs.⁴⁰

Between the late 1800's and early 1900's, the number of Coloureds in industry and commerce increased markedly, especially amongst educated and skilled Coloureds in retail as well as carpenters, joiners and stonemasons. This raised expectations amongst Coloureds of advancement. White immigrant craftsmen, using their knowledge of trade unionism in Europe, started forming closed White trade unions around the 1900's though, seeking to exclude Coloured craftsmen from certain jobs and industries like bricklaying and plastering. These immigrants also preferred to hire young European apprentices. Thus, by the turn of the century, it was mainly this group of immigrants that possessed the new skills needed in the growing manufacturing and mining industries of South Africa.

Increasing numbers of unskilled Coloureds lost their jobs to lower-paid Africans between 1900 and 1919. Skilled and semi-skilled Coloured men were also kept out of certain occupations in manufacturing and industry, which were dominated by White men. Very few Coloureds were white-collar professionals (under 1%) or held other higher status jobs in sectors like retail and commerce in 1921 (less than 3%). Amongst Coloured men, 15% worked in semi-skilled or skilled occupations, including apprentices and artisans (who were being squeezed out by White unions).

⁴⁰ Unless otherwise indicated, the information discussed in this section is taken from Goldin, I. 1987. *Making Race: The Politics and Economics of Coloured Identity in South Africa*. Cape Town: Maskew Miller Longman.

Less than 5% of Coloured women had skilled and semi-skilled occupations though. Over 90% of Coloured women were classified as unskilled, and 87% as domestic servants.

The Civilised Labour Policy and the Great Depression

Massive changes in the sexual and racial division of labour in the Western Cape occurred in the 1920's. The Apprenticeship Act and the Civilised Labour Policy Act put even more pressure on skilled and semi-skilled Coloureds in the 1920's. The Apprenticeship Act required apprentices to have a level of education practically unattainable by Coloureds as a result of the segregated, inferior education they received. Thus Coloureds were further restricted from entering apprenticeships and skilled work, even in trades where they had previously been dominant. The Industrial Conciliation Act of 1924 and the Wage Act of 1925 (both part of the Civilised Labour Policy) "legitimised the closed shop practices of White craftsmen" and ensured that employers could no longer hire Africans and Coloureds at lower wages than they would have paid Whites (the assumption being that White employers, as they were going to be paying the same wages anyway, would rather hire workers of their own race) (Goldin, 1987:42).

Even though most of this restructuring was aimed at Africans, Coloureds were also greatly affected. From 1924 onwards, African and Coloured public service workers were replaced by Whites. While Coloureds held 44% of government jobs in the Western Cape in 1924, their numbers had dropped to 30% by 1932. The drop in the proportion of Africans in government employment was no less dramatic; with 12% of these jobs held by Africans in 1924, but only 2% in 1932. Whites, in contrast, increased their share of government employment from 44% in 1924 to 68% in 1932. A similar process happened in private industry as well, with the numbers of Coloured and African workers in manufacturing decreasing while the number of Whites increased between 1924 and 1932. The number of Whites in manufacturing even overtook the number of Coloureds by 1932 (44% versus 43% of manufacturing jobs).

Thus the Civilised Labour Policy put Coloureds at a greater disadvantage to White workers and seriously undermined the economic base of the Coloured artisan class. The labour restructuring process that began with the Civilised Labour Policy intensified during the Great Depression. Job fragmentation and mass-production saw women replacing men, and Whites replacing African and Coloured labour. This process had the greatest impact on Coloured men in the Western Cape. The

position of Coloured male artisans was further eroded between 1929 and 1933. During this time, more skilled Coloured workers were forced out of the crafts they had traditionally occupied, as well as being prevented from entering the new electrical, machine and metallurgical crafts through apprenticeship barriers and prejudice. Throughout the 1920's and 1930's, employers increasingly hired White men to replace skilled Coloured men. Both White and Coloured women were substituted for semi-skilled Coloured men. Africans were still preferred over Coloured men for unskilled work, as Africans were prepared to work for lower wages under worse conditions than Coloureds.

Coloured women advanced substantially during this period. In the greater Cape Town area in 1921, over 85% of Coloured women were employed as domestic workers. This proportion had fallen to 66% by 1936, with increasing numbers of Coloured women securing semi-skilled work (from only 4% of Coloured women in 1921 to over 19% in 1936). This change is due mainly to the expansion of the garment industry in South Africa. Clothing manufacturers in the Cape preferred Coloured women because of the low wages they could pay them, on the grounds that most of them lived with their parents or that they were merely supplementing their husband's income.

Economic recovery

Between 1935 and 1948, the African population of the Western Cape grew rapidly, partly in response to the growth of manufacturing and restructuring of the racial division of labour. The manufacturing sector recovered very quickly after the Depression, and had, by 1948, overtaken the primary and tertiary sectors in the Western Cape and the rest of South Africa. The growth in industrial employment resulted in Africans occupying 24% of the industrial labour jobs in 1949, up from only 14% in 1935. The share of Coloured workers increased by only 2% (to 46%), while that of Whites dropped to 27%. While the growth in industrial employment for Africans was confined mainly to African men, the number of Coloured women in industry in the Western Cape increased by 132% between 1933 and 1949. African men also benefited more than Coloured men from the construction boom as a result of the economic recovery of the 1930's and the need for defences and stores during World War II. Coloured men had historically dominated the construction industry. By 1949 though, most workers in the building industry were African. African men were confined to unskilled labour in construction and manufacturing though where they replaced unskilled Coloured men (Van der Horst, 1964; Goldin, 1987).

Thus, by 1948, a definite hierarchy had been established in the labour force of the Western Cape. While as many as 90% of Africans were employed as unskilled workers in the Cape Peninsula (i.e. men in manual labour and women in domestic service), only 30% of Coloureds were classed as such. Semi-skilled workers constituted 48% of the Coloured labour force, but only 8% of African workers. By contrast, only 1% and 6% of Whites workers were classified as unskilled and semi-skilled respectively. By far the majority of Whites were skilled (93%), while only 15% of Coloureds and a mere 2% of Africans fell into this category.

The changing relationship between employers and the government

Employers in the Western Cape had supported influx control since the start of the 1900's on the proviso that they be allowed to hire and fire Africans at will, and that no system be introduced by government that would inhibit them in this regard. These employers argued that they needed a pool of unemployed Africans in order to compel them to work for low wages, provide a stable workforce, and be able to lay off workers when the economy slackened or there was industrial unrest. Cape employers had even originally demanded that influx controls be instituted and had worked with the government to implement them. The period 1937 to 1945 found the relationship between employers and the Department of Native Affairs taking considerable strain though, as the manufacturing industry and the labour demands of the wartime economy required more African workers, and therefore less co-operation from employers in maintaining influx controls. Employers had a renewed commitment to stricter enforcement of influx controls after 1945 though, and the relationship between government and employers was restored during the first five years of Nationalist Party rule.

This relationship started to sour with the introduction of the Coloured Labour Preference Policy (CLPP) in the mid-1950's. The eventual goal of the elimination of Africans from the Western Cape was met with great consternation by employers, as African labour was viewed as vital to the survival of certain industries in the Cape. Influx controls were implemented far more strictly in the Western Cape than anywhere else in the country as a result of this policy, and employers were soon hampered in recruiting migrant labourers. By 1957, the Cape Chamber of Industries (CCI) was complaining that "as a result of the tightening of Native influx control, there is no longer an adequate local reserve of Native labour" (CCI, 1957 cited in Goldin, 1987). Just two years later, the

CCI announced that there was no longer a pool of African labour available in the Western Cape. Despite employers bitter opposition to the stricter enforcement of influx controls against Africans and being forced to hire what they viewed as lazy, unwilling and less able Coloured labourers instead under the CLPP, these measures continued to be implemented (Cilliers, 1971; Goldin, 1987). Note though that this could not have happened without the support of the Rembrandt and Sanlam corporations, two powerful Afrikaner enterprises that made little use of the unskilled African labour so desperately needed by other employers in the Cape.

Occupational mobility amongst Coloureds

The Western Cape's relative contribution to manufacturing had been inversely related to manufacturing growth in the rest of South Africa for over a century. By 1961, the Western Cape provided less than 21% of industrial jobs and contributed just over 22% to net output. These shares had fallen to 12.1% and 11.2% respectively by 1967. Despite a nationwide manufacturing boom between 1967 and 1976, the Western Cape's share of national industrial employment dropped to 11.3% and it accounted for only 9.6% of national industrial output by 1976.

Coloureds accounted for 51% of the manufacturing workforce in the Western Cape in 1960 (30% men and 21% women).⁴¹ In the same year, White workers represented only 30% of manufacturing employees (23% men and 7% women), while Africans constituted 19% of the manufacturing workforce in the Western Cape (virtually all men). Ten years later, Coloureds had increased their share to 62% (32% men, 30% women), while that of Whites and Africans had fallen to 22% and 15% respectively.

This increased share of Coloured employment in manufacturing in the 1960's is indicative of the upward mobility of the Coloured working class at the time. The labour demands of the post-war economy and the increased mechanisation of industry necessitated state supported skills training of Coloureds, as the skilled White workforce was too small (Cilliers, 1971; Evans, 1985). Thus, apprenticeships were increasingly opened to Coloureds in the Western Cape in the 1960's; so much so that by 1974, 90% of apprentices in the building trade were Coloureds, while 98% and 79% of

⁴¹ Goldin does not give the source of these figures. The figures I have used from the population censuses give slightly different values. However, I have focused on specific areas of the Western Cape in an attempt to emulate the magisterial districts that now make up the City of Cape Town, whereas Goldin refers to the entire Western Cape (see Chapter 3: Methodology). Note also that percentages have been rounded off to the nearest integer.

apprentices in the furniture, and jewellery and goldsmith trades respectively, were Coloured (Evans, 1985, Goldin, 1987).

From the 1960's onwards, many Coloureds also moved to clerical and sales positions, and an increasing number took up professional and technical positions (Evans, 1985). This was due to improved Coloured education under the CLPP and therefore their improved ability to compete in the white-collar job market, which was also facilitated by the CLPP (Evans, 1985). As a result of the rapid growth of white-collar employment in the 1960's, increasing numbers of Coloured men moved into clerical, sales and supervisory occupations. But there was hardly any increase in the proportion of Coloured male white-collar workers between 1970 and 1980. Coloured women, as a result of increased employment in mainly clerical and sales jobs, had greatly increased their share of white-collar work by 1980. The proportion of Coloured male professionals remained stable between 1960 and 1980. The coloured female share of professional work on the other hand, as a result of rapid growth in the teaching and nursing professions, increased substantially in this time. Approximately 80% of Coloured professionals were employed by the government though.

Thus, the biggest change amongst the Coloured population was the increase in clerical and service employment coupled with a decrease in unskilled and lower manual work, especially in the Western Cape. The proportions of both unskilled Coloured men and women fell between 1960 and 1973 from 52% to 43%, and 62% to 45% respectively. The proportion of skilled and semi-skilled Coloureds also increased between 1960 and 1970 (see table below). During the 1970's, there was barely any growth in the proportion of skilled and semi-skilled Coloured men. Rapid development in the 1970's saw semi-skilled and unskilled Coloureds move into white-collar and skilled jobs far more readily than Africans though. Mechanisation and automation also led to the proliferation of differentiated job-opportunities and specialisation, increasing opportunities especially for semi-skilled female operators (Cilliers, 1971). Coloured women increasingly moved out of domestic service and agriculture and into semi-skilled manufacturing and sales and clerical work in the 1970's and early 1980's. As Coloured semi-skilled women were paid less than Coloured men, they were even preferred for this kind of work. In 1970, 40% of Coloured women were domestic servants. By 1980, the number had fallen to only 29%, with the place of Coloured female domestic workers in the Western Cape being filled by illegally employed African women and Coloured youths. This is not surprising as domestic work was practically the only work African women in town could get for a long time (Van der Horst, 1964).

Coloured occupational mobility, Cape Town, 1960-1980

	Percentage of group employed in occupational category in year			
		1960	1970	1980
Coloured men	Blue collar (semi-&/skilled)	25%	35%	-
	White collar	3%	10%	11%
	Professional	2%	-	2%
Coloured women	Blue collar (semi-&/skilled)	21%	26%	39%
	White collar	3%	8%	16%
	Professional	4%	-	9%

Source: Author's analysis of data in Goldin (1987).

Employers continued to rely on African workers for unskilled labour though. Despite the various acts and laws, the Department of Labour made certain concessions to employers and tolerated their preference for African unskilled labour to a degree. Coloured unskilled workers suffered therefore, as employers preferred to hire African workers, either legally or illegally, who would accept certain working conditions that many unskilled Coloured workers would not, and also because of certain stereotypes about Africans being better suited to heavy manual labour and better workers in general (Cilliers, 1971; Goldin, 1987). It was in the support of unskilled Coloured labour that the CLPP failed miserably. For example, the proportion of unemployed Coloured males increased from just under 14% to 27% during the 1970's, mainly due to the loss of unskilled work to African men in manufacturing and construction, and the loss of agriculture employment as a result of increased mechanisation and the contraction of the deciduous fruit industry. In 1976, the Theron Commission concluded that "the employment prospects for the bottom 30% [of the Coloured population], in terms of education and social status, are very unfavourable" (South Africa, 1976 cited in Goldin, 1987).

This same commission found that employment opportunities for skilled Coloureds were very good though. Even though Whites were protected by the Department of Labour and continued to have the upper hand in the labour market, the CLPP improved the employment opportunities of skilled Coloured workers in relation to Africans. As Africans were generally kept out of training and apprenticeships, skilled Coloureds were protected from having to compete with them for skilled and artisan jobs. Coloureds were also entering more supervisory and clerical jobs. This movement from

unskilled to semi-skilled and white-collar employment is misleading though, as very little improved in terms of the real earnings or employment status of Coloureds (Cilliers, 1971; Goldin, 1987). Coloured workers were not given supervisory and skilled work at the expense of White workers. Generally speaking, Coloureds could also not supervise Whites in the workplace either (Van der Horst, 1964; Goldin, 1987). Coloured unemployment and underemployment also increased quickly between 1961 and 1976.

Beyond unskilled labour

Survey of employers in the metropolitan area of the Cape Peninsula, 1981

Occupation type	Africans	Coloureds	Whites
Unskilled	87%	25%	0%
Semi-skilled	7%	54%	22%
Skilled	6%	18%	33%
Managerial/administrative	0%	3%	45%
Total	100%	100%	100%

Source: Author's analysis of data in Goldin (1987).

In 1981, no White people were employed in unskilled labour (Goldin, 1984). Over half of the unskilled labour force (54%) was African, with Coloureds making up the remaining 46%. As can be seen in the table (above), the majority of Africans (87%) were still relegated to unskilled labour in the Cape Peninsula in 1981, while the majority of Coloureds (72%) occupied skilled and semi-skilled jobs. Whites were still over-represented in the better paying professional jobs (45% of Whites held managerial or administrative jobs compared to only 3% of Coloureds and no Africans).

African unskilled workers were still concentrated in construction, while Coloured semi-skilled workers were concentrated in the garment, service and retail sectors. While the construction industry was able to maintain its recruitment of a steady supply of African unskilled labour despite the CLPP, it was experiencing problems with the supply of skilled labour in the Western Cape. However, this lack of skilled labour was not unique to the construction industry. By 1977, skilled labour was at a severe shortage in all industrial sectors in South Africa.

During the 1960's employers in the Western Cape had opposed CLPP out of concern for the unskilled African labour supply. In the 1970's and early 1980's though, the focus had shifted to shortages of skilled workers in the Western Cape. Employers argued that the CLPP had limited the training of Africans and given Coloured workers a monopoly over skilled work. In the late 1970's, the upswing in the economy had resulted in more skilled workers being required for the growing manufacturing and construction sectors than could be supplied by the Coloured labour force. Skilled Coloureds could, as a result of the demand, be more discerning about types of job and pay. Western Cape employers were not prepared to compete with the higher paying jobs in the Transvaal, and so, many skilled Coloured workers migrated to the Witwatersrand, causing a shortage of skilled labour in the region. Employers therefore petitioned the government to allow Africans already resident in the Cape to be trained and employed in skilled work. The Cape Chambers of Commerce and Industry and the Cape Employer's Association even had the backing of large businesses like the Sanlam and Rembrandt corporations and others this time in pushing for a "better deal" for skilled Africans permanently resident in the Western Cape (e.g. they should be exempt from influx controls, allowed to buy/rent their own houses and compete on equal footing with Coloureds for the better jobs). Initially, the government barely budged on these issues though, once again placing serious strain on the relationship between Western Cape employers and the state.

The announcement of the scrapping of the CLPP in 1984 heralded the beginning of the end of the government's attempts to promote Coloured interests in employment and residence at the expense of Africans. That being said, there were still many controls in place over the employment and housing of Africans in the Western Cape without the CLPP and influx controls.

Appendix C

A Brief History of Cape Town

The early years

Cape Town was originally founded only as a temporary refreshment station in 1652 for the Dutch East India's Ships doing trade with the Far East (Wilkinson, 2000). However, by 1658, land had been granted to the "free burghers" and by 1674, a stone fort had been built. Utilizing slave labour imported from West and East Africa, Madagascar and the East Indies, as well as indigenous Khoi people stripped of their stock, grazing land and access to water, the colony grew, albeit slowly. By 1805, the population of Cape Town had reached 17,000. Once the British took over the colony (1814/1815), Cape Town profited from preferential trade agreements with the U.K., as well as expanding British interests in India, south east Asia and the Antipodes. A British mercantile and professional class gradually arose alongside the already established Dutch and German retailer and farmer class in the 19th century. Although Cape Town's economy was still dominated by trade, agriculture and fishing, small-scale industries competing with or complementing the activities undertaken by skilled Muslim artisans emancipated from slavery in 1834 also emerged. By 1865, Cape Town municipality had grown to 28,400 people, 15,100 of whom were "White", 12,400 "Other" and the rest, "Hottentots" or "Kafirs". Along with the development of Cape Town's infrastructure and increased linkages with the interior of the country (diamonds were discovered in Kimberley in 1867) and the Witwatersrand (where gold was discovered in 1886), the population of the city and its surrounding suburbs had grown to 67,000 by 1891. By 1905, despite the recession associated with the end of the South African War in 1902, Cape Town's population had reached 171,000 (Wilkinson, 2000).

African migration at the start of the century

As African people flocked to Cape Town in the early 1900's to take advantage of the burgeoning employment opportunities, so African settlements appeared on the periphery of the White settlements (Dewar, Rosmarin and Watson, 1991). Although this land was "less desirable", it was closer to work opportunities and there was less pressure for residents to move (Dewar, Rosmarin

and Watson, 1991:13). As a result of bubonic plague, which was especially prevalent in these densely populated working-class inner-city areas, and the resultant demands from the White residents for greater segregation, the first official act of segregation of Cape Town's "Native" population occurred in 1901 (Dewar, Rosmarin and Watson, 1991; Wilkinson, 2000). Thus Ndabeni (initially Uitvlugt) became the first separate location on the edge of the city for Africans forcibly removed from their original places of residence in Cape Town (Dewar, Rosmarin and Watson, 1991; Horner, 1983). The Housing Act of 1920, which made provision for segregated urban locations, was consolidated into the Natives (Urban Areas) Act of 1923 (Pinnock, 1981). Under this legislation, local authorities were obliged to provide separate, segregated housing as the compulsory abode of legally resident Africans in urban locations in "White" cities (Pinnock, 1981; Saunders, 1978; Posel, 1991). Thus, these areas could be controlled and the flow of Africans from "white" farms and the reserves to the towns regulated (Centre for Intergroup Studies, 1983). This Act was applied to Cape Town in stages (Saunders, 1978). The 1st of April, 1926, saw the area brought under section 5, meaning that all Africans (except those exempted) had to live in a location. Section 12 of the Act was only implemented in June of the same year. Africans entering the city now required a document granting them no more than 14 days to stay there and look for work. If they could not find a job in this time they could be deported (Saunders, 1978).

The interwar years

After the Act of Union in 1910, when the former British colonies Natal and Cape Town became linked to the Boer republics in the Transvaal and Orange Free State, Johannesburg became South Africa's largest city during the 1920's, with the Witwatersrand as its core (Wilkinson, 2000). While Johannesburg had an urban-industrial economy though, Cape Town became an important administrative, cultural and service centre. Manufacturing played a significant role in Cape Town's economy during the First World War (especially in the clothing, textile, paper and printing, food, beverages, and light engineering sectors), and also contributed to diversification and expansion during the inter-war years. Ever-increasing numbers of people moved from the rural areas to Cape Town, especially during the depression years (1930's), and the population ballooned to 307,000 by 1921 (Centre for Intergroup Studies, 1983; Wilkinson, 2000). To escape state control and other aspects of the Act, many Africans chose to live outside the municipal boundaries, rather than in the locations. Thus the problem of squatting in Cape Town can be traced back to the inter-war years, when there was a huge influx of Africans from the "Native Reserves" (later called homelands) for

whom no provision had been made in Langa – the “model Native village” established at Langa in 1927 (Wilkinson, 2000) – and who had no desire to be subject to the rigorous state control or high transport and rental costs associated with living in a location (Kinkhead-Weekes, 1983). With this rapidly increasing urbanisation, the Depression, and the sluggish growth in public-housing stock, many Coloureds and even Whites in Cape Town had no accommodation (Kinkhead-Weekes, 1983). Thus, while the late 1920’s saw the initiation of public housing developments on the Cape Flats for Coloured working-class families, and the wealthier suburbs remained segregated, many people lived in mixed areas in Cape Town, including informal shack settlements (Kinkhead-Weekes, 1983; Wilkinson, 2000).

In addition to the growth in the manufacturing sector in Cape Town during the First World War and the inter-war years, the Western Cape’s manufacturing industry also developed during the Second World War, mainly because of the protection afforded it by the war’s artificial import barriers (Van der Horst, 1964; Cole, 1984). During this time, many labourers were also needed for erecting defence works and building the Duncan Docks in order to raise capacity to accommodate the extra shipping at Cape Town. Therefore, despite increasingly strict legislation, during the late 1930’s and early 1940’s, large informal settlements or squatter camps grew in and around the major cities, largely as a result of increased urbanisation (especially African urbanisation) “stimulated by the labour demands of the war-time economy” (Wilkinson, 2000:197; Pinnock, 1981).

The Nationalists and redoubled efforts to exclude Africans

As a result of the increase in squatter camps and the growing number of inner-city poor, an ever more anxious White population voted the National Party (NP) into government in 1948 (Pinnock, 1981; Wilkinson, 2000). The NP government restructured and greatly intensified the controls over the African labour market (Posel, 1991). The labour bureaux system increasingly limited the movements of Africans, as well as their occupational choices (Van der Horst, 1964; Posel, 1991). Numerous bills were passed that enabled an even more proficient system of racial domination than had existed before (Posel, 1991). The NP government’s Population Registration Act (no. 30 of 1950) was passed in 1950, by which time Cape Town had a population of 742,400, consisting of 361,000 Coloureds, 307,000 Whites and 74,100 Africans (Centre for Intergroup Studies, 1983; Wilkinson, 2000). Other legislation designed to achieve the NP’s goal of “total apartheid” included the Group Areas Act (No. 40 of 1950) and the Reservation of Separate Amenities Act (passed in

1953), which extended the same principle of rigid segregation of Africans to Coloureds and Indians (Centre for Intergroup Studies, 1983; Posel, 1991; Wilkinson, 2000). Thus, after 1948, much legislation was passed in South Africa with the aim of achieving two goals, namely (a) preventing the numbers of Africans in the cities from exceeding the demand for their labour, and (b) keeping Africans in the city separated from other racial groups (Dewar, Rosmarin and Watson, 1991). The government also sought to crush organised African opposition, a goal it had effectively achieved by the 1960's (Posel, 1991). The state then embarked on "an ambitious and ruthless programme of social engineering" in the 1960's that deprived most South Africans of their citizenship and led to the forced removal of over 3 and half million people from newly created White areas to the ethnic "homelands" (Posel, 1991:1).

Cape Town was one of the most socially integrated cities in South Africa prior to the Group Areas Act (Centre for Intergroup Studies, 1983). The first step in implementing this act was the separation of Coloureds and Africans, particularly in the squatter areas. This began the removal of Africans from so-called "black spots" (which then became Coloured suburbs) to emergency camps, from which they could be expelled from the Peninsula (Centre for Intergroup Studies, 1983). Cape Town's southern suburbs were declared White group areas in 1961, and the large Coloured working-class population living there was instructed to move to the Cape Flats (Pinnock, 1981). The implementation of the Group Areas Act in Cape Town led to the dislocation of communities and the forced removal of thousands of people to new public housing developments or "townships" on the Cape Flats (Wilkinson, 2000). One of the most important results of this policy was to relocate Coloured residential areas to the periphery of the city or separate them from established urban areas by buffer zones, railway lines and distance (Centre for Intergroup Studies, 1983). One of the most infamous examples of this process was the destruction of the inner-city working-class area of District Six on the basis of slum clearance, and the removal of its residents to far-flung council housing estates, only for it to be declared a White group area later (Centre for Intergroup Studies, 1983; Wilkinson, 2000). Thus, thousands of people suffered due to the loss of their houses, livelihoods and businesses, cheap and easy access to work, and shopping and recreation facilities (Centre for Intergroup Studies, 1983). Such events changed the face of Cape Town irrevocably in the 1960's and 1970's (Wilkinson, 2000).

While the struggle of Africans against the state in terms of urban land and housing occupation predates 1948, the most rigorous controls were imposed by the government after 1950 (Cole, 1989).

Effective influx control in Cape Town only became a reality at the end of 1952 with the implementation of the Natives (Urban Areas) Consolidation Act in the city, thereby allowing authorities to expel Africans who remained in their areas longer than 72 hours (Van der Horst, 1964; Kinkhead-Weekes, 1983). From 1953, police raids on squatter camps to find illegally resident Africans became weekly events, the primary goal of which was to flush out illegally resident squatters and African women (Kinkhead-Weekes, 1983; Cole, 1984). Originally, African women could be expelled by a local authority if they could not prove they had accommodation (Kinkhead-Weekes, 1983). After 1946 though, African women could not join their husbands in the Western Cape unless they had permits from the authorities in the area to which they were travelling. In 1955, it was announced that the amended pass laws would also be made applicable to African women, and increasing numbers of illegally resident African women were "rounded up" and threatened with prosecution if they did not leave. The 1957 Natives (Urban Areas) Amendment Act came into effect in Cape Town in February 1958, thereby introducing even stricter conditions for Africans to remain in urban areas legally. Administrative structures were also erected that facilitated the removal of "surplus" Africans from the cities (Kinkhead-Weekes, 1983). From the early 1960's to the late 1970's, the government tried to keep a tight rein on the movements of Africans in and out of the cities across the whole of the country (Cole, 1989). As the Western Cape was a Coloured preferential area (Coloured Labour Preference Policy of 1954), influx control was more rigorously applied in Cape Town than elsewhere in the country (Wilkinson, 2000). In addition, African women in Cape Town were victimised disproportionately in order to prevent families from settling here (Van der Horst, 1964; Ramphela, 1993). Between 1959 and 1962, 19,000 African men and 7,300 to 9,000 African women were reported to have been removed from Cape Town and "relocated" to the Native Reserves of the Transkei and the Ciskei (Horner, 1978). An estimated 17 million Africans were prosecuted in South Africa under these laws between 1916 and 1986, when the Abolition of Influx Control Act came into being in June (Ramphela, 1993).

New townships were constructed during the 1950's and early 1960's at Gugulethu (originally Nyanga-West) and Nyanga to accommodate legally resident Africans and separate them from those living illegally in the post-war squatter camps (Wilkinson, 2000; Kinkhead-Weekes, 1983). Although it grew slowly from its creation in 1945, people were being moved from squatter areas in four local authorities into the controlled camp at Nyanga by 1953 (Kinkhead-Weekes, 1983). As it was looking for the cheapest way to house Africans, the City Council, despite its previous opposition to site and service schemes, agreed to a plan in 1955 to move legally resident African

families to Nyanga and bachelors, who were mainly living illegally with their families in squatter camps, to Langa. This paved the way for the large-scale squatter clearance operation of the next 5 years (Kinkhead-Weekes, 1983).

Failed state control and renewed resistance

The government's forceful attempts to reduce the number of African labourers in Cape Town had only limited success though (Cole, 1984; Goldin, 1984). Between 1960 and 1965, the number of employed African contract workers dropped by 37%. However, there was a steady increase in the proportion of those employed between 1968 and 1974, with one estimate of an increase of 56.3% in migrant workers between 1970 and 1973 (Cole, 1984; Goldin, 1984). The Riekert Commission too estimated an increase in the African population in the Cape Peninsula of 69% between 1960 and 1970 (Fast, 1995). Therefore, due to the state's inability to adequately restrict African urbanisation and the failure of the public housing system to keep pace with demand (the construction of houses for Africans in Cape Town was halted in 1966 and only resumed in the mid-1980's with the establishment of Khayelitsha [Centre for Development Studies, 1989]), squatter settlements again sprang up on Cape Town's periphery in the early 1970's, only this time on a greater scale than before (Wilkinson, 2000). The Cape Peninsula had approximately 37 squatter camps by the time of the onset of the worldwide economic recession in 1973 (Cole, 1984). By 1980, the population of Cape Town numbered 1.9 million people (573,000 Whites, 995,600 Coloureds and 315,700 Africans), with most Coloured and African households living in informal settlements or impossibly overcrowded conditions in existing townships (Wilkinson, 2000). As a result of these kinds of conditions, the township revolt started in Soweto in 1976 quickly spread to Cape Town (Wilkinson, 2000).

The resurgence of Cape Town squatter camp resistance in the mid-1970's led to the bulldozing of the shacks of 25,000 Xhosa-speaking residents of the camps of Modderdam, Unibel and Werkgenot in 1977 and early 1978 (Kinkhead-Weekes, 1983). After this, there was a series of violent police raids on the remaining squatter camp at Crossroads (reopened in 1979), followed by the deportation of illegal Africans in their thousands from the Eisigangeni camp at Nyanga East in 1981 (Kinkhead-Weekes, 1983). Groups of squatters started occupying land adjacent to Crossroads in the early 1980's, and were eventually granted land in Nyanga Extension (Dewar, Rosmarin and Watson, 1991). Nyanga bush settlement and KTC (1983) were also established at this time. The government

finally conceded the need to allocate more land for African residential areas and set aside Khayelitsha for this purpose (a measure which was met with strong disapproval from the African population of Cape Town, as this land was on the urban periphery). Those Africans living in squatter settlements were the first pressurized to move to Khayelitsha. Between “internal power struggles, political unrest and attempts by the state to effect removals”, widespread violence erupted in Cape Town’s townships in the mid-1980’s (Dewar, Rosmarin and Watson, 1991:19). This insurrection led to the state adopting a new policy (Cole, 1989). With the Abolition of Influx Control Act (1986) and the implementation of the “orderly urbanisation” strategy, the government became less concerned with the removal of Africans from urban areas, but provision was made for more control over where they settled in the metropolitan areas, e.g. attempts to channel all squatters (both legal and illegal) to a controlled settlement like Khayelitsha and the continued demolishing of illegal informal settlements, especially those erected near White areas (Dewar, Rosmarin and Watson, 1991; Cole, 1989; Fast, 1995).

Events like the displacement of 70.000 people from Crossroads (May, June, 1986) resulted in new squatter settlements emerging in and around Nyanga and Gugulethu townships (Dewar, Rosmarin and Watson, 1991; Cole, 1989). In addition, despite the state’s attempts to limit its growth, the African population of Cape Town increased by an estimated 109% between 1980 and 1988: as the population stood at more than 700.000, there was a housing shortage around the 100 000 mark (Dewar, Rosmarin and Watson, 1991). Given the spate of evictions and continued arrival of migrants in Cape Town, it is not surprising that informal settlements grew once again, although these were smaller and developed in a more dispersed nature in comparison to the large shantytowns of the 1970’s (Fast, 1995). Into the 1990’s, the African population of Cape Town continued to increase, thereby exacerbating the extremely overcrowded conditions already experienced in the townships (Saff, 1998). This led to the establishment of even more informal settlements and the number of backyard shacks grew in formal townships. Squatting on land previously designated for other race groups also increased (Saff, 1998).

Appendix D

Migration to Cape Town

The Migrant Labour System in South Africa

South Africa's labour migration system is long-lived (Møller, 1984). This system was already well-established in the 1920's when the state's approach was one of allowing Africans into White areas as long as their labour was needed, and removing them from the cities to the reserves if they and their families became "redundant" and "superfluous" (Kane-Berman, 1972). After 1948 though, the system became even more entrenched in South Africa and the Nationalist government developed it into a more "sophisticated and all-embracing method of labour allocation and control" (Platzky and Walker, 1985:107). Labour bureaus functioned to select African workers, direct them to the sectors where labour was most needed, then eject them when their work was done. Thus African migrants basically had no control over where and how long they could work, or even the type of work they could do. This policy originally only applied to rural workers. However, all African workers (permanent residents as well as migrants) in urban areas became subject to this system in 1964 (Platzky and Walker, 1985). In 1968, the government announced its intention to develop South Africa's economy using migrant labour (Kane-Berman, 1972). That year, labour bureaus were established in the Bantustans (previously reserves), thereby preventing Africans from leaving the rural areas for towns without being allocated a job first (Platzky and Walker, 1985). From this point onwards, migrant workers also had to return to their "place of origin" annually, compelling them to maintain their legal and personal ties with the Bantustans (Platzky and Walker, 1985). Therefore, between influx control in the urban areas and communal tenure in the rural areas, rural-urban migration was lessened and the movements of Africans (as well as their permanent settling in urban areas) strictly controlled (Møller, 1984).

Migrant labour was a mainstay of several sectors of the South African economy for many years. Important industries like mining and construction needed the large pool of unskilled workers, while many smaller manufacturers relied on the system to keep their labour costs as low as possible and thereby stay in business (Platzky and Walker, 1985). In addition to cheap labour, limiting African settlement in urban areas meant that White business owners would not be burdened with workers'

families, health costs, or political rights (Platzky and Walker, 1985; Møller, 1984). The South African migrant labour system was a particularly flexible one, where employers could adjust the size of their workforce to suit the market (Møller, 1984). Thus, employers could simply reduce their labour component when the economy was experiencing a downturn without ever having to bear the costs of workers' social needs, which were supposedly met in their rural area of origin. The minimal wages and poor living conditions typical of migrant labourers were viewed as adequate for them (although, there was such a high turnover of contract workers that there was a regular supply to replace anyone who had suffered the effects of the low standard of living and poor working conditions) (Møller, 1984).

By its very nature, the contract labour system also did not allow for job mobility in urban industries (Møller, 1984). Migrants were generally employed for a year to 18 months. If they lost their job, they had to return to their homeland, where they would be "re-recruited" (although many workers were able to circumvent this and most other aspects of migrant policy to a certain extent). Whereas they had been able to qualify for urban rights by serving with one employer or living at the same urban address for a "sufficient" amount of time previously, rural migrant workers could only enter urban areas as contract workers after 1968 (Møller, 1984). Initially these contracts were renewable annually (Møller, 1984). However, to limit the inconvenience to industry, a system was developed that allowed workers to be sent back to the same job if their employers wanted them (Platzky and Walker, 1985). Not all employees found the migrant labour system agreeable though. Certain manufacturing industries were already calling for a permanently urbanised labour force in the early 1940's, and continued to oppose the system in the 1950's. These sectors wanted a better-skilled, more stable workforce, as well as the elimination of the bureaucracy around finding and hiring migrant labour (Platzky and Walker, 1985).

Needles to say, the problems associated with the migrant labour system in South Africa were many and varied. Workers were not allowed to bring their families with them to the cities (Møller, 1984); therefore, neither wives could live with their husbands, nor children with their parents (Kane-Berman, 1972). Social problems like "prostitution, adultery, illegitimacy, venereal diseases, juvenile delinquency [and] drunkenness" were often associated with migrant labourers (Kane-Berman, 1972:2). Because of the constant oscillation between the cities and the rural areas, many employers did not train migrant workers past a certain level of proficiency as the employee would have to return to the country before his increased productivity offset the time and money spent

training him. Therefore, in many cases, migrant workers could not stay in a job long enough to become suitably qualified at any one type of work. Without this industry training, poverty amongst migrant workers became even more entrenched. As the population grew in the reserves, so they became even poorer and more people left to find work in the urban areas. But this loss of income-earning workers left the reserves even poorer. Africans were poorly trained and earned very low wages, thereby providing a large pool of cheap labour. This enabled industries to expand, and White owners accumulated wealth at their African workers' expense. The average White income was 12 times that of an average African in 1946, and nearly 14 times the amount in 1967 (Kane-Berman, 1972).

Migrants in Cape Town

Even though they were denied urban status and therefore generally 'not counted', resulting in the statistics of the size and growth of the African population being notoriously inexact with estimates varying widely, the most rapidly growing population group in Cape Town in 1991 was Africans (Dewar, Rosmarin and Watson, 1991). In their research, Dewar, Rosmarin and Watson (1991) tried to understand the complex patterns of movement of the African population to and within Cape Town using a variety of sources (e.g. local surveys, advice office records, and interviews with those working within the African communities).

The two main reasons Africans migrated to Cape Town were economic and familial (Dewar, Rosmarin and Watson, 1991). Economic conditions in the homelands were very poor, where many families did not have access to land for farming, levels of unemployment were high, and even those who were employed tended to earn very little. Unfortunately, favourable perceptions of the city seemed to be misguided, with stable employment being very difficult to secure in the short term due to a lack of education, necessary skills and language difficulties. In terms of familial links, women and children tended to follow the men to the cities. Poor health care facilities in other areas also encouraged people to migrate to Cape Town. On the other hand, the political upheaval in the city's education system caused people to send their children back to the homelands for their schooling. Many African people in Cape Town maintained links with the rural areas not simply because their children still stayed there, but also to maintain land and close personal contacts in the homelands. At the time of their report, Dewar, Rosmarin and Watson (1991) also found that there was a lot of movement of Africans within Cape Town. These movements from one area to another usually

occurred in an attempt to find more secure and stable housing, or housing better located in terms of employment opportunities (in the formal or informal sector). Some were forced to move (e.g. generally in terms of the Illegal Squatting Act of 1951 or to escape political violence), while others moved voluntarily in the hope of finding better living conditions and services (e.g. during the Crossroads upgrade project) (Dewar, Rosmarin and Watson, 1991).

In June 1988, a survey was conducted in four shack areas of Khayelitsha (Seekings, Graaf and Joubert, 1990). The households surveyed tended to consist of four and a half people on average, two of whom were children. However, as many as 23% of the households consisted of 6 or more people. The respondents were generally young, with the majority aged 15 years or younger (42%), 21% aged between 16 and 25 years, and only 11% of the sample aged 41 years or older. Low levels of education were the general trend, with 25% not having even passed standard three, and only a quarter progressing past standard 6. Incomes were generally low and unemployment rife among the respondents. Only 11% of these respondents were born in the Western Cape. Of those not hailing from the Western Cape, 71% came from the Transkei, 12% from the Ciskei and 13% from the Eastern Cape (Seekings, Graaf and Joubert, 1990).

Nearly two-thirds of the respondents arrived in Khayelitsha before or during 1985, i.e. before the abolition of influx control (Seekings, Graaf and Joubert, 1990). About 25% of the migrants arrived before 1985, the majority during that year (41%) and just over a third after 1985. In terms of ties with areas outside of Western Cape, 40% of respondents had children living or schooling in the Transkei. One third of respondents owned land in a "homeland", mainly in the Transkei (79%), where two-thirds of them kept livestock. Most indicated that they kept land for their retirement (42%) or because relatives lived there (34%). Money was sent "home" by about 75% of the respondents. Most respondents visited the Transkei or Ciskei occasionally (Seekings, Graaf and Joubert, 1990).

Although the authors warned that the responses to questions about employment and income should be viewed with caution, they did report that nearly one third of the respondents were unemployed (Seekings, Graaf and Joubert, 1990). A substantially higher proportion of those unemployed were women (overall, 48% of women reported being unemployed, versus 17% of men). There was more unemployment amongst respondents born elsewhere (36%) versus those born in the Western Cape (24%). Respondents originating from elsewhere in the country also tended to earn slightly less than

those born in the Western Cape. Men generally earned significantly more than women (e.g. low wages were especially prevalent in domestic work, a field dominated by women) (Seekings, Graaf and Joubert, 1990).

Cross, Bekker and Eva (1999) also conducted a survey of migration into the Cape Metropolitan Area (CMA). Approximately 7% of the sample of Africans had no education. A startling 41% of heads of African households were functionally illiterate with a standard six level of education. In terms of their region of origin, those from the former Transkei (i.e. the vast majority of respondents) had the least education. More than half of the migrant population was considered to be functionally illiterate. Therefore, the authors concluded, too many Africans were competing for a finite number of unskilled jobs (which was all they were really suitable for in terms of their education) and running a very high risk of being unemployed. Only 13% of heads had matric or a higher qualification. There was quite a difference between the formal and informal townships here though. Those respondents from formal areas like Langa, Gugulethu and Nyanga, where people who were born in Cape Town lived, or where those who had stayed in Cape Town longer versus those in the informal settlements lived, had a wider range of education levels than those in the informal settlements. A full 25% of formal township residents had matric or a higher qualification versus a mere 5% of informal township residents. Hostel residents were "better educated" than informal settlement residents, with a functional literacy rate of 75%, versus 54% for informal areas and even 64% in formal townships. Approximately 18% of hostel inhabitants claimed to have obtained matric or a higher education qualification (which may be due to the high proportion of younger males in the hostels and could help explain the good employment levels for this group) (Cross, Bekker and Eva, 1999).

According to the survey, 60% of Africans in the sample were employed (Cross, Bekker and Eva, 1999). Unemployment levels of 10% in the formal townships, 22% in the informal areas and only 8% in the hostels were reported. The authors did not seem to think the difference in education between the formal and informal townships alone accounted for the big difference in unemployment levels. Rather they pointed out that those in the formal townships potentially had access to better networks of people and information (Cross, Bekker and Eva, 1999).

Of the entire sample of African migrants, 21% fell into the lowest income quintile, with only 8% in the highest quintile (Cross, Bekker and Eva, 1999). In the townships, 40% of residents fell into the

lowest income category, along with 48% of hostel residents and 54% of informal settlement residents. Only 6% of the informal areas' residents earned in the high-income bracket. A third of African households reported earning less than R200/month, while 70% earned less than R500/month, despite the relatively high proportion employed and levels of education mentioned above. The low-income levels were partly explained by the youth of respondents. The authors also contended that poor job quality and relatively high unemployment are associated with the continuing flow of migrants into Cape Town who did not have the experience in the urban setting, or the information and personal networks to get the higher paying, better jobs available to established residents who did have access to these resources. While a significant proportion of the population of the formal townships is poor, those in the informal areas (where there are more migrants) are overwhelmingly so (Cross, Bekker and Eva, 1999).

Of the total African sample, 75% were born in a rural area, with 10% being born in an urban area outside of the CMA (Cross, Bekker and Eva, 1999). Almost a third of the formal township residents were born in the CMA, versus 6% of informal area and 8% of hostel residents. While the majority of formal township residents hailed from the Eastern Cape (63%), an even greater proportion of informal area and hostel populations came from there (85% each). By far the main source of migrants into the CMA was the former Transkei (77% of formal township, 68% of informal area and 59% of hostel residents). The table below gives the arrival sequence of the rural-born African sample population in the CMA (Cross, Bekker and Eva, 1999):

African migration to Cape Town, 1970-1998

<i>Year</i>	<i>Percentage of the African population</i>
Before 1970	3%
1971-1980	2%
1981-1985	13%
1986-1990	30%
1991-1995	38%
1996 and after	14%

Source: Author's analysis of data in Cross, Bekker and Eva (1999).

As can be seen from the table, the most recent increase in migration from rural Africans areas has occurred in the early 1990's, when controls over their movements in the urban areas were reduced (Cross, Bekker and Eva, 1999).

In light of the characteristics mentioned above and the fact that education levels in Cape Town are relatively better than many other areas in South Africa, it is not surprising that those who migrated to the CMA from elsewhere in the Western Cape had higher employment levels than migrants from urban Eastern Cape areas and the locally born CMA African group (Cross, Bekker and Eva, 1999). Those who migrated from the Transkei were nearly 25% worse off in terms of employment than those who migrated from somewhere in the Western Cape and the CMA-born population respectively (this and unemployment trends also followed education levels). Lower than average incomes were earned by those Africans who migrated from the rural areas of the Eastern Cape and former homelands (Cross, Bekker and Eva, 1999).

While nearly half of the African migrants stated that they intended to return to the rural areas on retirement, the authors felt that, given the uncertainty of the responses, only a minority would probably do so (Cross, Bekker and Eva, 1999). It also seemed unlikely that any of their offspring born and/or raised in Cape Town would return to the rural areas, leaving a young population with a potentially high rate of natural increase in the CMA (Cross, Bekker and Eva, 1999).