

Quarterly Labour Force Survey Q2:2018



#StatsSA

Labour
statistics

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Statistician-General

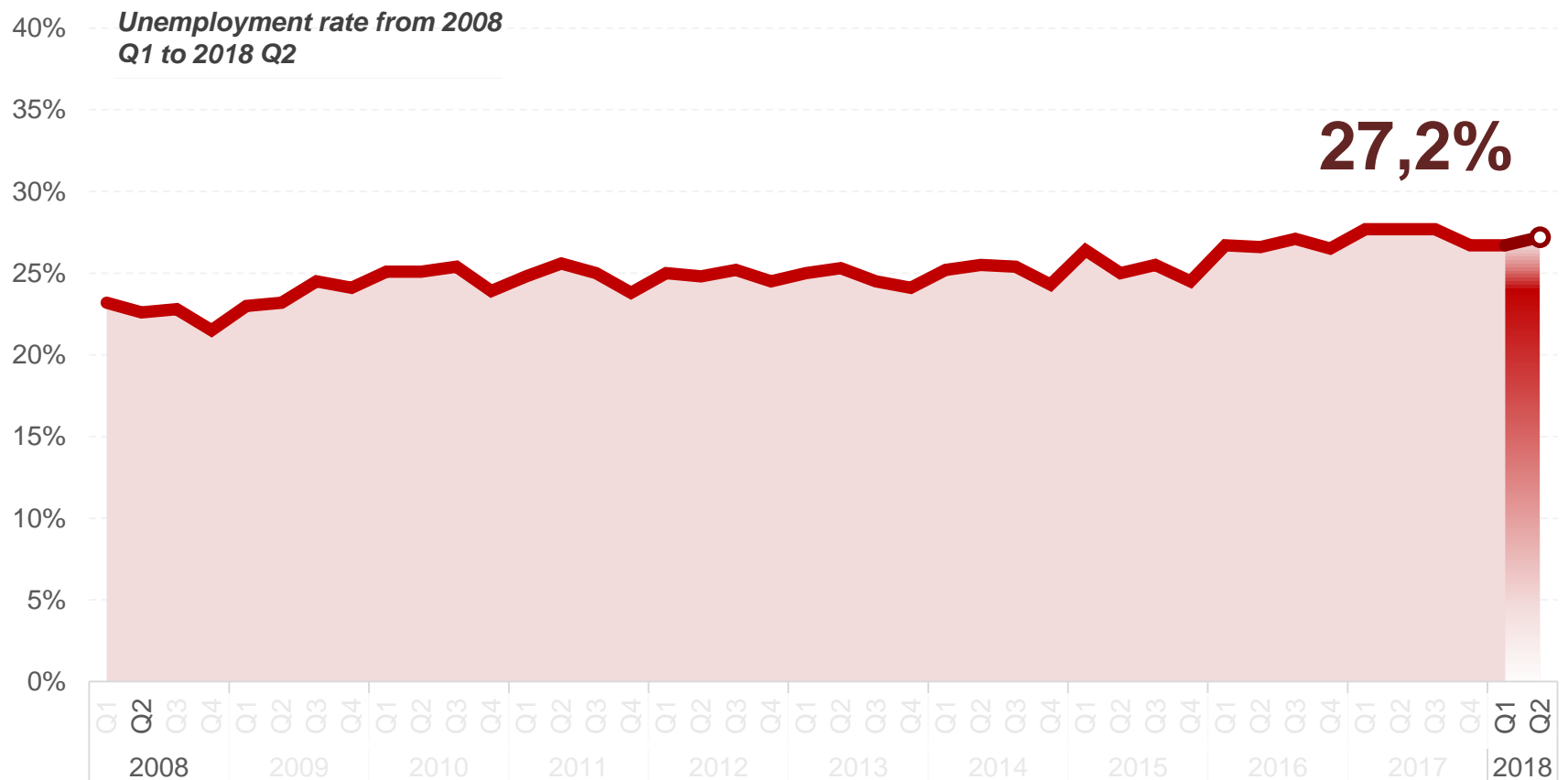


STATS SA
STATISTICS SOUTH AFRICA

QLFS Q2: 2018

THE SOUTH AFRICA I KNOW, THE HOME I UNDERSTAND

SOUTH AFRICA'S UNEMPLOYMENT RATE INCREASED BY 0,5 OF A PERCENTAGE POINT TO 27,2% IN Q2 OF 2018. *The unemployment rate has fluctuated between the 20% and 30% band for the last 10 years.*



THE WORKING AGE POPULATION (15-64 YEARS) IN Q2: 2018 WAS 37,8 MILLION



37,8 million

People of working age in South Africa (15 – 64 year olds)

Labour force

22,4 million

Not Economically Active

15,5 million

Employed

16,3_M

Unemployed

6,1_M

discouraged
work seekers

2,9_M

Other NEA

12,6_M

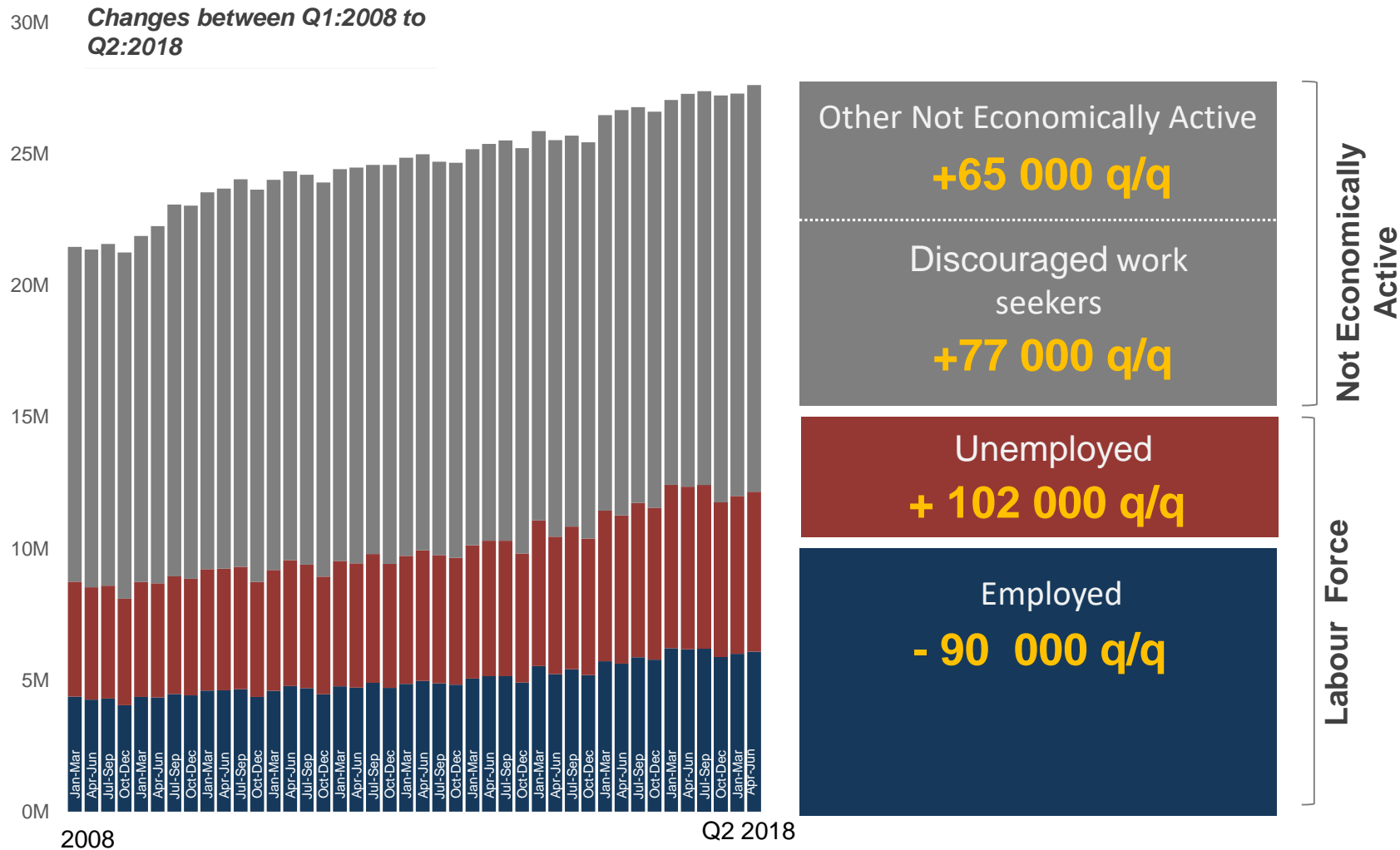
South Africa's
official
unemployment rate
stands at

27,2%

Increased by 0,5 ppt
between
Q1 2018 and Q2 2018

ILO hierarchy – Employed first then unemployed
and the remainder is NEA (including discouraged
job-seekers). 3 mutually exclusive groups.
Cannot be in two groups at the same time

THERE WAS AN INCREASE OF 154 000 PEOPLE OF WORKING AGE IN SOUTH AFRICA (15 – 64 YEAR OLDS) BETWEEN Q1:2008 AND Q2:2018



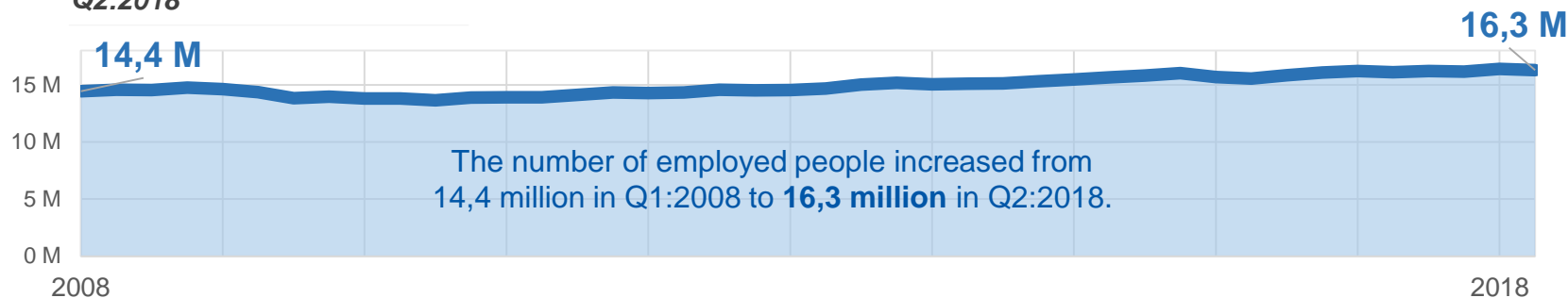
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EMPLOYMENT & LABOUR MARKET RATES

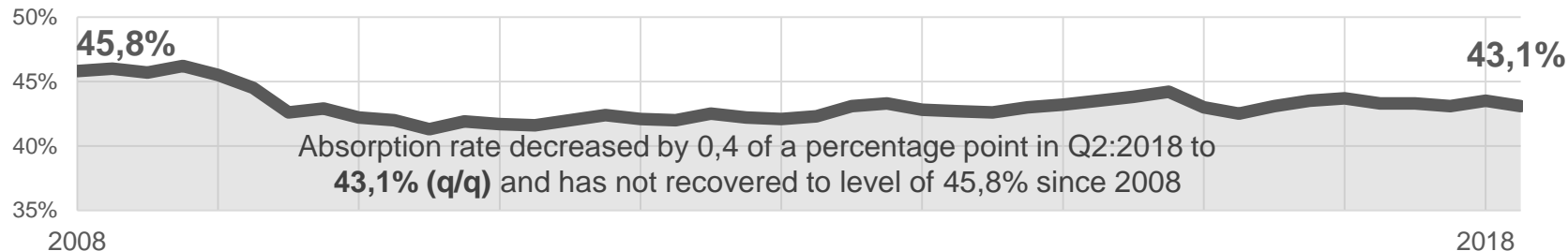
THE NUMBER OF EMPLOYED PERSONS DECREASED BY 90 000 TO 16,3 MILLION IN Q2 2018

Labour Market Dashboard
Q2:2018

**Number
of
employed**

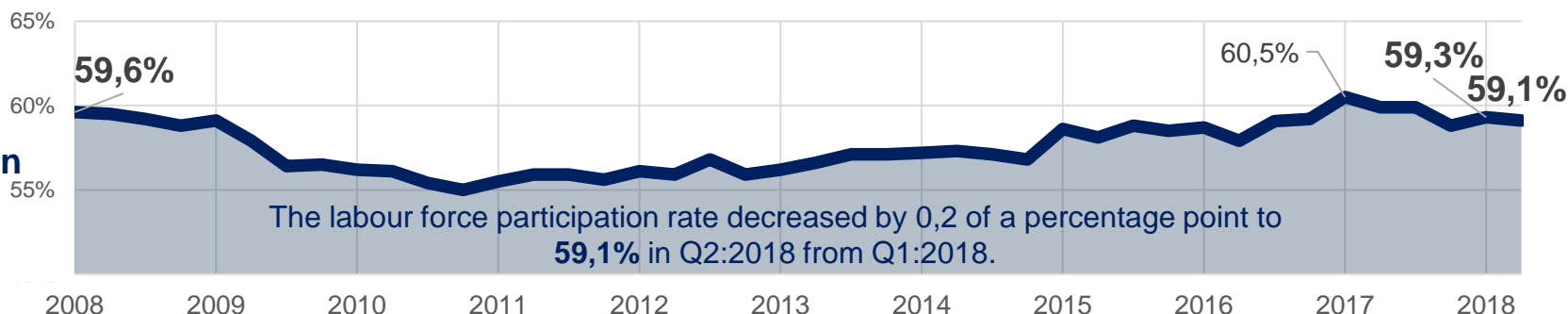


***Absorption
rate**



**Absorption rate is the proportion of the working-age population that is employed.*

***Labour
force
participation
rate**



**Labour force participation rate is the proportion of the working-age population that is either employed or unemployed.*

LABOUR MARKET RATES VARY SIGNIFICANTLY DEPENDING ON EDUCATION LEVEL

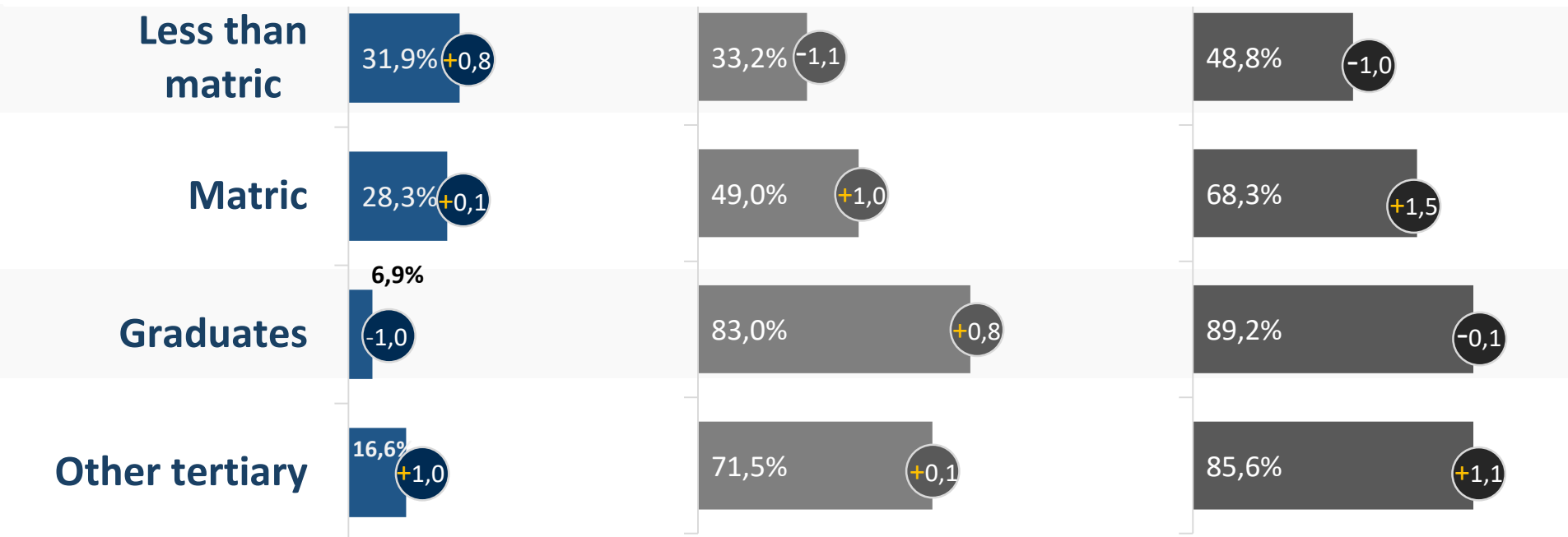
Labour market rates by
education level

○ Change: Percentage points
Q1 2018 to Q2 2018

Unemployment rate

Absorption rate

Participation rate



THE UNEMPLOYMENT RATE FOR THOSE AGED 25-34 IS DOUBLE THAT OF THE 45-54 YEAR OLDS.

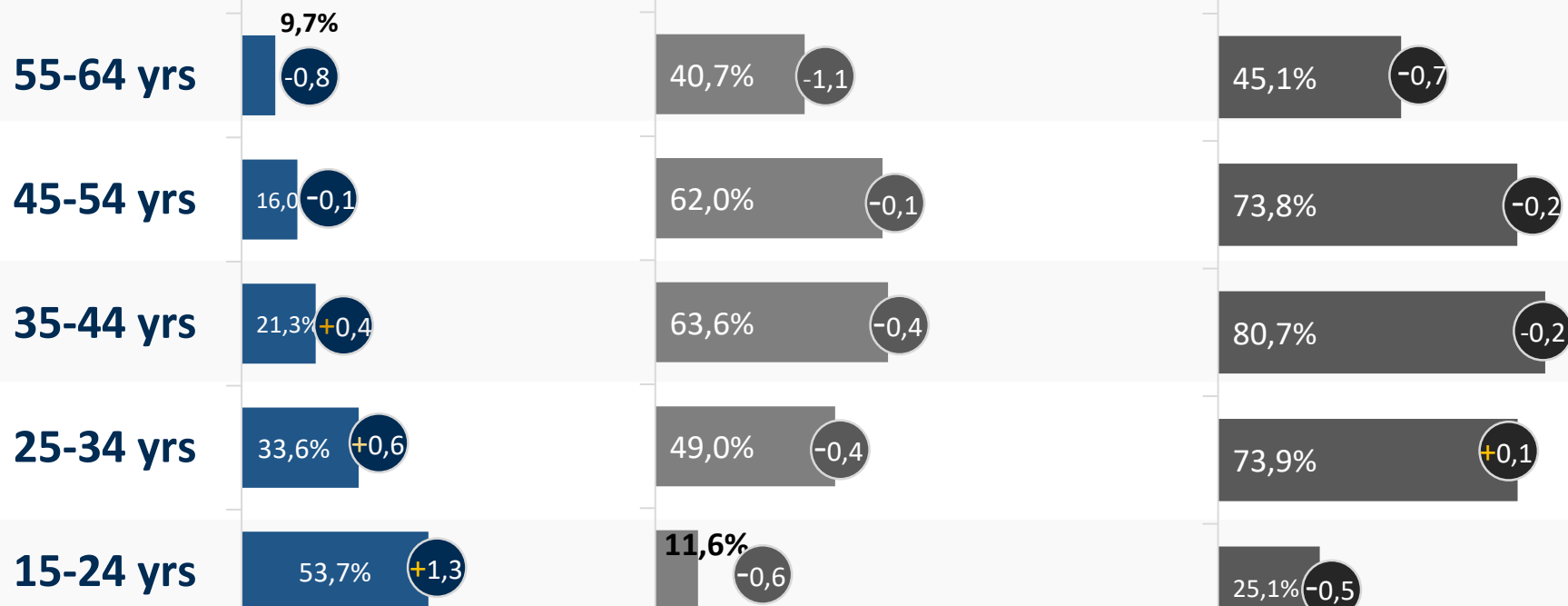
Labour market rates by age group

○ Change: Percentage points
Q1 2018 to Q2 2018

Unemployment rate

Absorption rate

Participation rate



THE UNEMPLOYMENT RATE AMONG THE YOUTH IS HIGHER IRRESPECTIVE OF EDUCATION LEVEL

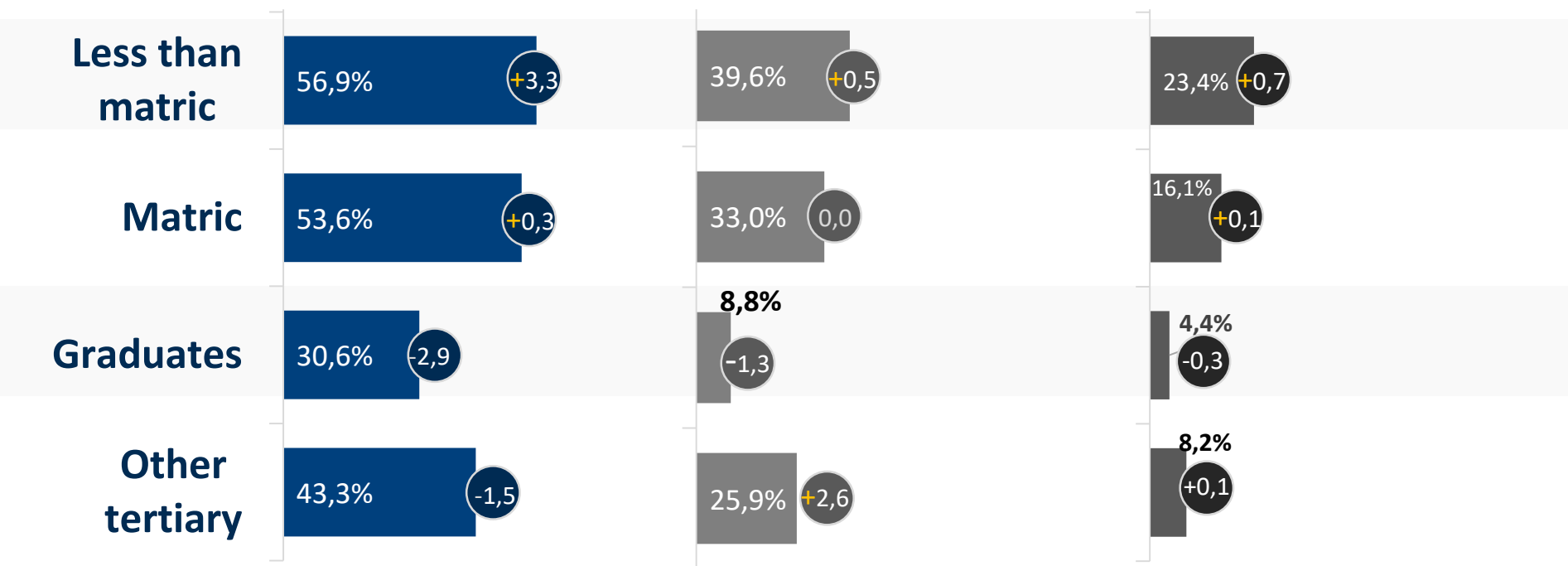
Unemployment rate by
education level and age group

○ Change: Percentage points
Q1 2018 to Q2 2018

15 – 24 years

25 – 34 years

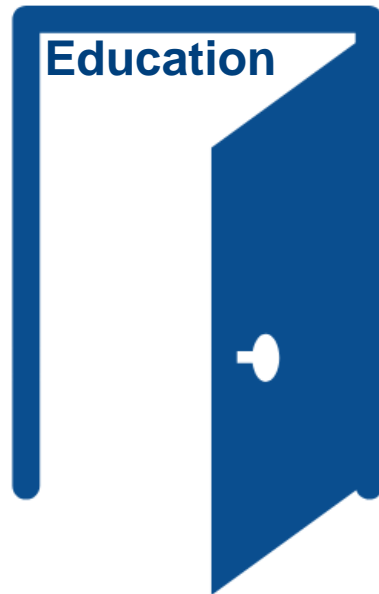
35 – 64 years



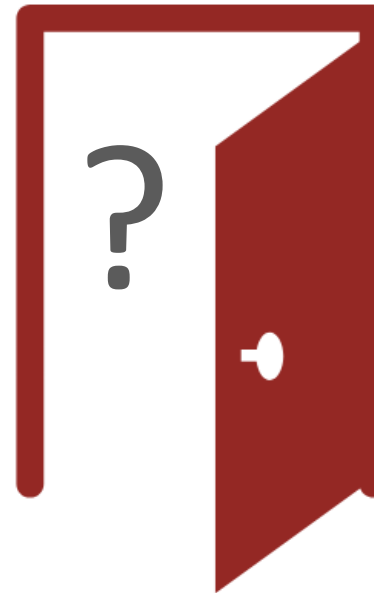
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PROFILE OF THOSE NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET)

NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET)



NEET

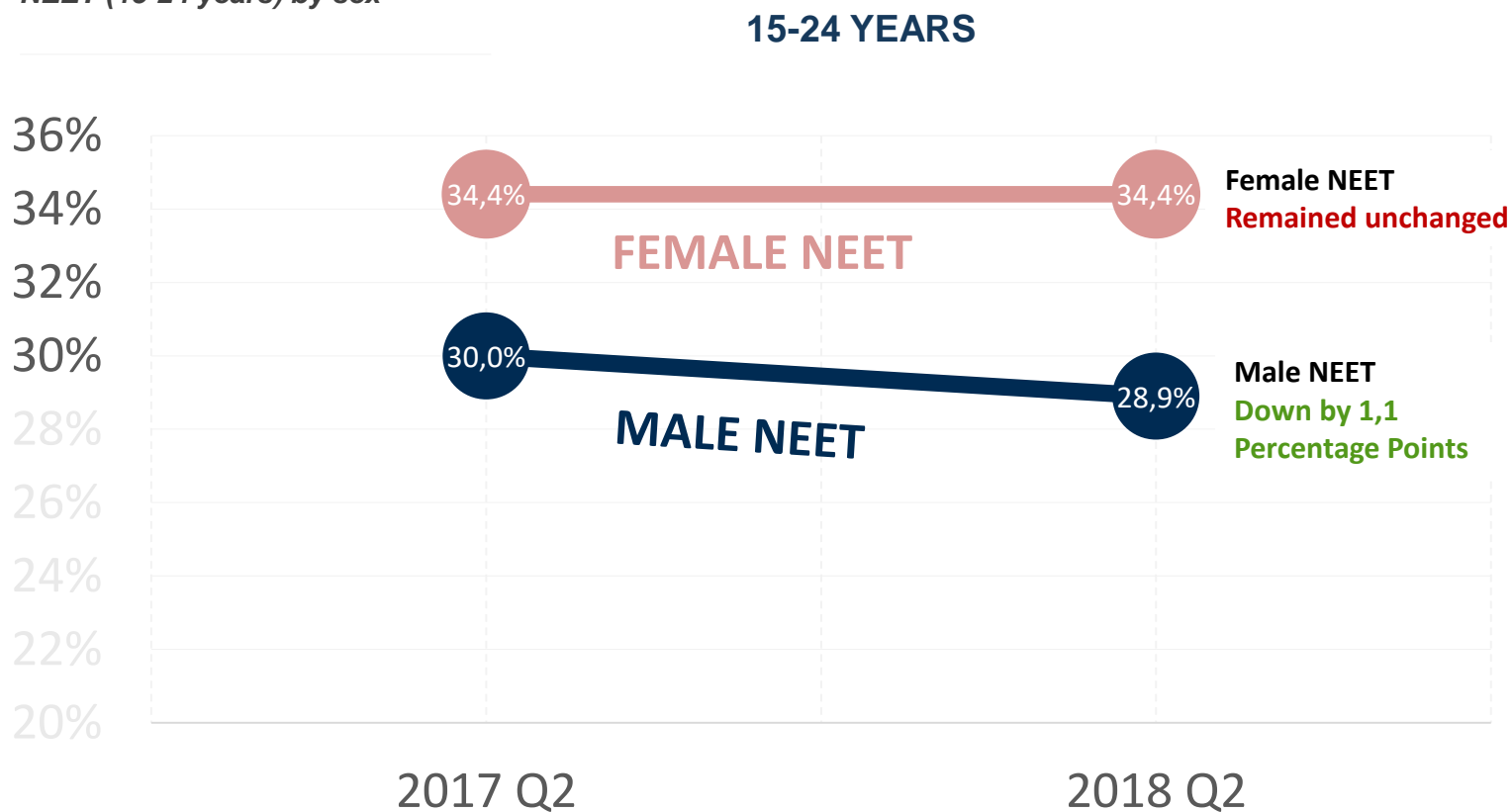


Those young people (15-24 years) who are categorised as NEET are considered to be *disengaged* from both work and education.

Youth NEET rate is calculated as the total number of youth who are NEET as a proportion of the total youth-specific working-age population

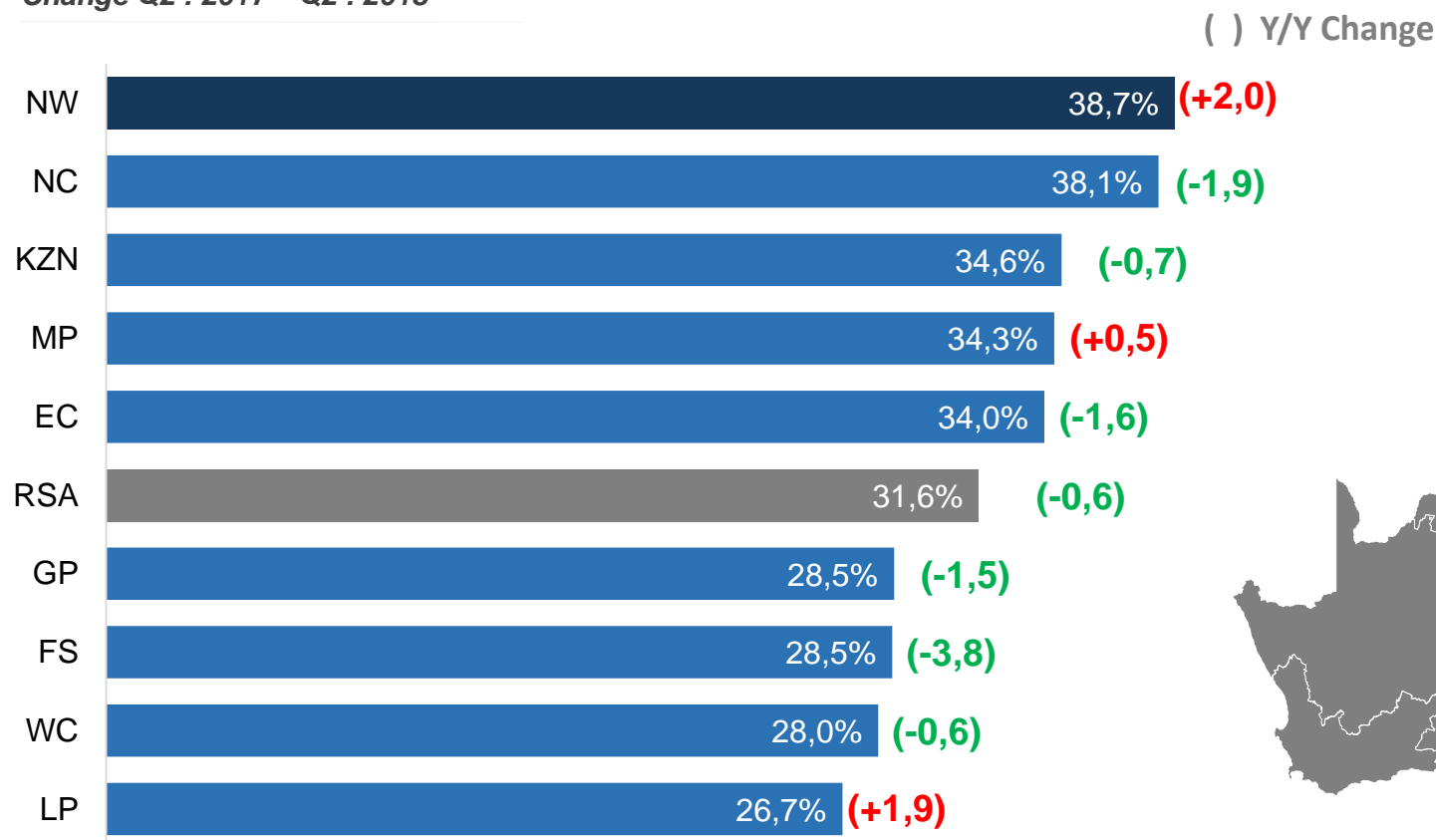
APPROXIMATELY 3,3 MILLION (31,6%) OUT OF 10,3 MILLION YOUNG PEOPLE AGED 15-24 YEARS, WERE NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET). *The overall NEET rate declined by 0,6 of a percentage point in Q2:2018 compared to Q2:2017*

NEET (15-24 years) by sex



THE NW PROVINCE HAS THE HIGHEST RATE OF YOUNG PEOPLE AGED 15-24 YEARS NOT IN EMPLOYMENT, EDUCATION OR TRAINING AT 38,7%. The rate has increased by two percentage points year on year.

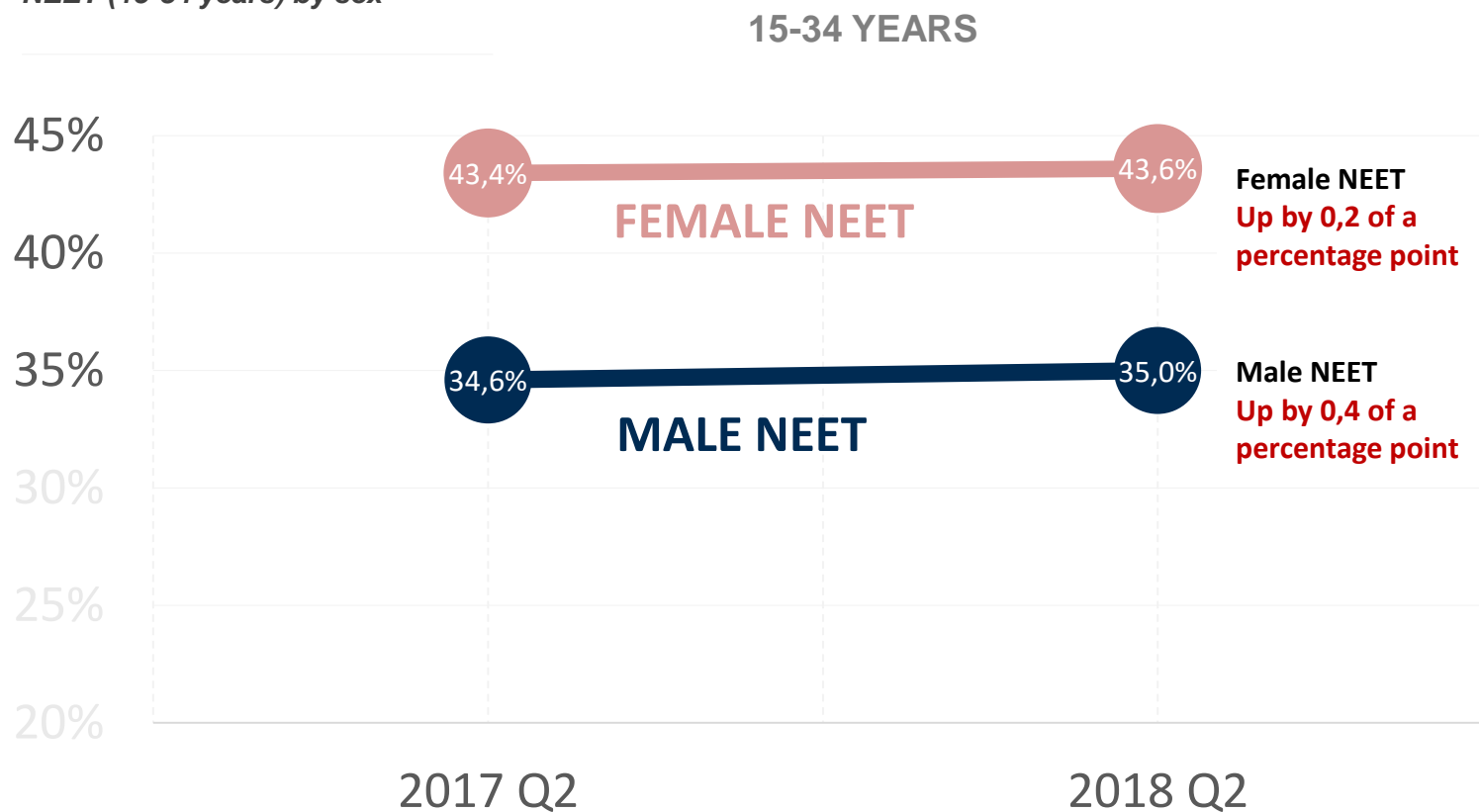
Provincial NEET rate (Year on Year
Change Q2 : 2017 – Q2 : 2018



APPROXIMATELY 7,9 MILLION (39,3%) OUT OF 20,2 MILLION YOUNG PEOPLE AGED 15-34 YEARS, WERE NOT IN EMPLOYMENT, EDUCATION OR TRAINING (NEET).

The overall NEET rate increased by 0,4 of a percentage point y/y.

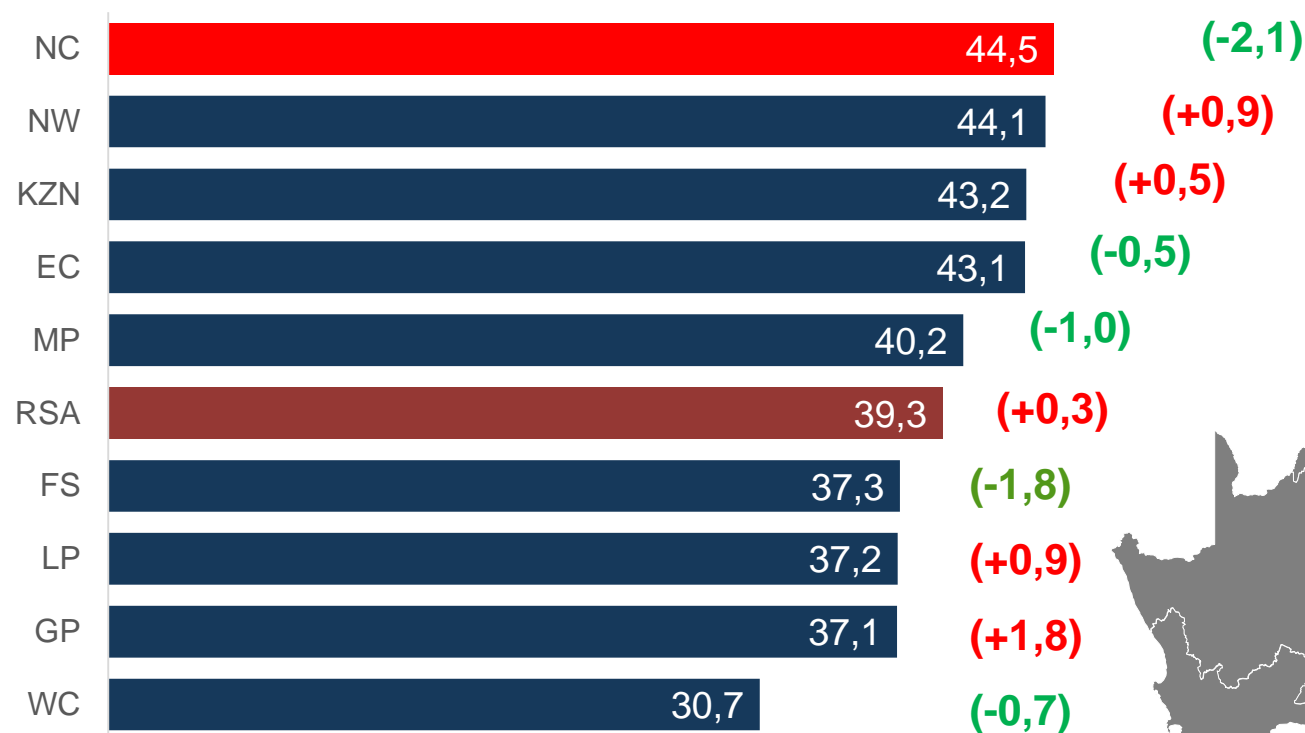
NEET (15-34 years) by sex



THE NC PROVINCE HAS THE HIGHEST RATE OF YOUNG PEOPLE **AGED 15-34 YEARS NOT IN EMPLOYMENT, EDUCATION OR TRAINING AT **44,5%**. The rate declined by 2,1 percentage points year-on-year.**

*Provincial NEET rate (Year –on – Year
Change Q2:2017 – Q2:2018)*

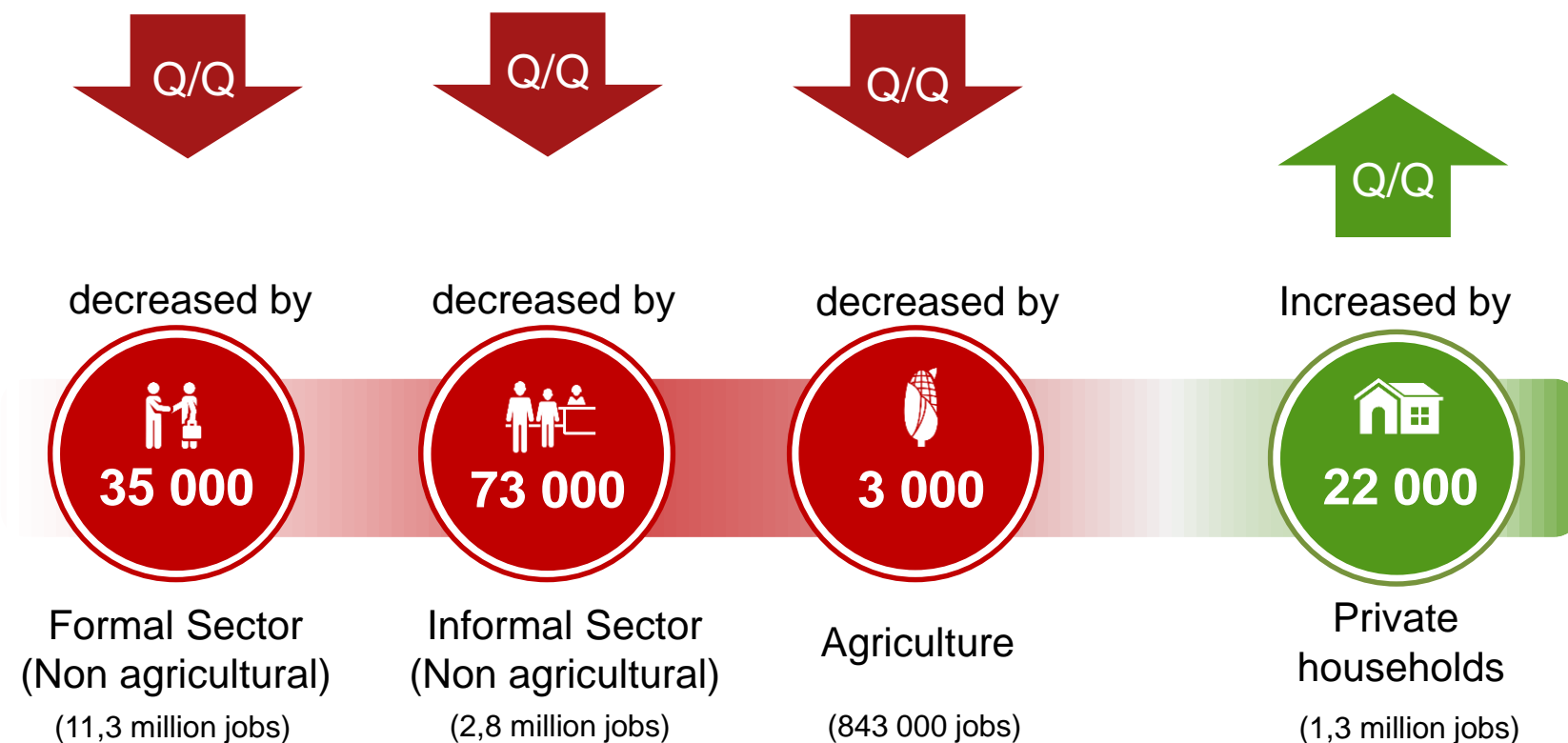
() Y/Y Change



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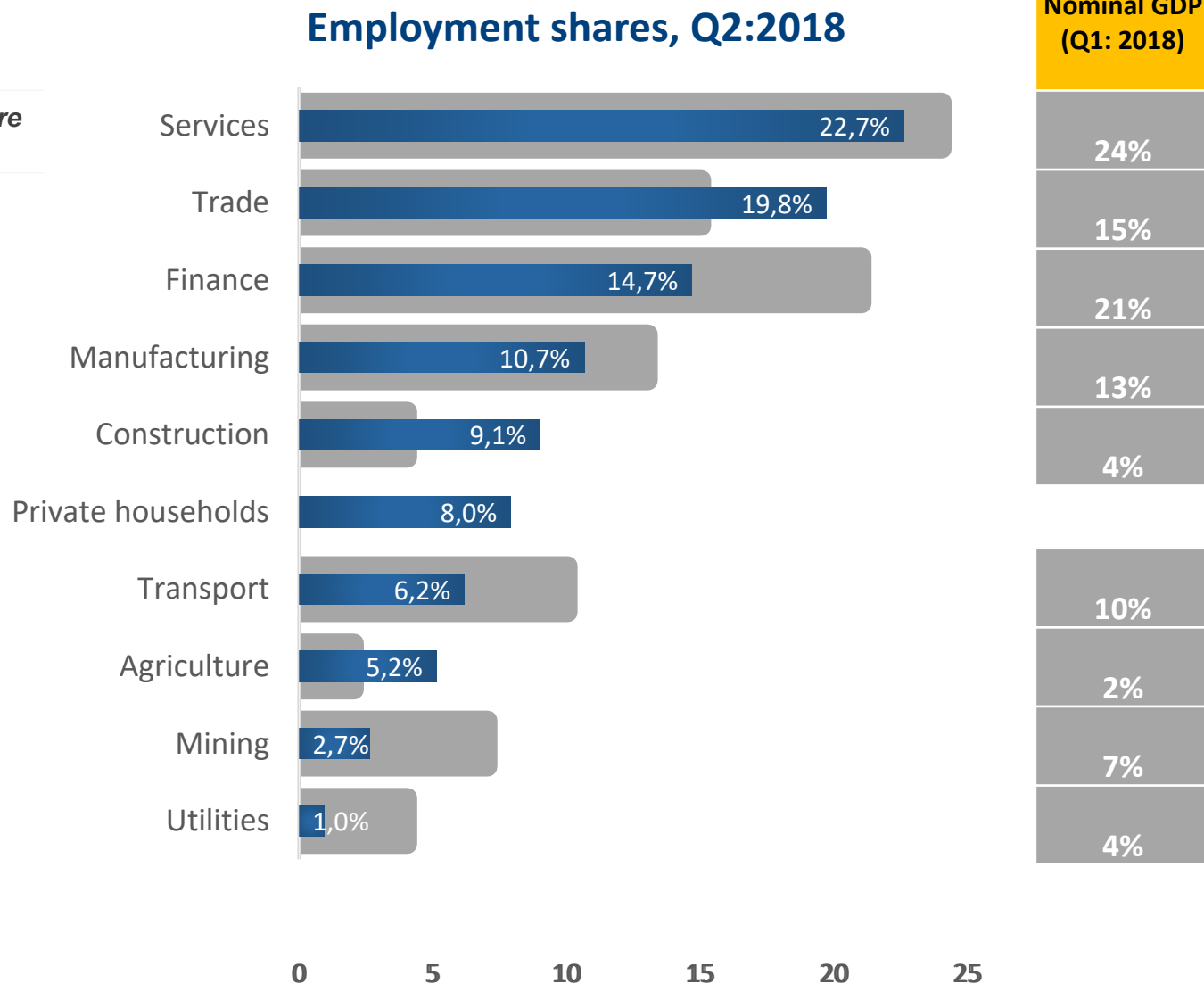
EMPLOYMENT

NUMBER OF PERSONS EMPLOYED DECLINED BY 90 000 IN Q2 2018 TO 16,3 MILLION.



CONSTRUCTION, TRADE AND AGRICULTURE HAVE HIGHER EMPLOYMENT SHARES RELATIVE TO THEIR GDP CONTRIBUTION

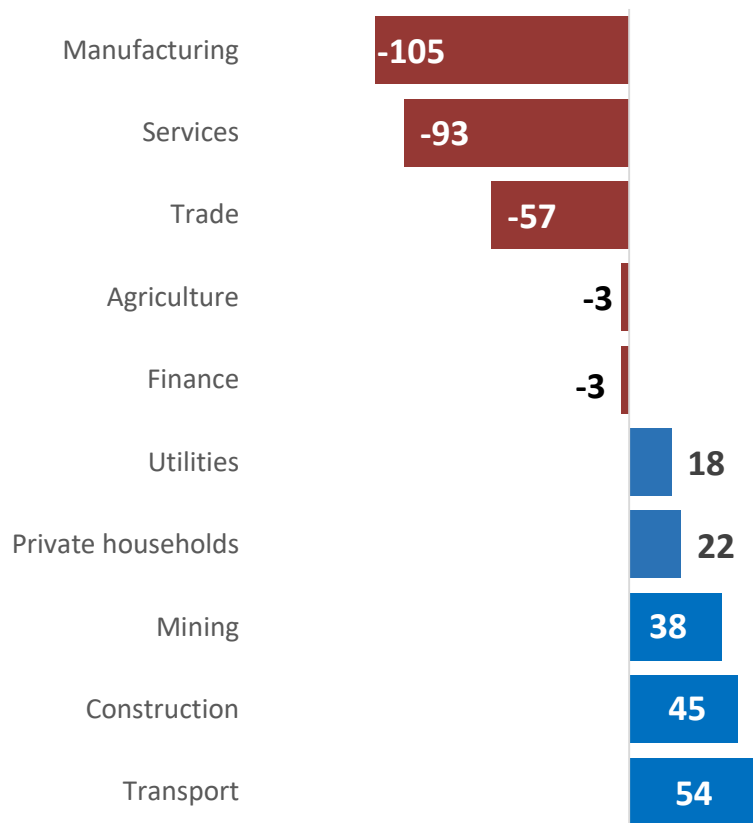
Employment and GDP share per industry



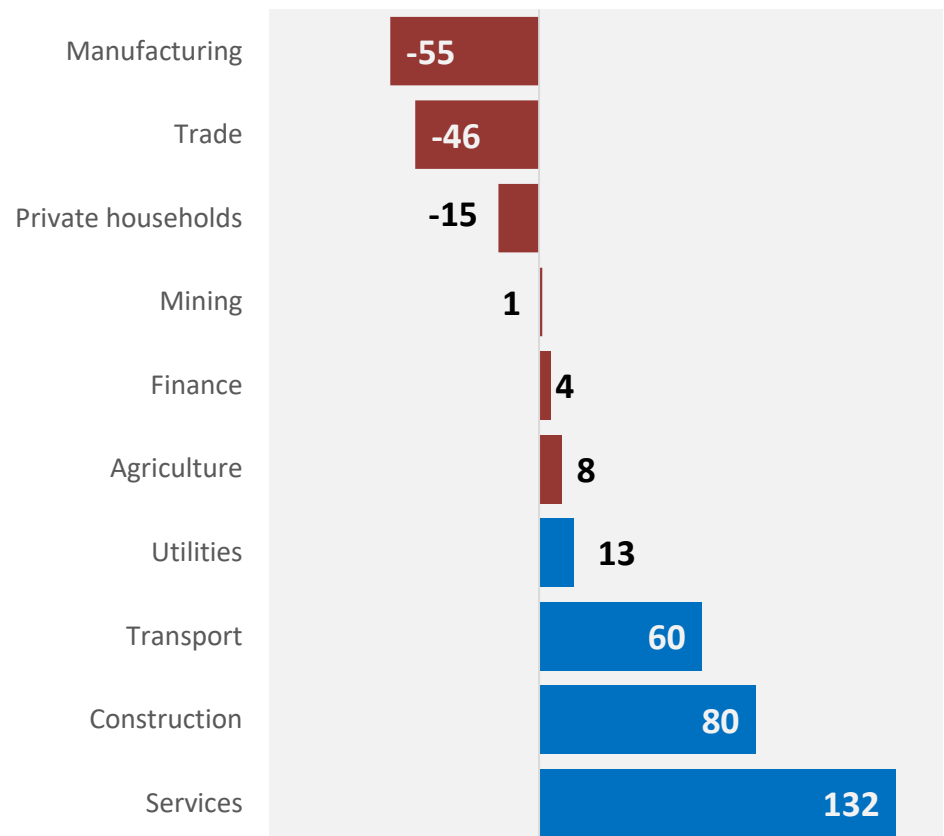
THE BIGGEST QUARTER-ON-QUARTER EMPLOYMENT LOSSES WERE RECORDED IN MANUFACTURING, SERVICES AND TRADE INDUSTRIES

Employment changes by industry

Quarter-on-quarter change ('000)

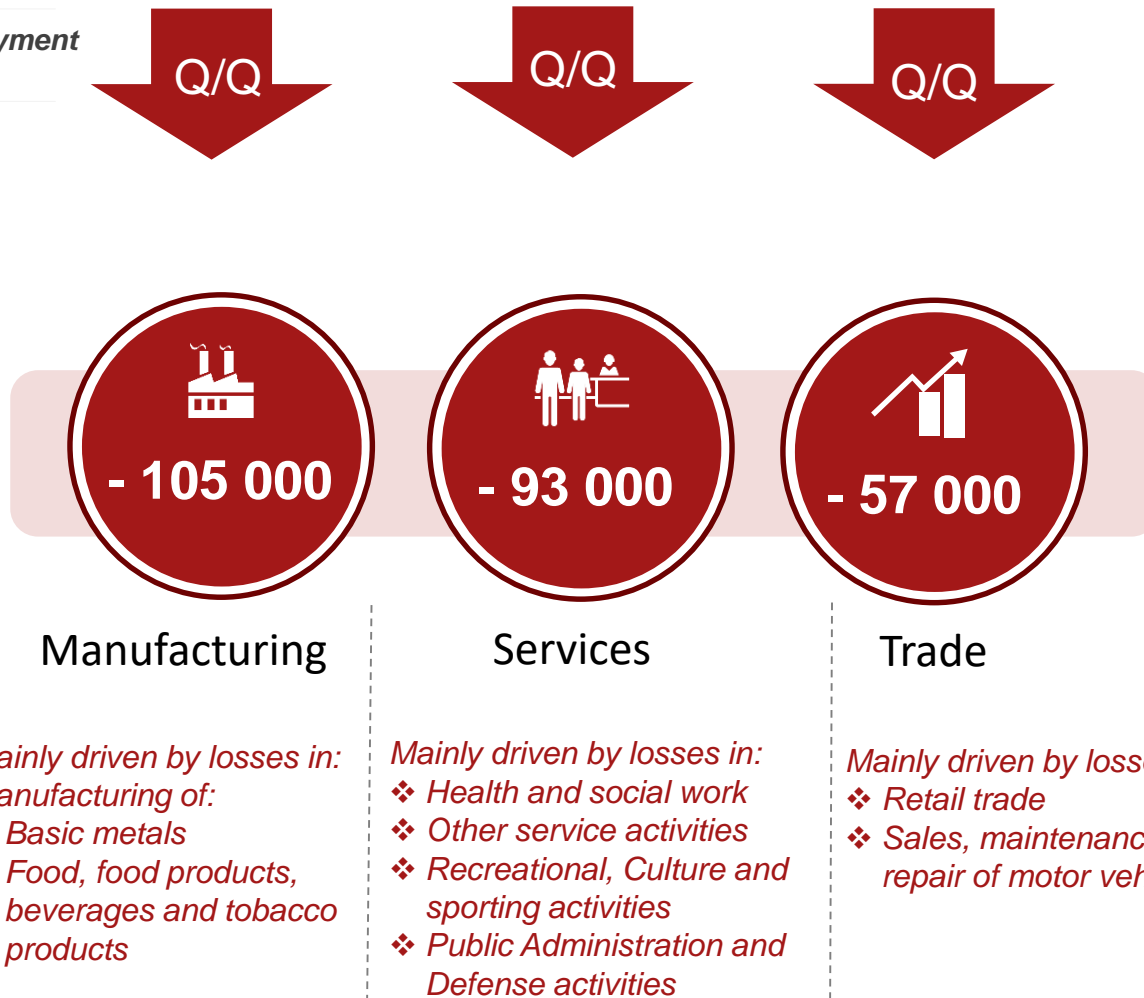


Year-on-year change ('000)



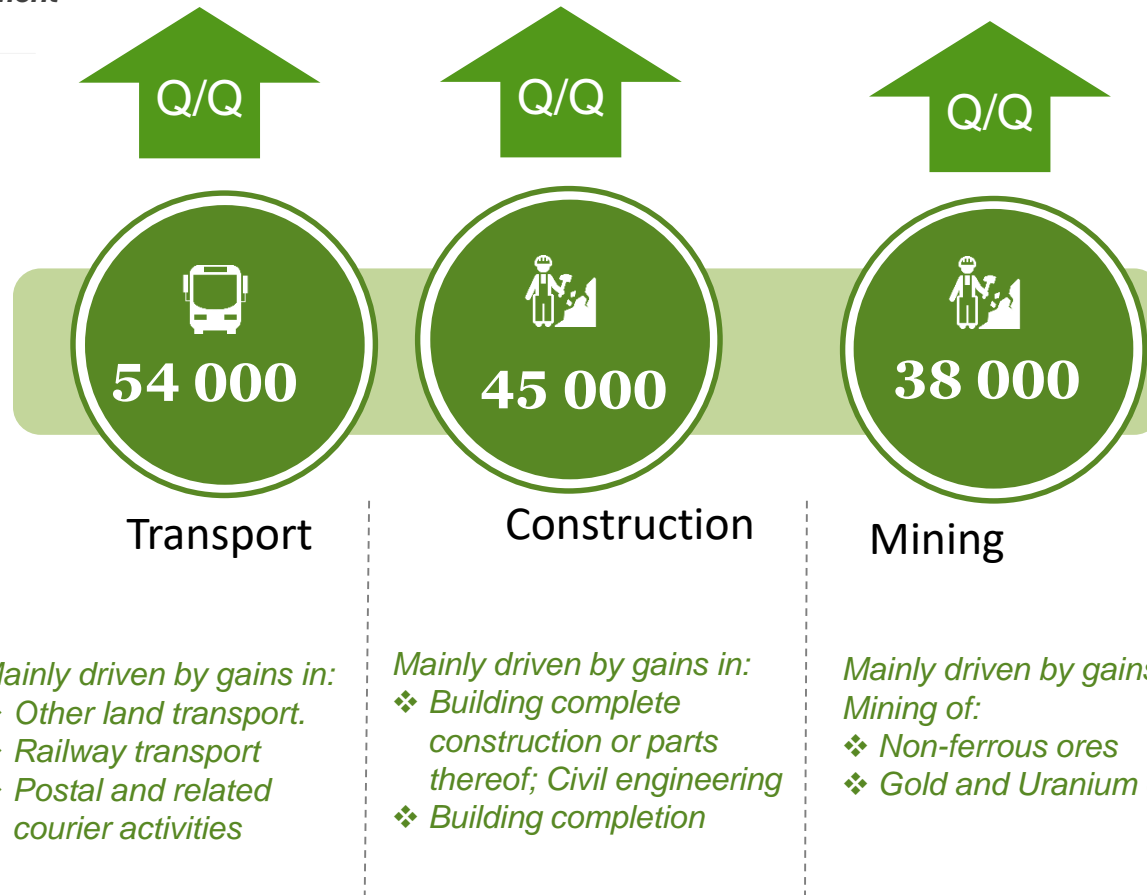
EMPLOYMENT LOSSES WERE MAINLY DRIVEN BY THE MANUFACTURING, SERVICES AND TRADE INDUSTRIES

Quarter-on-quarter employment changes: **Losses**



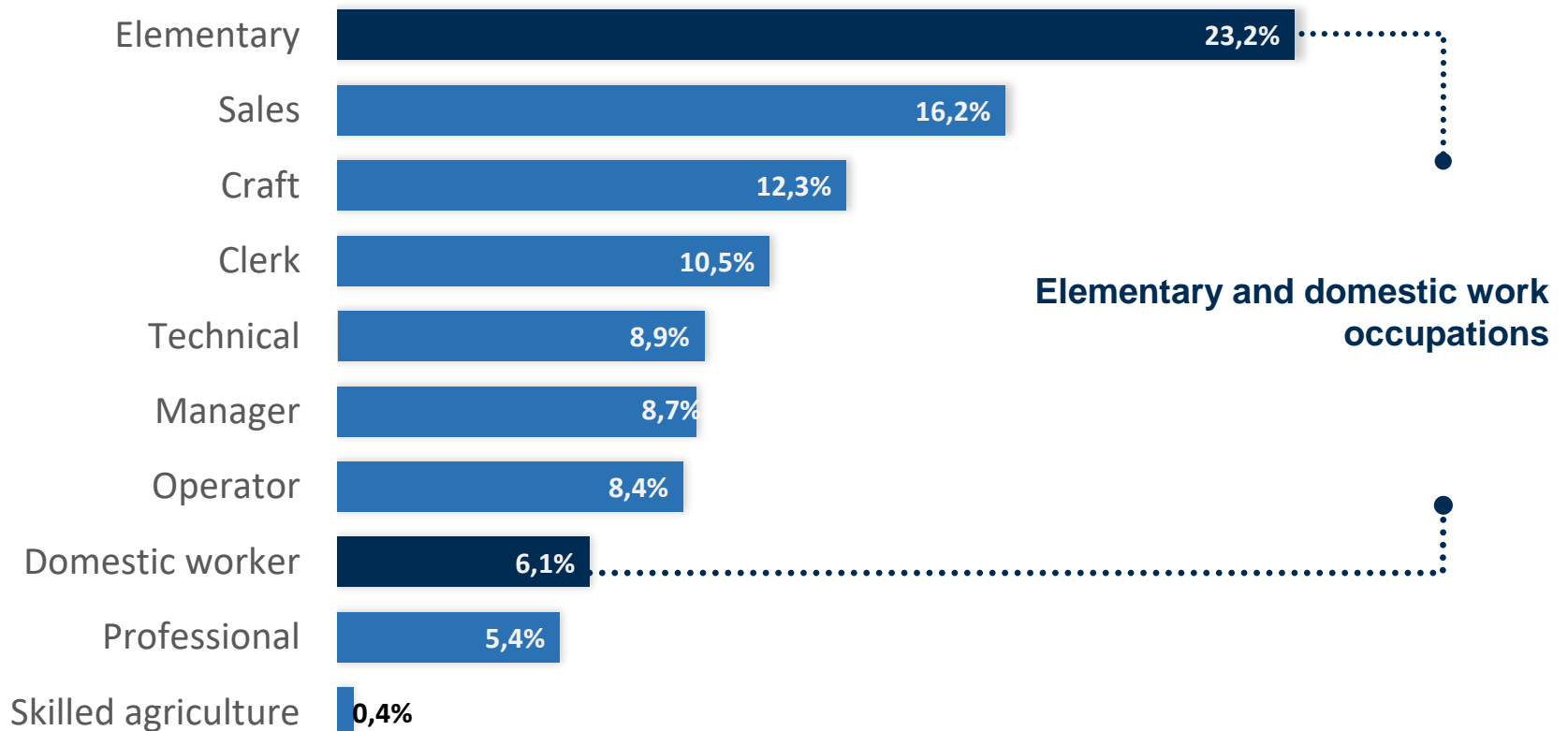
EMPLOYMENT GAINS WERE MAINLY DRIVEN BY THE TRANSPORT, CONSTRUCTION AND MINING INDUSTRIES

Quarter-on-quarter employment changes: **Gains**



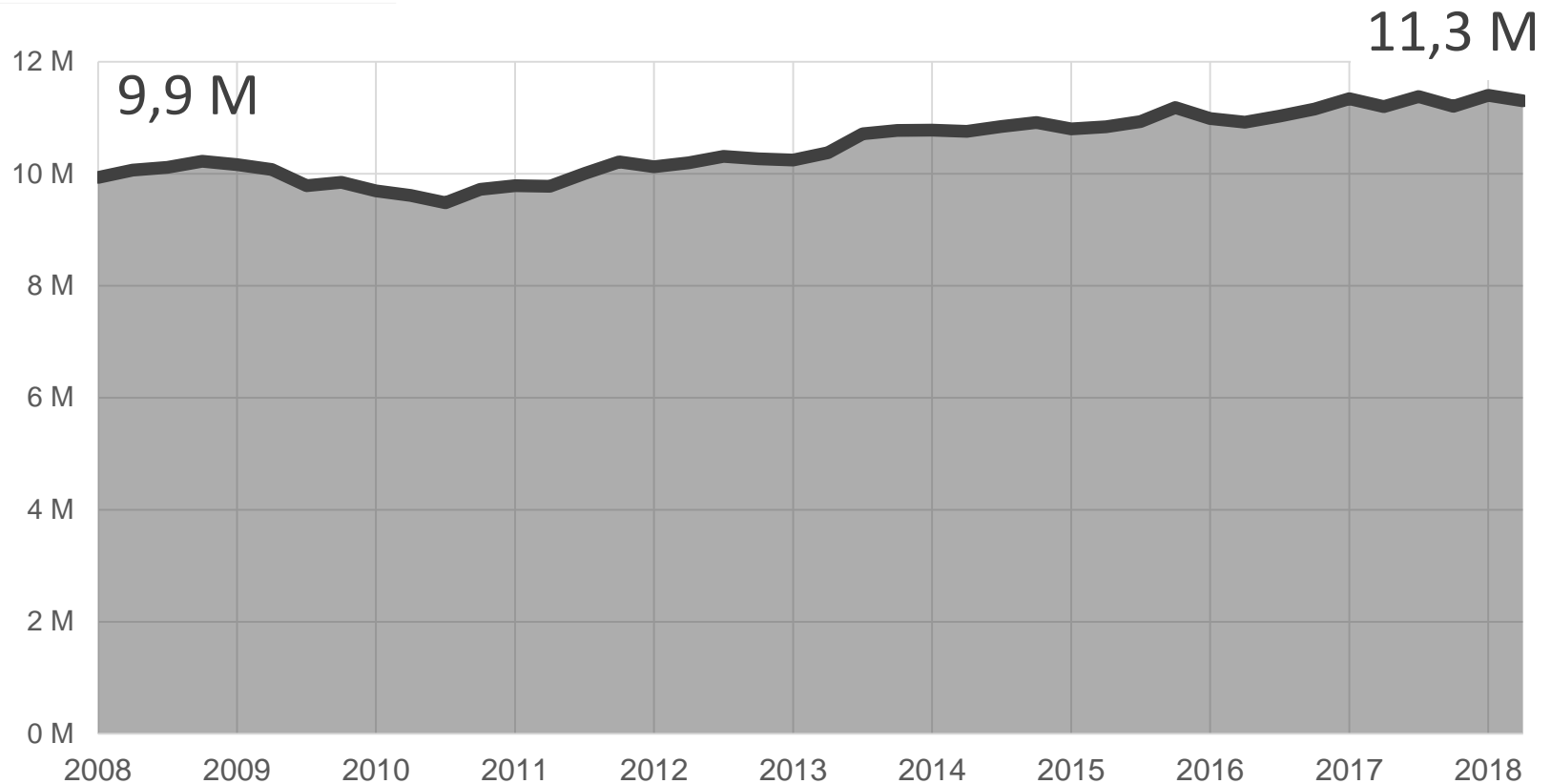
CLOSE TO A THIRD (29,3%) OF ALL PEOPLE EMPLOYED IN Q2:2018 WERE EMPLOYED IN ELEMENTARY AND DOMESTIC WORK OCCUPATIONS

Employment share by occupation, Q2:2018



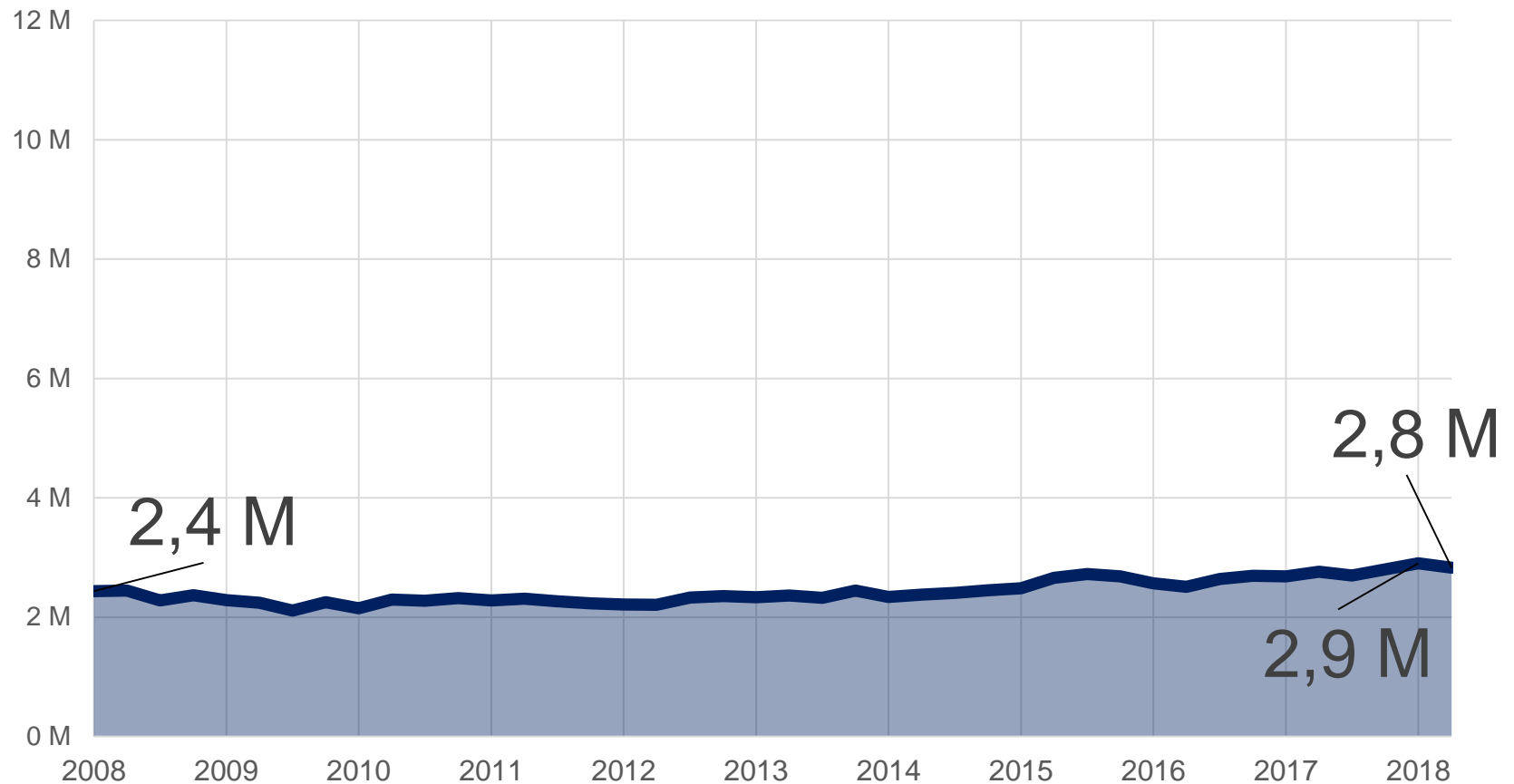
FORMAL SECTOR EMPLOYMENT HAS SHOWN AN UPWARD TREND, INCREASING FROM 9,9 MILLION IN Q1:2008 TO 11,3 MILLION IN Q2:2018

Formal sector employment



INFORMAL SECTOR EMPLOYMENT HAS INCREASED FROM 2,4 MILLION IN Q1:2008 TO 2,8 MILLION IN Q2:2018

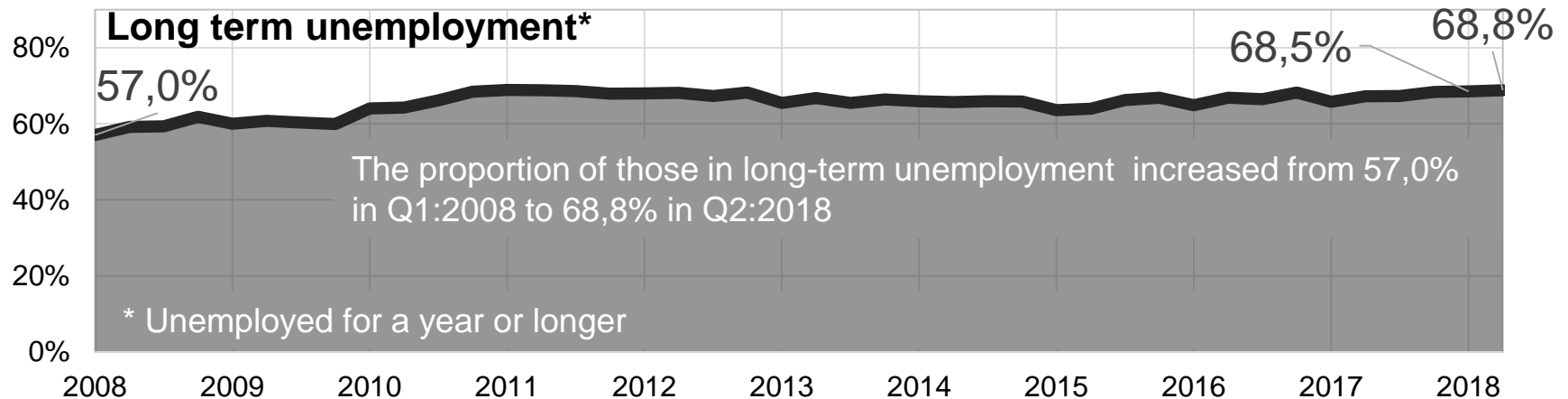
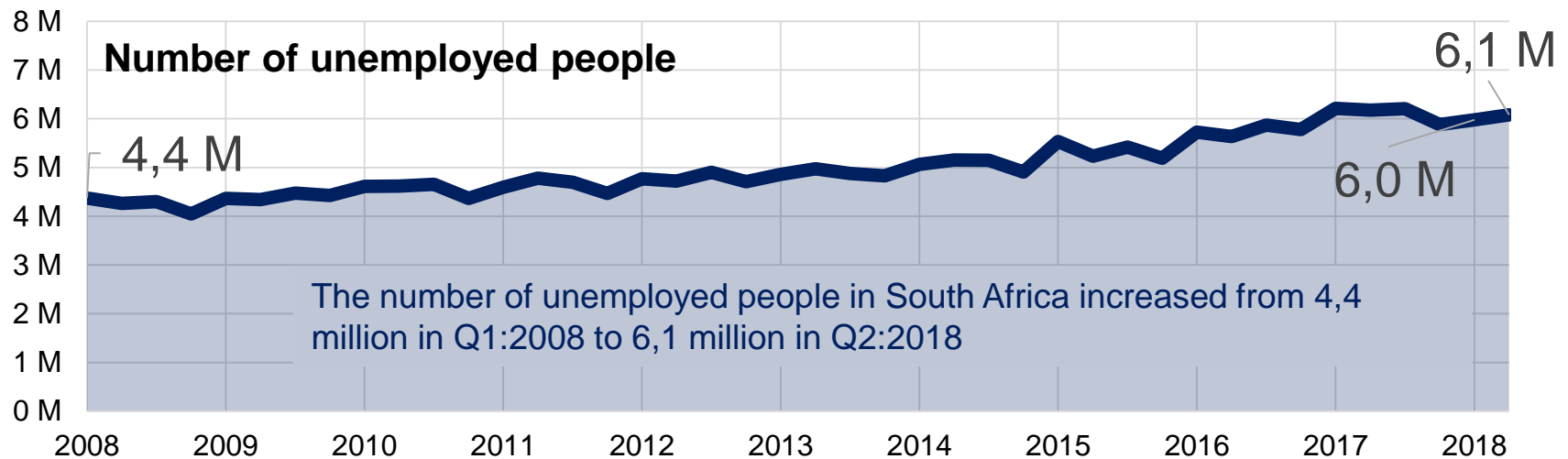
Informal sector employment

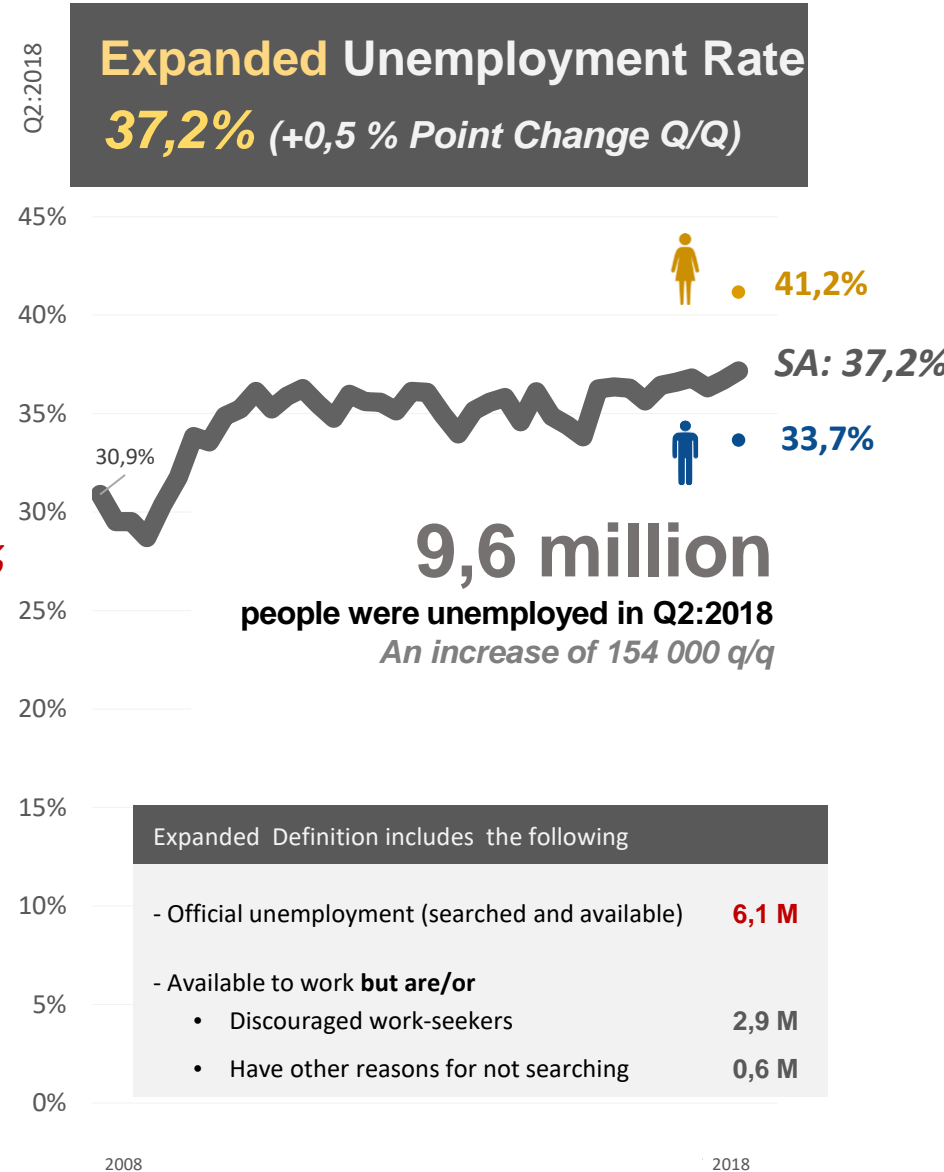
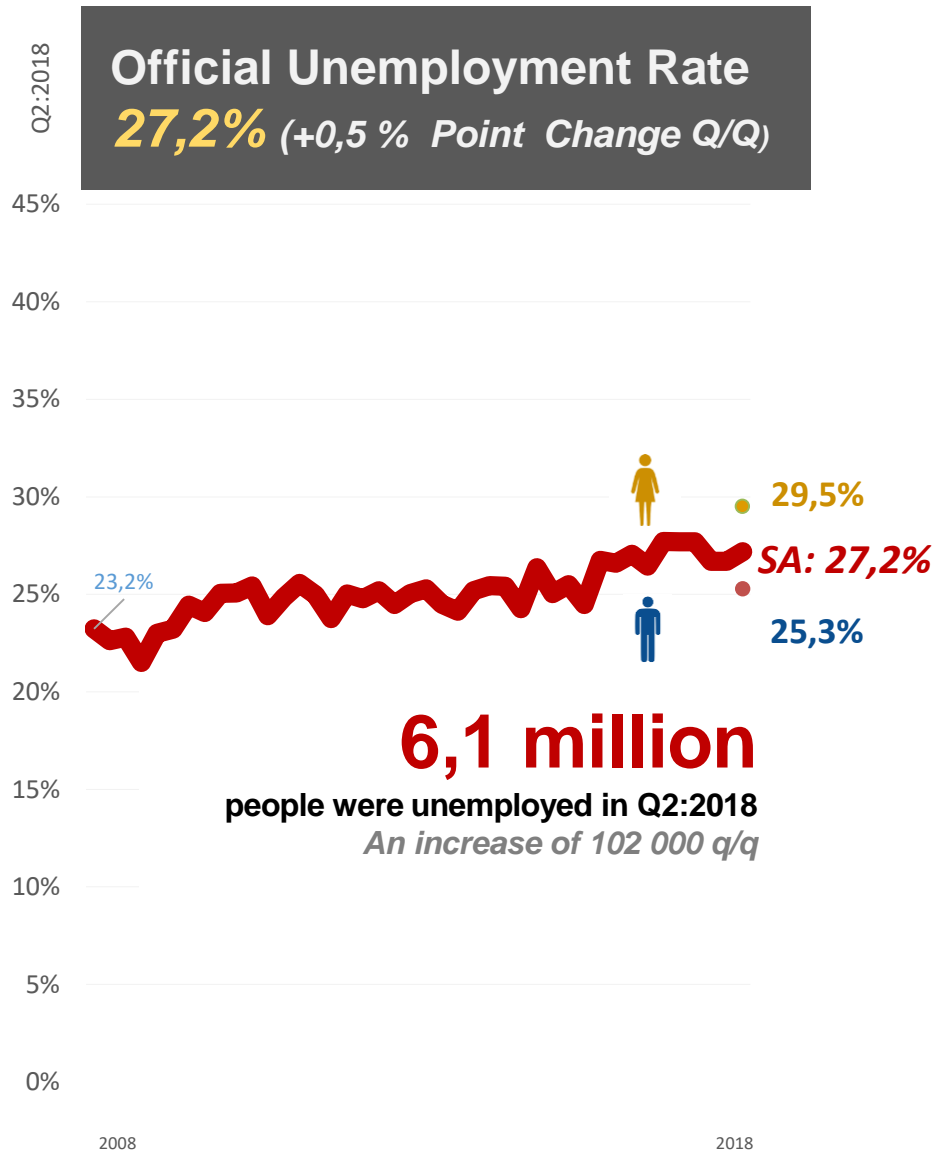


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UNEMPLOYMENT

LABOUR MARKET DASHBOARD

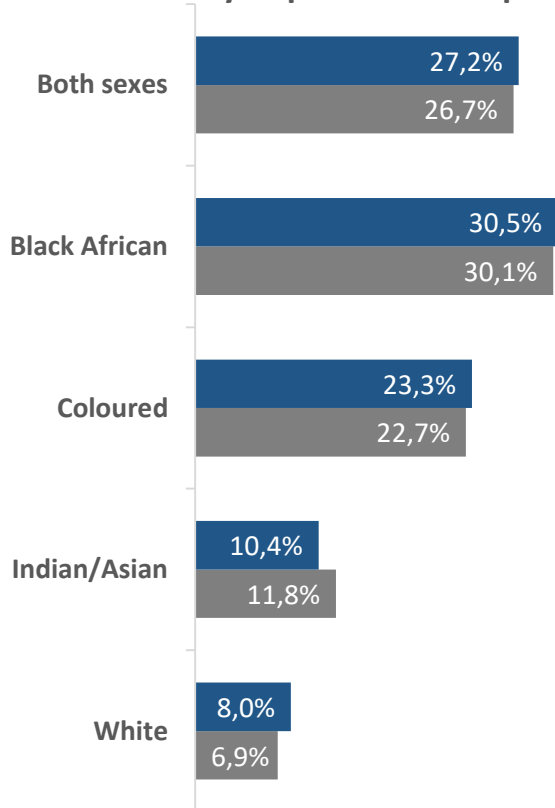




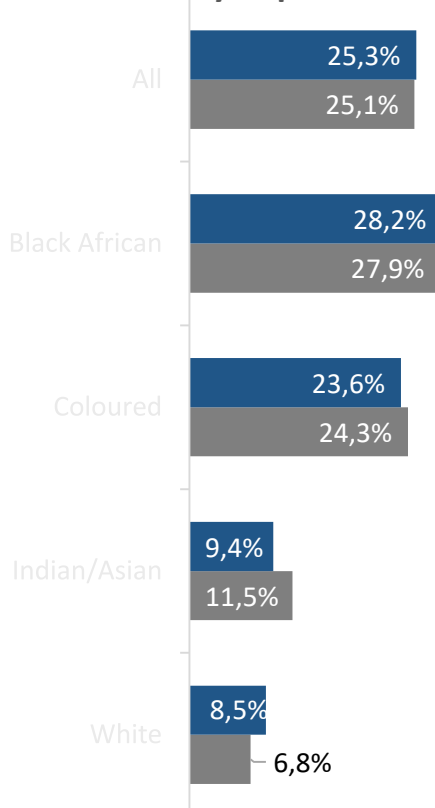
BLACK WOMEN ARE THE MOST VULNERABLE WITH AN UNEMPLOYMENT RATE OF OVER 30%.

OFFICIAL unemployment rate
by population group and sex

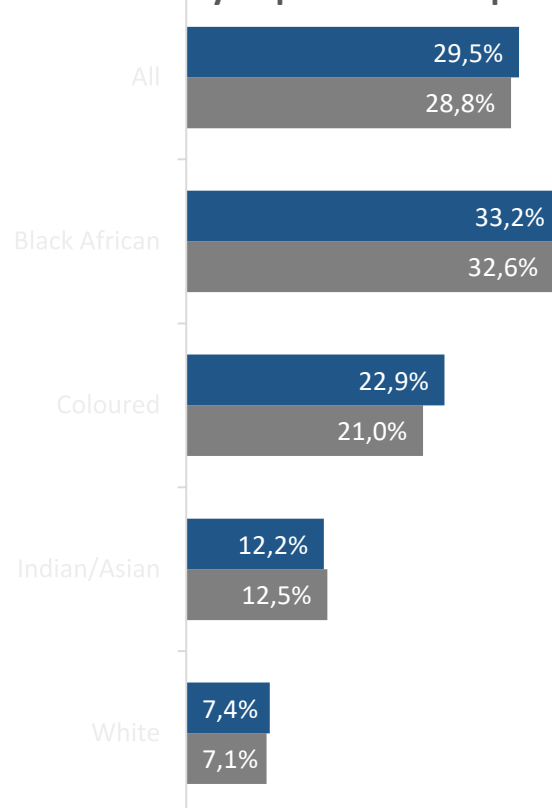
**Unemployment Rate
by Population Group**



**Male Unemployment Rate
By Population Group**



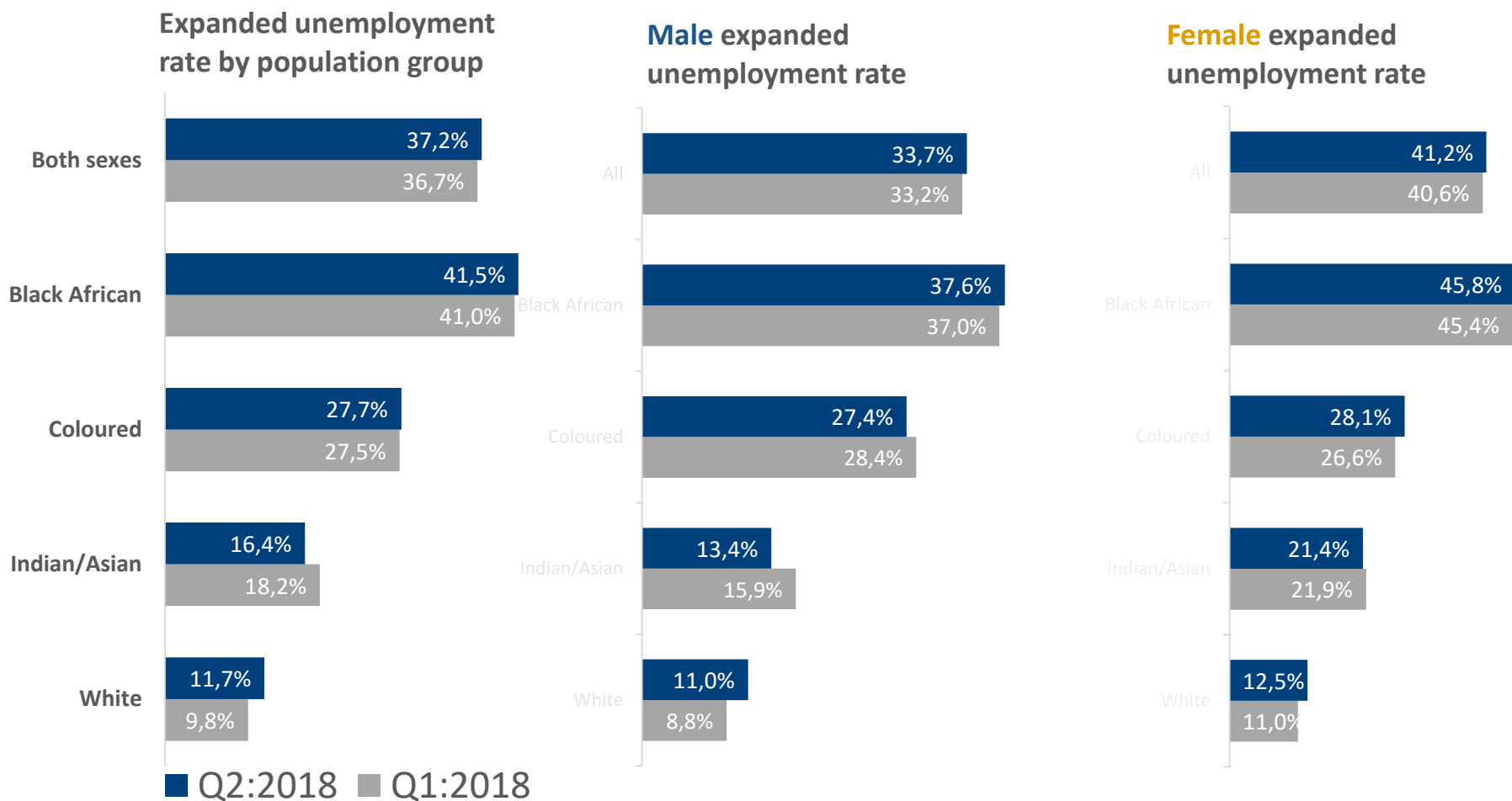
**Female Unemployment Rate
by Population Group**



■ Q2:2018 ■ Q1:2018

IRRESPECTIVE OF SEX, THE BLACK AFRICAN AND COLOURED POPULATION GROUPS REMAIN VULNERABLE IN THE LABOUR MARKET

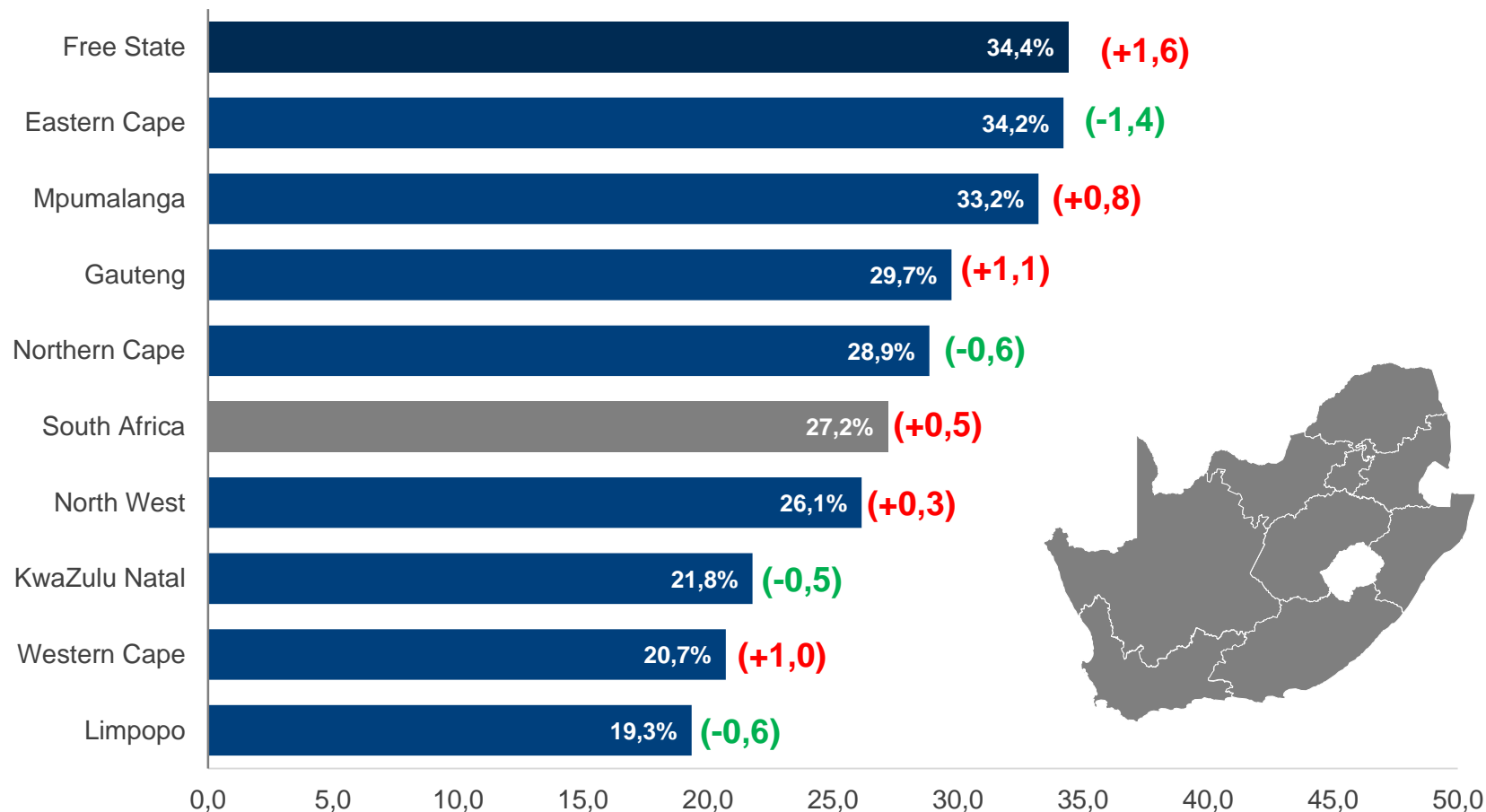
EXPANDED unemployment rate by population group and sex



FOUR OUT OF NINE PROVINCES SHOWED DECREASES IN THEIR UNEMPLOYMENT RATE BETWEEN Q1: 2018 AND Q2: 2018 (EC, NC, KZN AND LP)

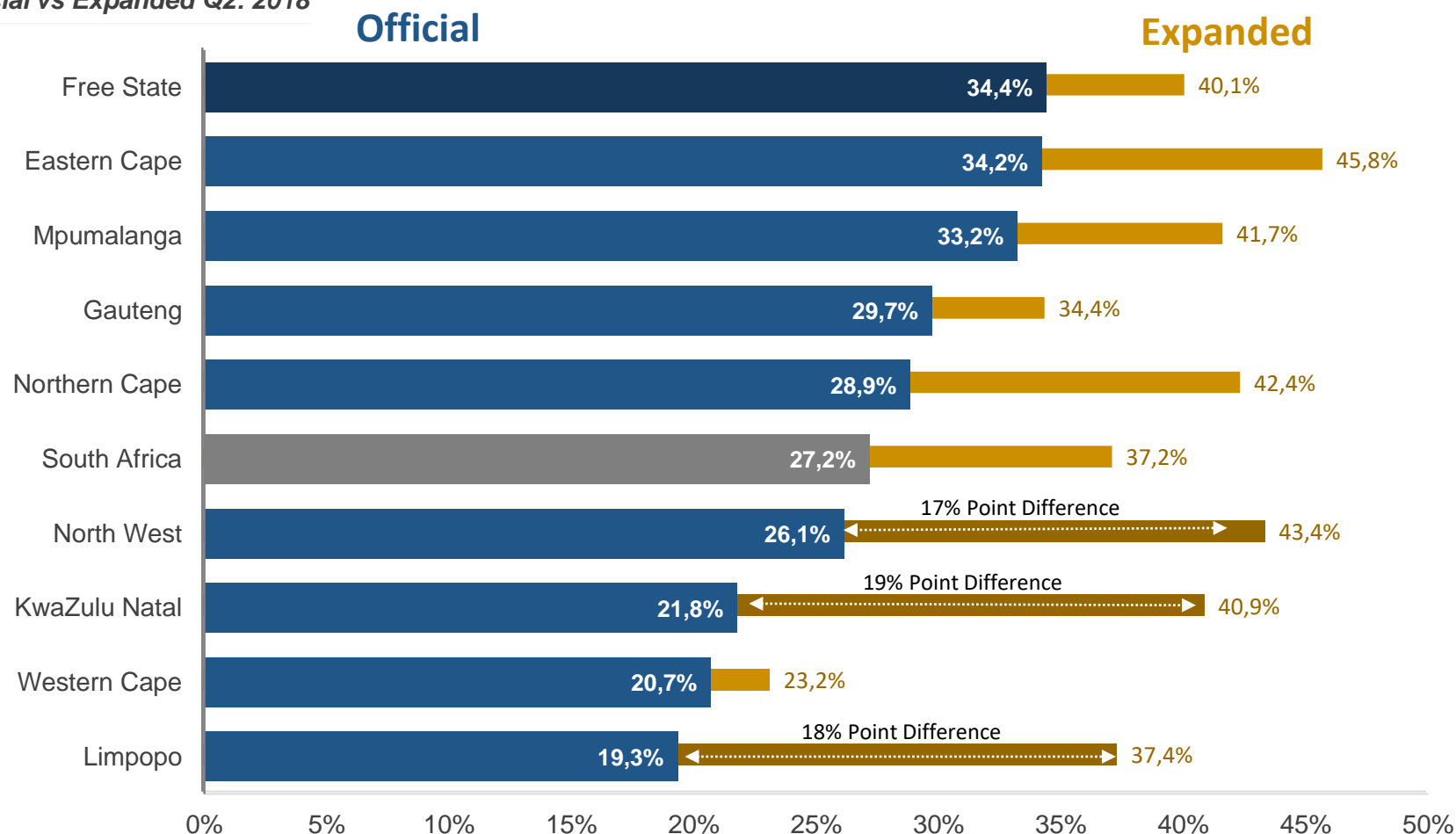
*Provincial unemployment rate:
Official Q2: 2018*

() Q/Q Change



FS HAS THE HIGHEST UNEMPLOYMENT RATE BASED ON THE OFFICIAL DEFINITION OF UNEMPLOYMENT. *EC recorded the highest expanded unemployment rate while LP, KZN and NW provinces all have more than 17% points difference between their expanded and official unemployment rate*

Provincial unemployment rate:
Official vs Expanded Q2: 2018



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UNDERSTANDING NON-ECONOMICALLY ACTIVE (NEA)

15,5 MILLION PEOPLE AGED 15 – 64 YEARS WERE NOT ECONOMICALLY ACTIVE. This is an increase of 141 000 q/q

Reasons why – Not economically active (NEA)

5 main reasons for NEA

Q1: 2018 to Q2: 2018 % Change

Q1:2018 to Q2: 2018
Change in Figures

Too old/young to work; 9,4%

Up 0,1 of a % Point

Illness/disability; 9,7%

Down 0,5 % Point

Home-maker
16,7%

Up 0,2 of a % Point

Discouraged work seekers
18,5%

Up 0,3 of a % Point

Student
40,2%

Up 0,2 of a % Point

Quarter-on-quarter changes

	Thousand
Student	82
Homemaker	54
Illness/disability	-56
Too young/too old to work	23
Discouraged work seekers	77
Other	-39

NEA
15,5 M

RECAP

Q2:2018

UNEMPLOYMENT RATE



Unemployment rate increased by 0,5 of a % point to **27,2%** while absorption rate and labour force participation rate declined by 0,4 and 0,2 of a percentage point respectively

EMPLOYMENT LOSSES



Employment losses were observed in **Manufacturing (105 000)**, Community and social service (93 000), and Trade (57 000)

EMPLOYMENT GAINS



Largest employment gains were recorded in **Transport (54 000)**, Construction (45 000) and Mining (38 000).

NOT IN EMPLOYMENT, EDUCATION AND TRAINING



Of the 10,3 million persons aged (15-24 years) **31,6% were not in employment, education or training.**

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THANK YOU