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National and provincial labour market: Youth

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National and provincial labour market outcomes among youth

The national labour market results mask variations at provincial level that can often be quite large. The nine provinces differ in population size, land mass, demographic profile, and economic structure.

The structure of these thematic reports will be in the first instance to report at national level, and then across the nine provinces. The intention is that users are able to understand how the provinces perform relative to one other and how they contribute to the national labour market picture. The results for each province will then be analysed as separate reports to provide an in-depth understanding of the impact that a particular aspect of the labour market has on provincial labour market outcomes.

Each report will focus on a different theme and the time frame of analysis will vary. Given that the QLFS series began in 2008, prior to which its predecessor, the Labour Force Survey (LFS), was conducted only in March and September each year, analysis based on the 10-year period will not be undertaken in every report.

Against this background, this report is the third in a quarterly series. It is based on QLFS labour market data using revised population benchmarks from the 2011 Population Census. The aim is to provide users with an analysis of various aspects of the South African labour market at provincial level, based on current labour market information. The report examines in detail various aspects of the situation faced by youth aged 15–34 years in the South African labour market, based on the first quarter results of the QLFS each year over the period 2008 to 2014.

The results suggest that in common with countries across the globe, compared with adults, youth face particular challenges in gaining employment in the South African labour market. Over the period 2008–2014, their level of education attainment improved; but their labour market prospects deteriorated. This in part reflects structural weaknesses in the labour market due to a mismatch between skills and available jobs. In this regard, it is widely recognised that rapid technological change and the demands of modern manufacturing require skills that are often in short supply. Young women (15–34 years) are in a particularly precarious situation, with unemployment rates more than 10 percentage points higher than that of young men (15–34 years). This situation remained the same each year over the period 2008–2014, and while some young people have opted to continue with their education hoping to improve their future job prospects, others have become increasingly discouraged. Young people aged 15–34 years are not a homogenous group, and their labour market situation often varies enormously when 5-year age categories are analysed. The youngest age categories tend to be more disadvantaged – especially younger women. Fewer have access to benefits such as medical aid and larger proportions are on contracts of a limited duration. And to the extent that networks are important in finding employment, youth living in households in which no one is employed are clearly at a more serious disadvantage in the labour market.



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Key labour market concepts

The **working-age population** comprises everyone aged 15–64 years who fall into each of the three labour market components (employed, unemployed, not economically active).

Employed persons are those who were engaged in market production activities in the week prior to the survey interview (even if only for one hour) as well as those who were temporarily absent from their activities. Market production employment refers to those who:

- a) Worked for a wage, salary, commission, or payment in kind.
- b) Ran any kind of business, big or small, on their own, or with one or more partners.
- c) Helped without being paid in a business run by another household member.

In order to be considered **unemployed based on the official definition**, three criteria must be met simultaneously: a person must be completely without work, currently available to work, and taking active steps to find work. The **expanded definition** excludes the requirement to have taken steps to find work.

The **labour force** comprises people that are employed plus those who are unemployed.

A person who reaches working age may not necessarily enter the labour force. He/she may remain outside the labour force and would then be regarded as inactive (**not economically active**). This inactivity can be voluntary – if the person prefers to stay at home or to begin or continue education – or involuntary, where the person would prefer to work but is **discouraged** and has given up hope of finding work.

Not economically active persons are those who did not work in the reference week because they either did not look for work or start a business in the four weeks preceding the survey, or they were not available to start work or a business in the reference week. The not economically active is composed of two groups: discouraged work-seekers and other (not economically active, as described above).

Discouraged work-seekers are persons who wanted to work but did not try to find work or start a business because they believed that there were no jobs available in their area, or were unable to find jobs requiring their skills, or they had lost hope of finding any kind of work.

The **unemployment rate** measures the proportion of the labour force that is trying to find work.

The **labour force participation rate** is a measure of the proportion of a country's working-age population that engages actively in the labour market, either by working or looking for work; it provides an indication of the relative size of the supply of labour available to engage in the production of goods and services (ILO, KILM 2013).

The **absorption rate** (employment-to-population ratio) measures the proportion of the working-age population that is employed.

Graduates/Tertiary education (individuals who have qualifications categorised as 'higher' education) are persons who have obtained an undergraduate or post-graduate degree or have completed secondary school and in addition obtained a certificate or diploma of at least six months' full-time duration.

Youth: In line with the national definition, youth are regarded as persons aged 15–34 years and **adults** are aged 35–64 years.

Skilled occupations are Managers; Professionals and Technicians grouped. **Semi-skilled occupations** are Clerks; Sales; Skilled agriculture; Craft and Machine operators grouped. **Low-skilled occupations** are Elementary and Domestic work.

Primary industries are Agriculture and Mining. **Secondary industries** are Manufacturing; Utilities and Construction. **Tertiary industries** are Trade; Transport; Finance; Community and social services; Private households.

Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the **Mining** industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Introduction

The vulnerability of youth in the labour market poses a major challenge for policymakers across the globe. "As observed around the world, youth unemployment and underemployment is prevalent not only because of demand-side deficiencies (inadequate job opportunities), but also because they lack skills, work experience, job search abilities and financial resources to find employment" (ILO, 2006).

Characteristics of the working-age population

The working-age population comprises three groups: persons who are employed; those who are unemployed, and the remainder who are not economically active. Table 1 shows that the steady increase in the working-age population over the period 2008–2014 from 31,5 million to 35,2 million reflects increases in each age group. Table 1 also shows that people in each of the four youngest age groups accounted for 4,0–5,2 million every year over the period 2008–2014.

Table 1: South African working age population by age group, 2008–2014

Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15-19 yrs	4 989	5 047	5 095	5 130	5 156	5 167	5 164
20-24 yrs	4 704	4 752	4 806	4 871	4 940	5 009	5 075
25-29 yrs	4 441	4 515	4 580	4 635	4 688	4 744	4 806
30-34 yrs	4 075	4 091	4 127	4 188	4 269	4 363	4 460
35-39 yrs	3 431	3 590	3 720	3 812	3 868	3 902	3 937
40-44 yrs	2 740	2 780	2 850	2 957	3 098	3 260	3 420
45-49 yrs	2 435	2 479	2 516	2 547	2 573	2 601	2 646
50-54 yrs	1 978	2 049	2 116	2 180	2 238	2 291	2 338
55-59 yrs	1 561	1 601	1 646	1 697	1 758	1 825	1 896
60-64 yrs	1 189	1 233	1 276	1 318	1 357	1 395	1 435
Total	31 544	32 135	32 732	33 335	33 945	34 558	35 177

Figure 1: Trend in the working age population among youth and adults, 2008–2014

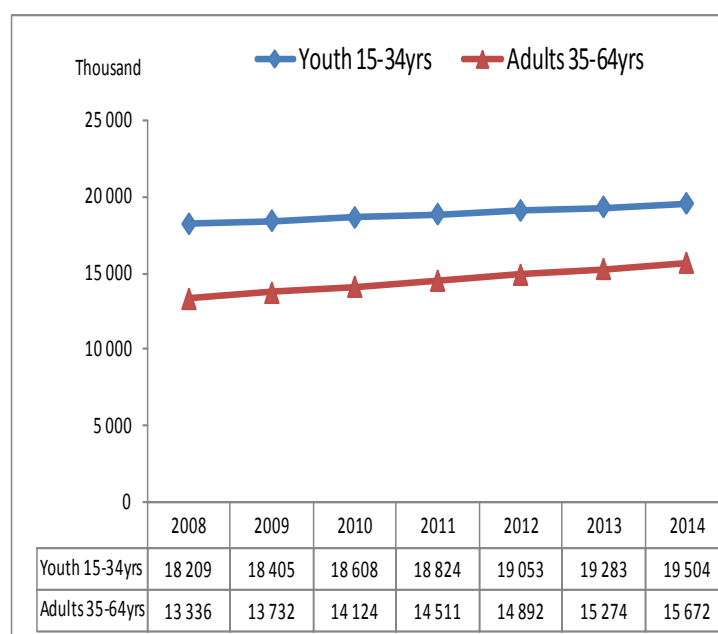
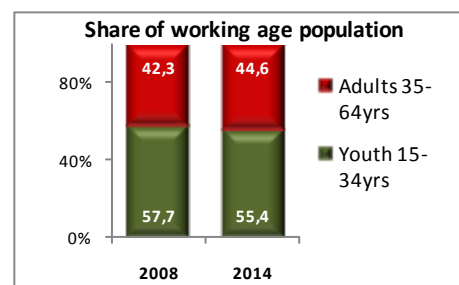


Table 2: Annual change in the working age population among youth and adults

	Youth	Adults	Total
	Thousand		
2009	196	395	591
2010	203	392	595
2011	216	387	603
2012	229	381	610
2013	230	383	613
2014	222	397	619



Over the period 2008–2014, youth (15–34 years) accounted for a larger share of the working-age population compared with adults (35–64 years), but the annual change in the working-age population among adults (380 000–400 000 each year) was higher than among youth, who had annual increases ranging between 200 000–230 000. As a result, as shown in Figure 1, the adult working-age population increased at a faster pace than the youth working-age population, and their share increased from 42,3% in 2008 to 44,6% in 2014.

Table 3: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
Youth 15-34 years (Thousand)							
Population 15-34 yrs	18 209	18 404	18 608	18 824	19 053	19 283	19 504
Labour force	9 596	9 489	9 005	8 923	9 146	9 171	9 390
Employed	6 460	6 296	5 789	5 704	5 874	5 850	6 000
Unemployed	3 136	3 194	3 215	3 220	3 273	3 321	3 390
Not economically active	8 612	8 915	9 603	9 901	9 907	10 112	10 114
Rates (%)							
Unemployment rate	32,7	33,7	35,7	36,1	35,8	36,2	36,1
Employed/population ratio (Absorption)	35,5	34,2	31,1	30,3	30,8	30,3	30,8
Labour force participation rate	52,7	51,6	48,4	47,4	48,0	47,6	48,1
Adults 35-64 years (Thousand)							
Population 35-64 yrs	13 336	13 731	14 125	14 511	14 892	15 275	15 672
Labour force	9 212	9 493	9 405	9 577	9 907	10 249	10 732
Employed	7 977	8 320	8 008	8 200	8 410	8 708	9 054
Unemployed	1 235	1 173	1 397	1 378	1 496	1 541	1 677
Not economically active	4 124	4 238	4 720	4 933	4 985	5 026	4 941
Rates (%)							
Unemployment rate	13,4	12,4	14,9	14,4	15,1	15,0	15,6
Employed/population ratio (Absorption)	59,8	60,6	56,7	56,5	56,5	57,0	57,8
Labour force participation rate	69,1	69,1	66,6	66,0	66,5	67,1	68,5

Figure 2: Share of youth 15-34 yrs in the working age population

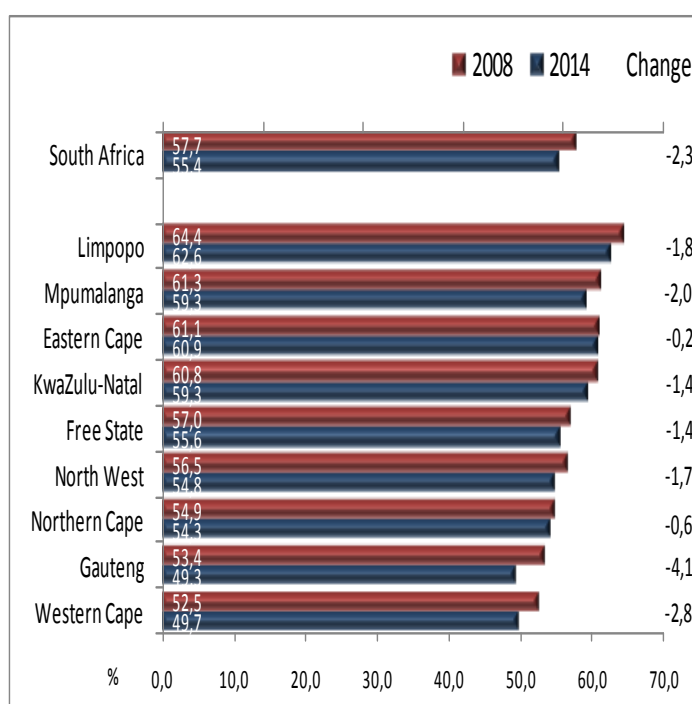


Figure 3: Share of youth 15-34 yrs in employment

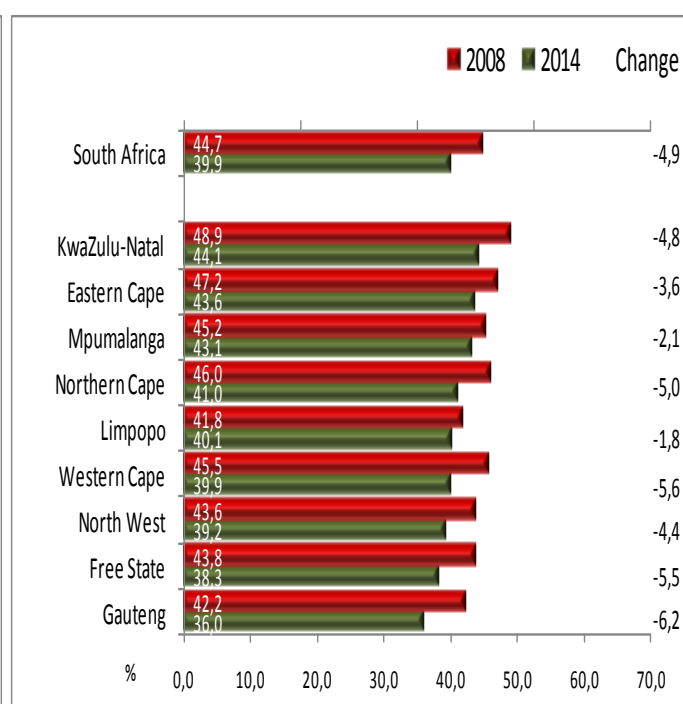


Figure 2 and Figure 3 show the vulnerability of youth in the South African labour market. Nationally, youth accounted for one in every two of the working-age population in both 2008 and 2014; however, their share of employment was substantially lower at 40,0%–45,0%. The youngest working-age populations are found in Limpopo, Mpumalanga, Eastern Cape and KwaZulu-Natal, where in 2014 as many as 59,0%–63,0% were aged 15–34 years. Over the period 2008–2014, in every province, there was a decline in the share of youth in the working-age population as well as in employment. The employment share of youth declined by the largest amount in Gauteng (down 6,2 percentage points) and Western Cape (down 5,6 percentage points).

Figure 4: Unemployment rate of youth and adults, 2008–2014

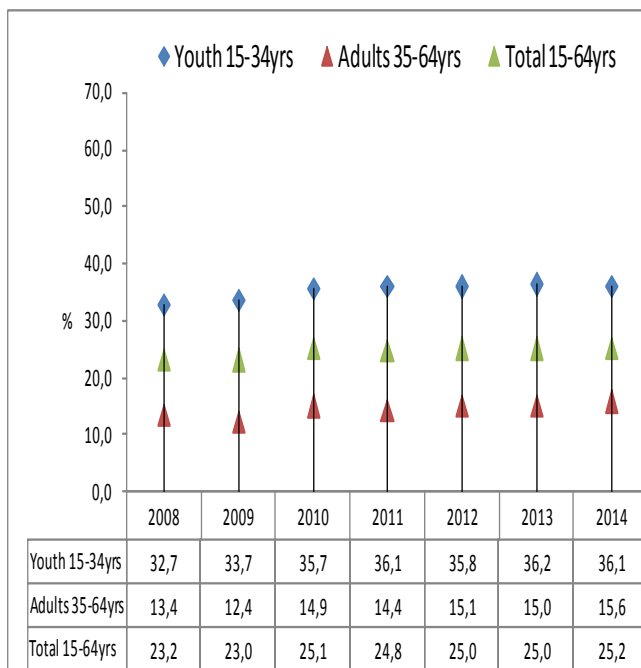
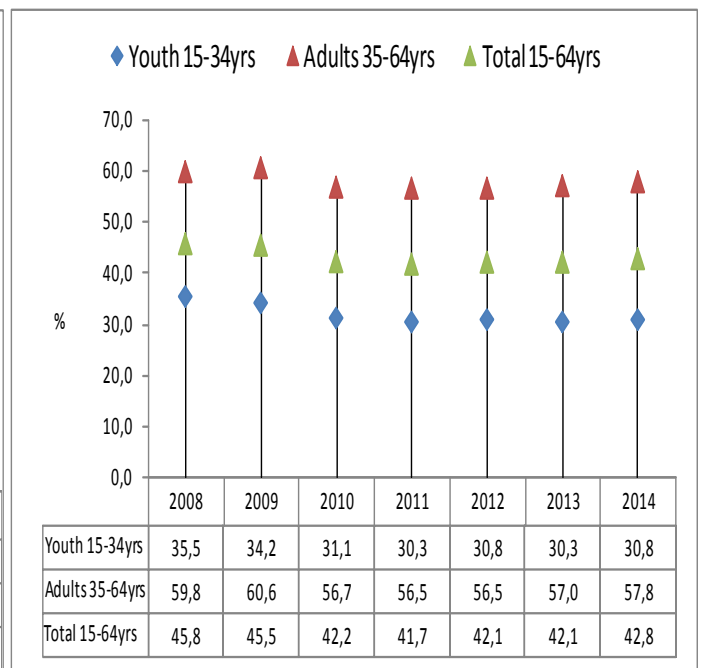
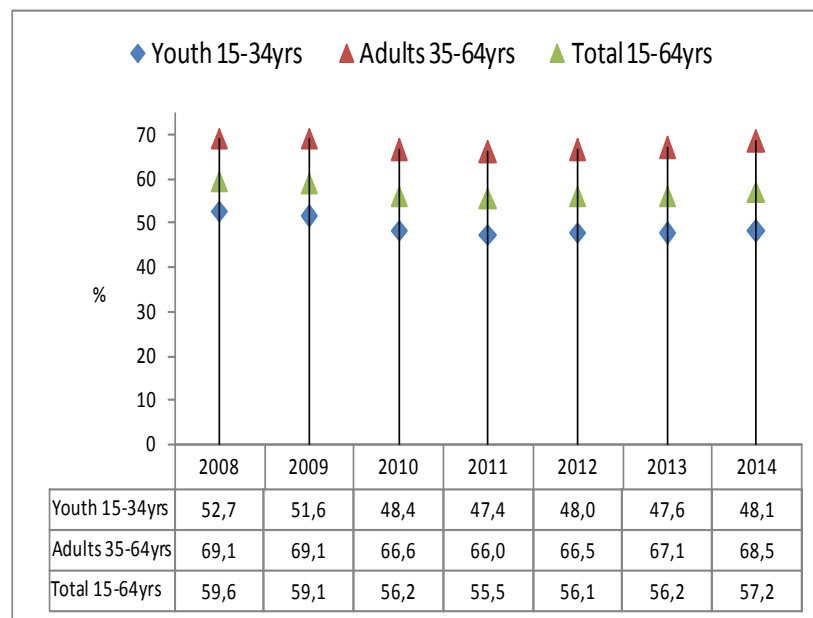


Figure 5: Absorption rate of youth and adults, 2008–2014



As discussed earlier (Table 1 and Figure 3) youth unemployment rates are substantially higher than that of adults. Over the period 2008 to 2014, the unemployment rate was on an upward trend among both youth and adults. The scarcity of job opportunities for youth in the labour market is further reflected in absorption rates that are more than 20,0 percentage points lower than that of adults each year over the period 2008–2014.

Figure 6: Labour force participation rate of youth and adults, 2008–2014



Low labour force participation rates among youth ranging from 52,7% in 2008 to a low of 47,4% in 2011, reflect the situation where some young people prefer to remain in education in the hope of improving their prospects of gaining employment at a future date. Low participation rates also reflect increasing discouragement among young people who leave the labour force altogether.

Figure 7: Unemployment rate among youth 15–34 years, 2008 and 2014

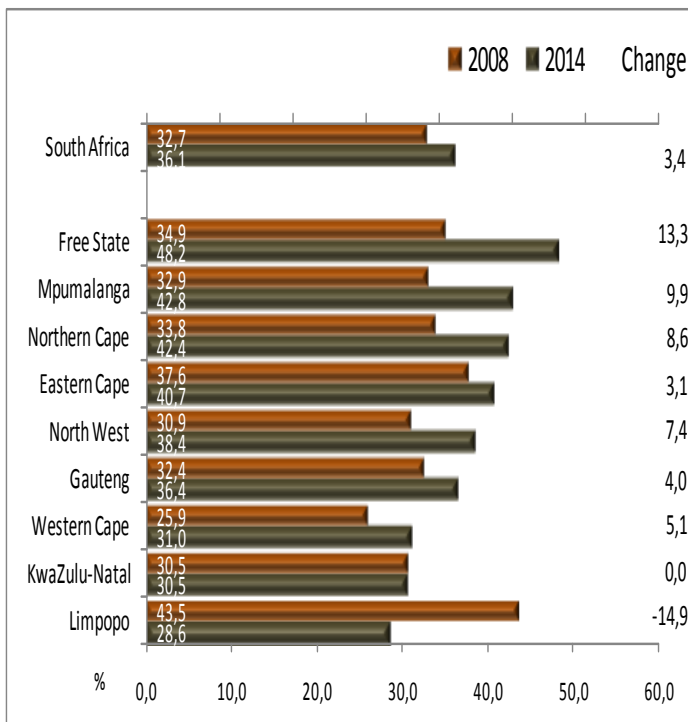
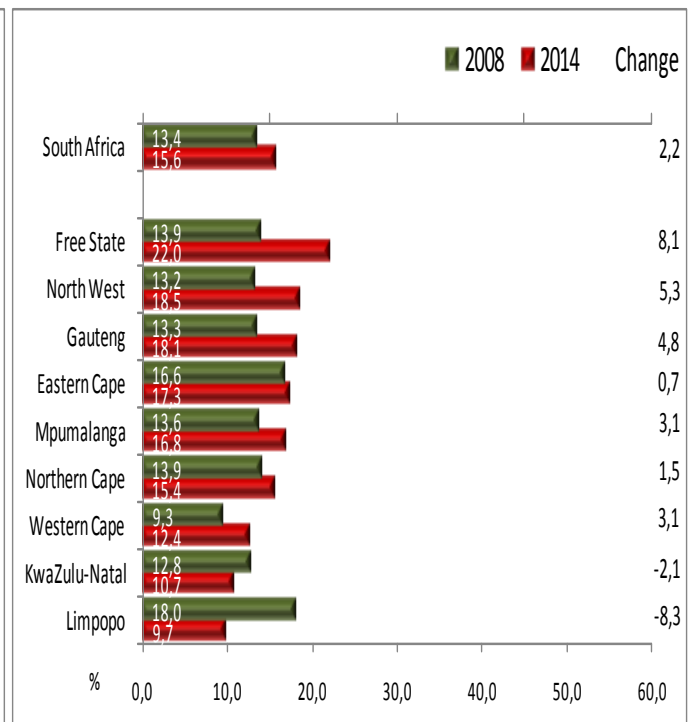


Figure 8: Unemployment rate among adults 35–64 years, 2008 and 2014



In every province, the unemployment rate among youth is more than double that of adults. Over the period 2008–2014, except in Limpopo and KwaZulu-Natal, the unemployment rate among both youth and adults increased. The largest increase over the period occurred in Free State (by 13,3 percentage points among youth and by 8,1 percentage points among adults). In contrast, Limpopo was the only province where the rate declined among youth (by 14,9 percentage points). In that province, the rate also declined by 8,3 percentage points among adults.

Figure 9: Male unemployment rate of youth and adults, 2008–2014

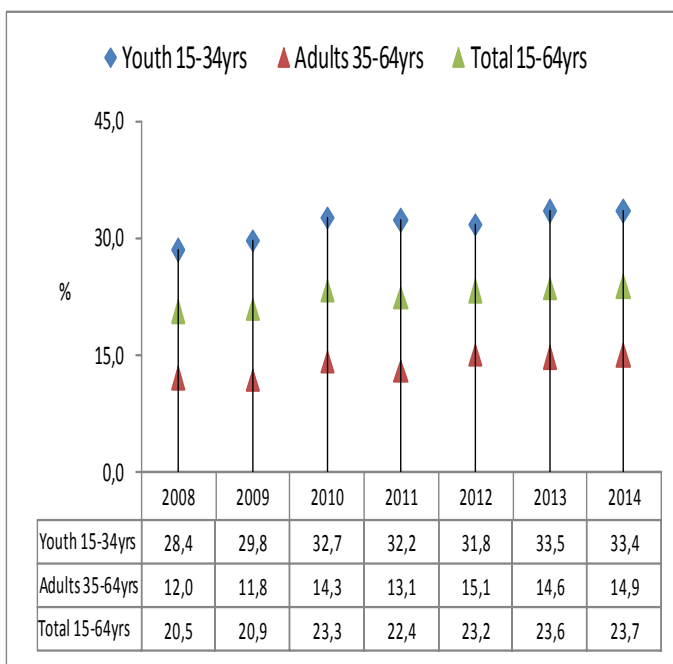


Figure 10: Female unemployment rate of youth and adults, 2008–2014

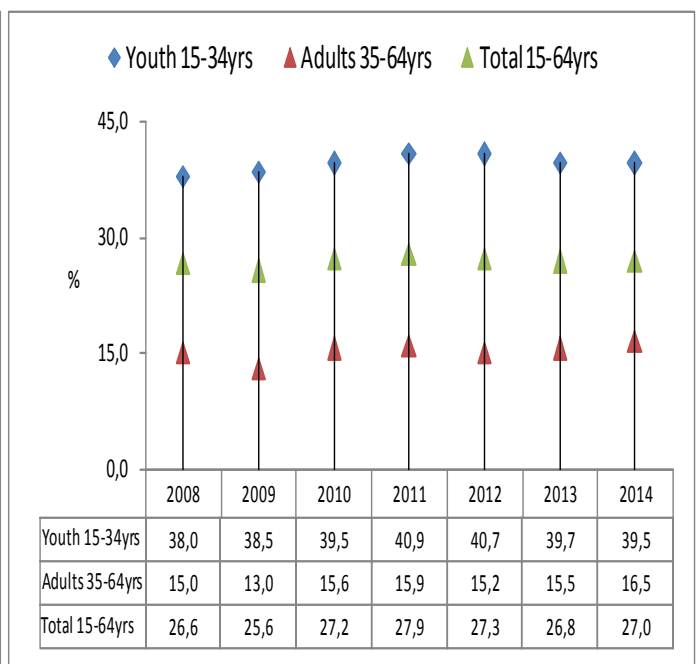


Figure 9 and Figure 10 show that irrespective of age, female unemployment rates are higher than those of males by a large margin. Young women also face a more difficult situation in the labour market compared with young men. The gender gap in the unemployment rate among youth has narrowed from 9,6 percentage points in 2008 to 6,1

percentage points in 2014. Despite this improvement, young women remain one of the most vulnerable groups in the labour market.

Figure 11: Male unemployment rate among youth 15–34 years, 2008 and 2014

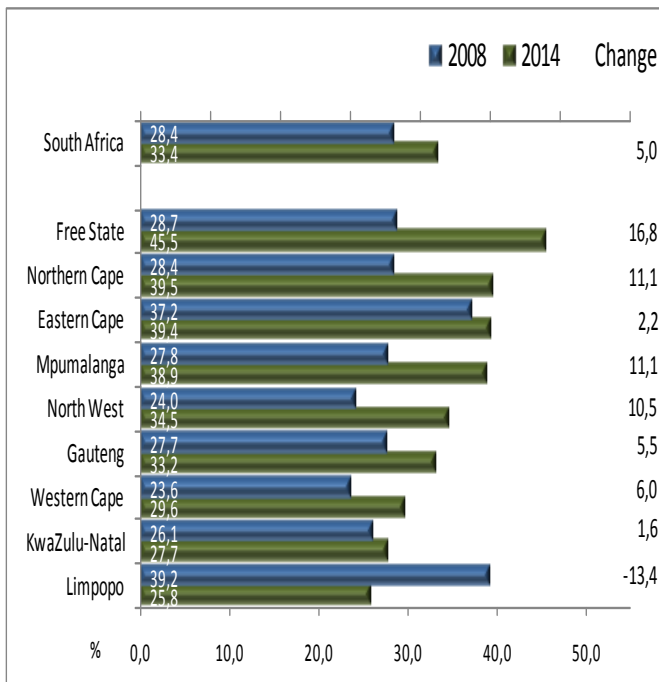


Figure 12: Male unemployment rate among adults 35–64 years, 2008 and 2014

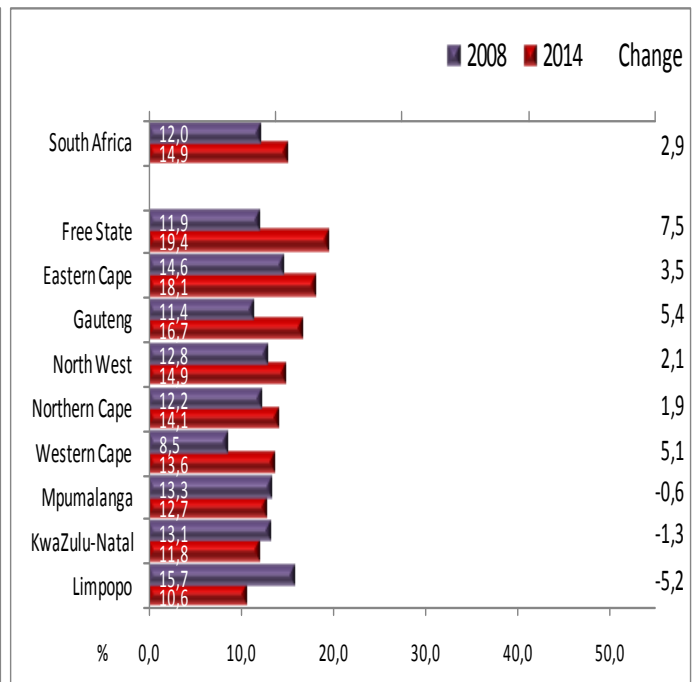


Figure 13: Female unemployment rate among youth 15–34 years, 2008 and 2014

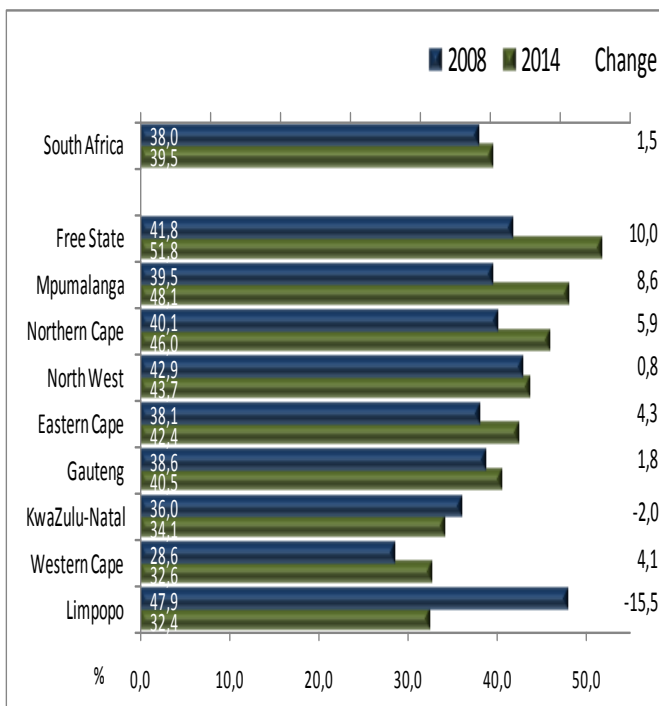
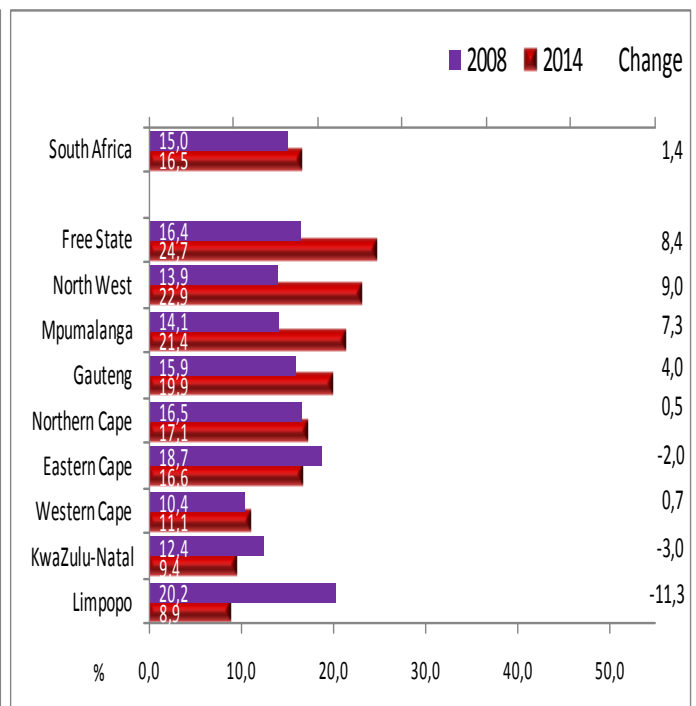


Figure 14: Female unemployment rate among adults 35–64 years, 2008 and 2014

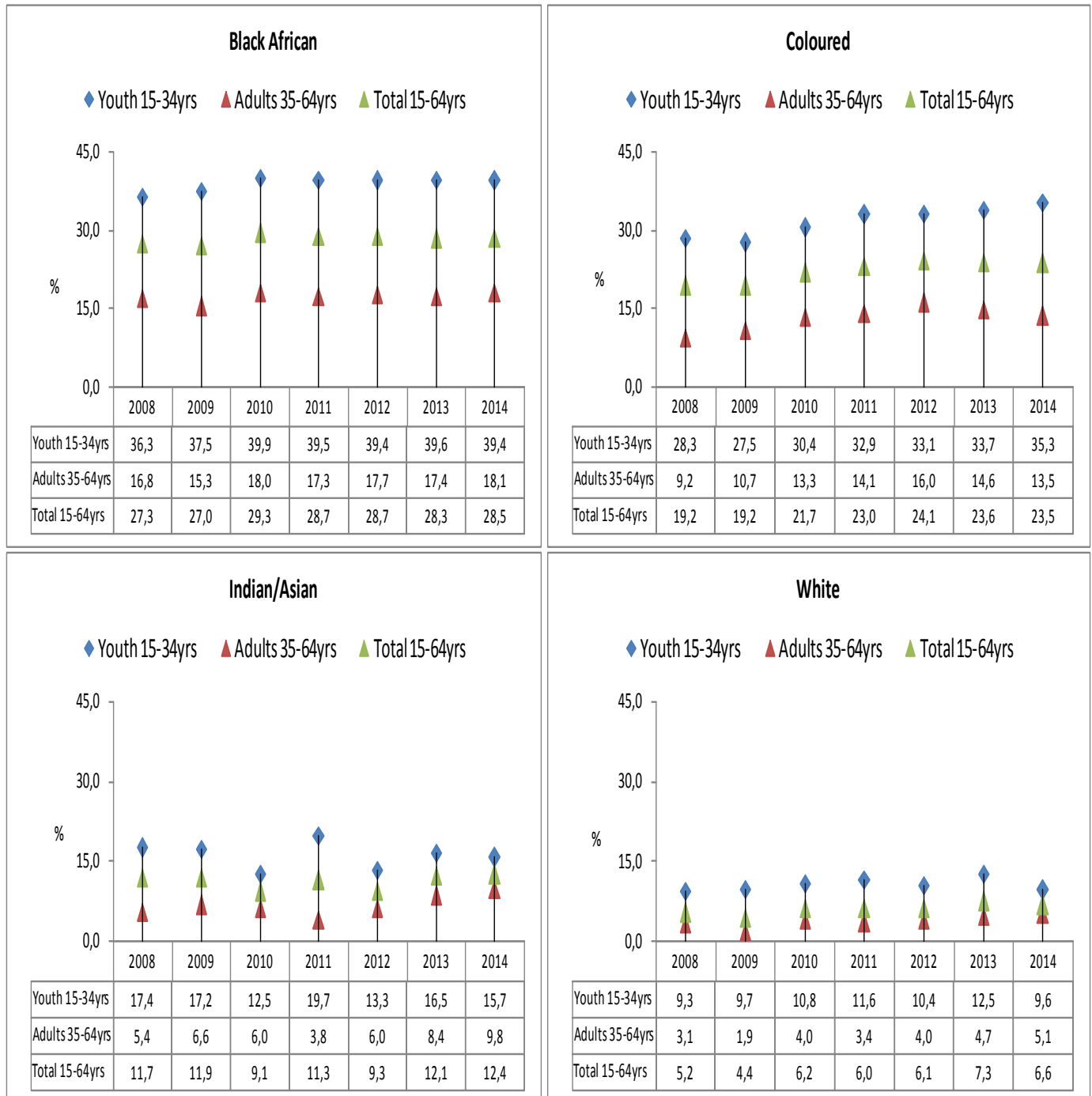


Figures 11 to 14 show interesting patterns and trends in provincial unemployment rates over the period 2008–2014:

- In every province, among both youth and adults, female unemployment rates were higher than male unemployment rates.
- In Limpopo, the rate declined among young men by 13.4 percentage points and among young women by 15.5 percentage points. Among adult men and women in the same province, the rate declined by a smaller margin – by 5.1 and 11.3 percentage points respectively.

- In 2014, Free State had the highest unemployment rate among both youth and adults, and this is reflected in the disaggregation by sex. In that province, the rate increased by the largest amount among male youth (up by 16,8 percentage points).
- The gender gap in unemployment rates in favour of men has narrowed in every province except Eastern Cape. However, in 2014, the rate among young women in North West and Mpumalanga was still more than 9,0 percentage points higher than among young men in the same provinces.

Figure 15: Unemployment rate of youth and adults, by population group, 2008–2014



Irrespective of age, the unemployment rate among the black African and coloured population groups is the highest in the country. In 2014, the rate among black African youth was 4,1 percentage points higher than that of the youth in the coloured population group, and as much as 23,7 and 29,8 percentage points higher than that of the Indian/Asian and white groups respectively.

Figure 16: Share of the youth labour force with matric and higher qualifications, 2008 and 2014

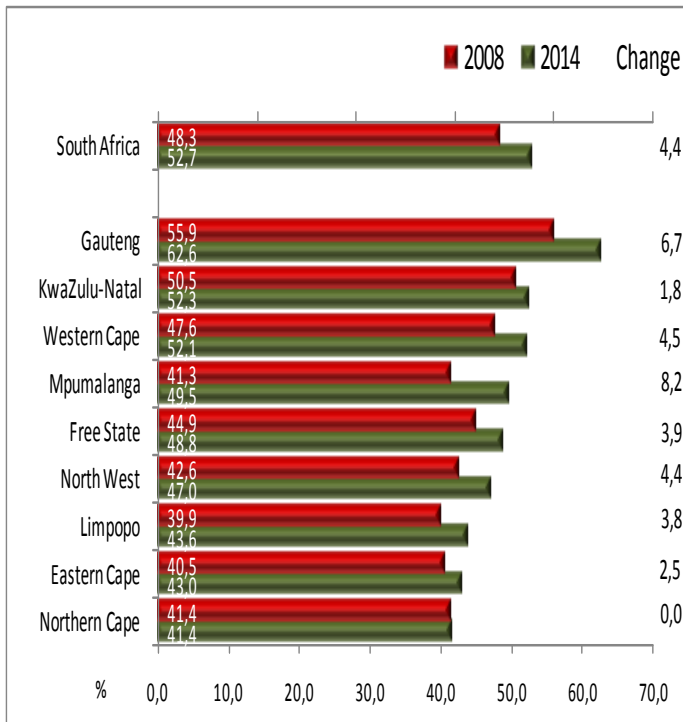


Figure 17: Share of the adult labour force with matric and higher qualifications, 2008 and 2014

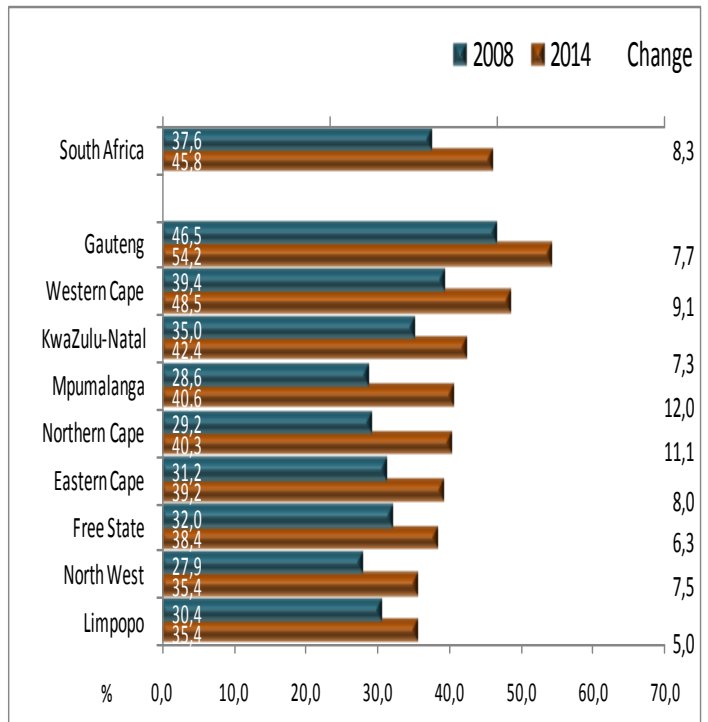


Figure 16 and Figure 17 show that among both youth and adults, there was an increase in the share of the labour force with matric and higher qualifications over the period 2008–2014. This trend is reflected in every province except Northern Cape, where the share with such qualifications among youth remained unchanged at 41,4% over the period. The education profile of the labour force among youth improved the most in Mpumalanga, followed by Gauteng and Western Cape. Despite the widespread improvement in education levels over the period 2008–2014, as discussed earlier, in most provinces key labour market rates deteriorated over the period. This reflects structural problems in the labour market due to the mismatch between the skills available and those needed.

Figure 18: Discouraged work-seekers aged 15–34years as a percentage of the working age population, 2008 and 2014

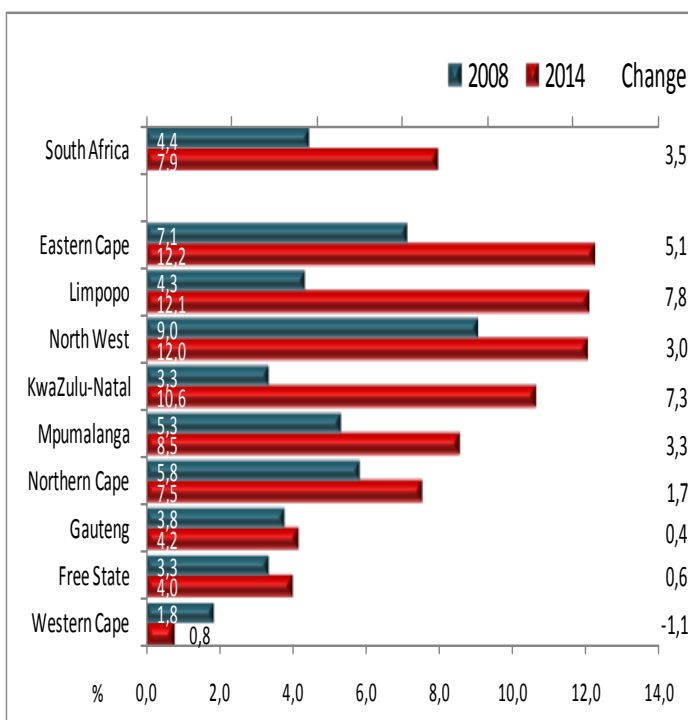


Figure 19: Discouraged work-seekers aged 35–64years as a percentage of the working age population, 2008 and 2014

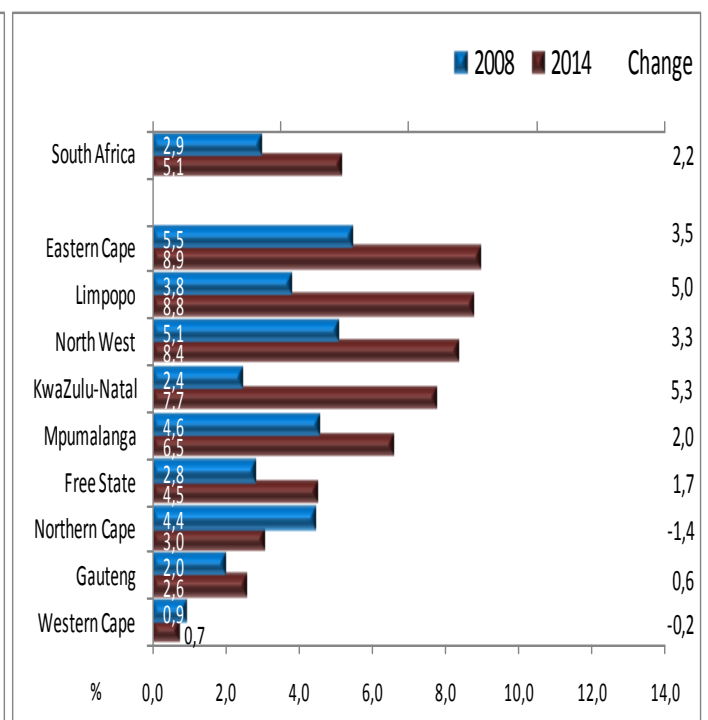


Figure 18 and Figure 19 show that in every province, discouragement is higher among youth compared with adults. In 2014, the percentage of the working-age population that were discouraged was highest among the youth in Eastern Cape, Limpopo and North West, and lowest among the youth in Western Cape and Free State.

Figure 20: Provincial primary industry employment among youth and adults, 2014

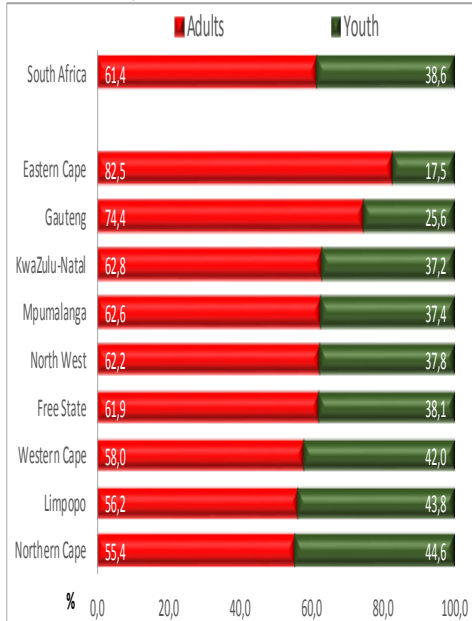


Figure 21: Provincial secondary industry employment among youth and adults, 2014

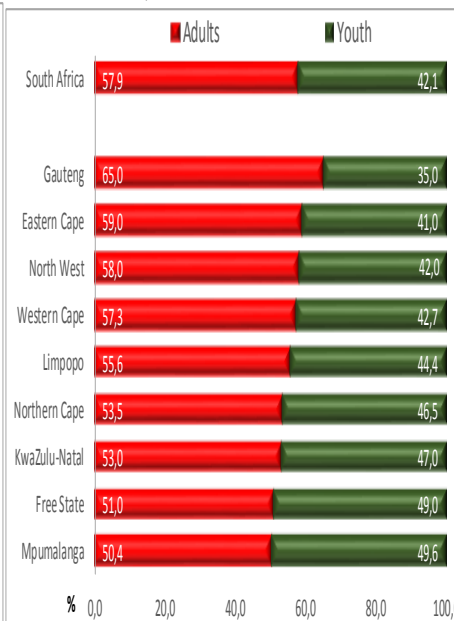
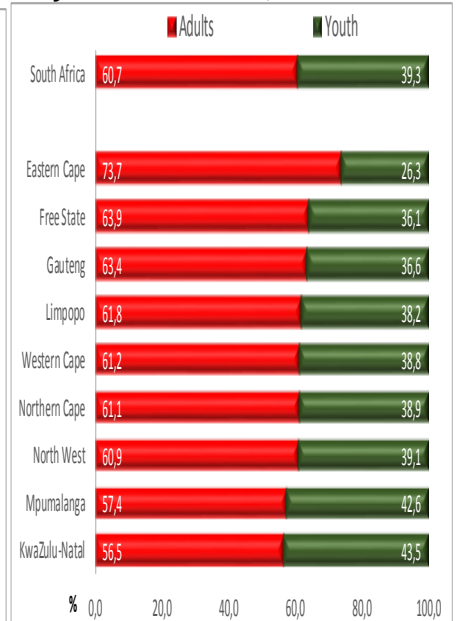


Figure 22: Provincial tertiary industry employment among youth and adults, 2014



The decomposition of primary industry employment between youth and adults at provincial level highlights that nationally, youth accounted for 38,6% of employment in these industries in 2014. The highest share of youth in these industries occurred in Northern Cape (44,6%), Limpopo (43,8%) and Western Cape (42,0%). In terms of the secondary industries, nationally youth accounted for 42,1% of employment. At provincial level, the highest share occurred in Mpumalanga (49,6%), followed by Free State (49,0%) and KwaZulu-Natal (47,0%). Nationally, the tertiary industries provided the second smallest share of employment for young people (39,3%) compared to the primary (38,6%) and secondary (42,1%) industries. Provincially, the share ranged from 26,3% in Eastern Cape to 43,5% in KwaZulu-Natal.

Figure 23: Provincial skilled employment among youth and adults, 2014

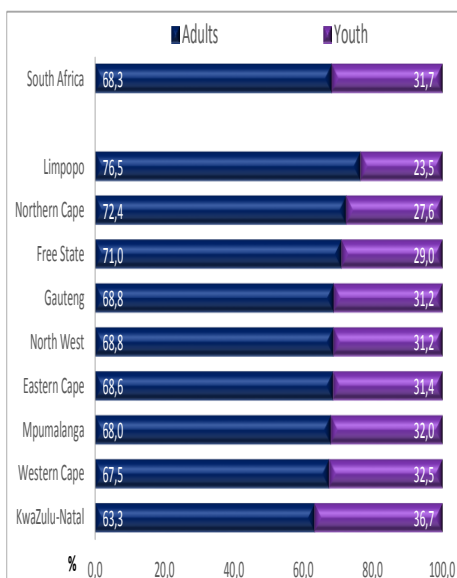


Figure 24: Provincial semi-skilled employment among youth and adults, 2014

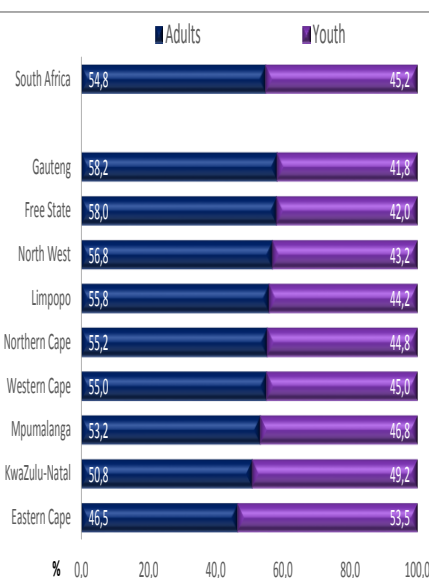
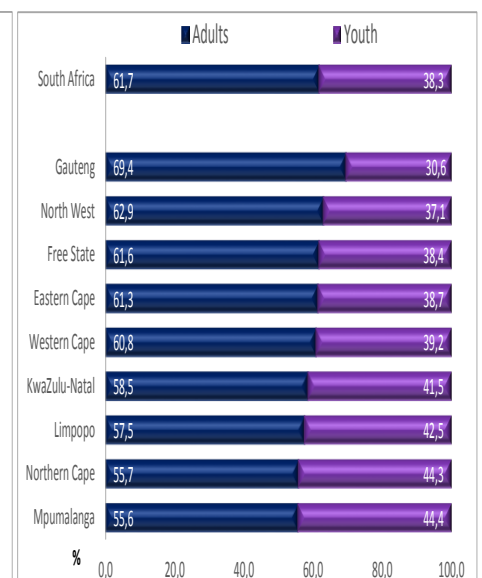


Figure 25: Provincial low-skilled employment among youth and adults, 2014



Adults dominate employment in skilled occupations. In 2014, they accounted for 68,3% of such occupations while youth accounted for 31,7%. The share of youth in skilled occupations varied from 23,5% in Limpopo to 36,7% in KwaZulu-Natal. Semi-skilled occupations are more equally distributed between youth and adults, with youth accounting for 45,2% of such occupations nationally. At provincial level, youth accounted between 41,8%–53,5% of semi-skilled employment (Gauteng and Eastern Cape). In terms of low-skilled occupations, nationally the share of youth was 38,3% in 2014. Only 44,4% of young people were employed in low-skilled occupations in Mpumalanga – and this was the highest share among the provinces.

Table 4a: Employment by occupation among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
Youth 15–34 years (Thousand)							
Manager	289	318	275	294	299	342	306
Professional	333	341	279	275	342	346	360
Technician	560	576	579	472	560	538	601
Clerk	877	771	756	738	761	760	825
Sales and services	1 101	1 047	1 006	1 049	1 029	1 005	1 077
Skilled agriculture	28	44	27	21	14	21	22
Trade	977	883	798	795	752	698	814
Machine operator	501	567	439	475	461	496	475
Elementary	1 516	1 446	1 354	1 325	1 378	1 396	1 478
Domestic worker	279	303	276	259	277	248	245
Total	6 460	6 295	5 789	5 704	5 874	5 850	6 203

Table 4b: Employment by occupation among adults, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
Adults 35–64 years (Thousand)							
Manager	730	829	773	916	866	858	924
Professional	459	510	461	519	447	589	533
Technician	967	1 020	1 014	1 082	1 078	1 072	1 037
Clerk	679	721	784	665	742	770	799
Sales and services	789	844	947	966	1 047	1 070	1 221
Skilled agriculture	102	81	66	57	53	53	53
Trade	1 105	1 096	913	920	950	976	1 032
Machine operator	740	756	721	747	715	816	775
Elementary	1 705	1 666	1 651	1 632	1 807	1 780	1 832
Domestic worker	701	797	679	697	705	723	766
Total	7 977	8 320	8 008	8 200	8 410	8 708	8 974

Figure 26: Provincial share of less-skilled employment among youth, 2008 and 2014

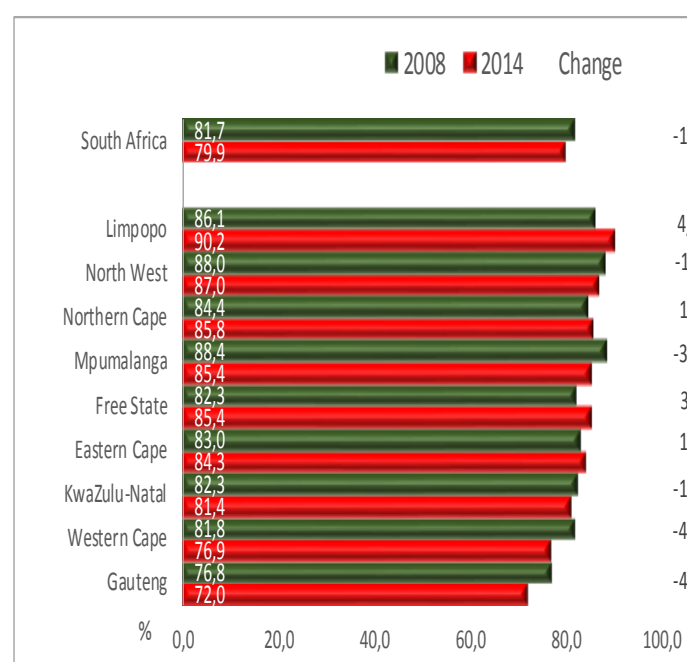
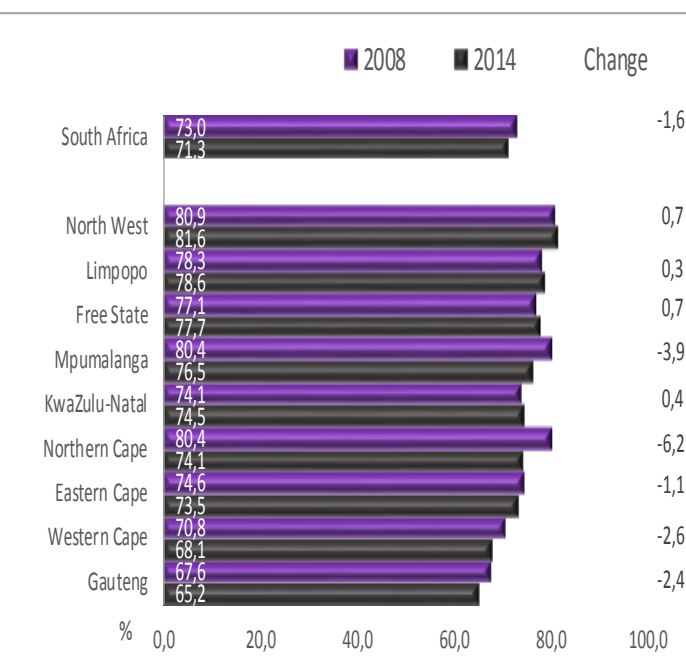


Figure 27: Provincial share of less-skilled employment among adults, 2008 and 2014



Employment in less-skilled occupations accounted for 81,7% of youth employment in 2008; by 2014 this had declined to 79,9%. The share of less-skilled occupations in total employment declined for adults between 2008 and 2014 from 73,0% to 71,3%. For the youth, the largest decline in their share was observed in Gauteng (down by 4,8 percentage points) and Western Cape (down by 4,9 percentage points).

Figure 28: Provincial share of skilled occupations among youth, 2008 and 2014

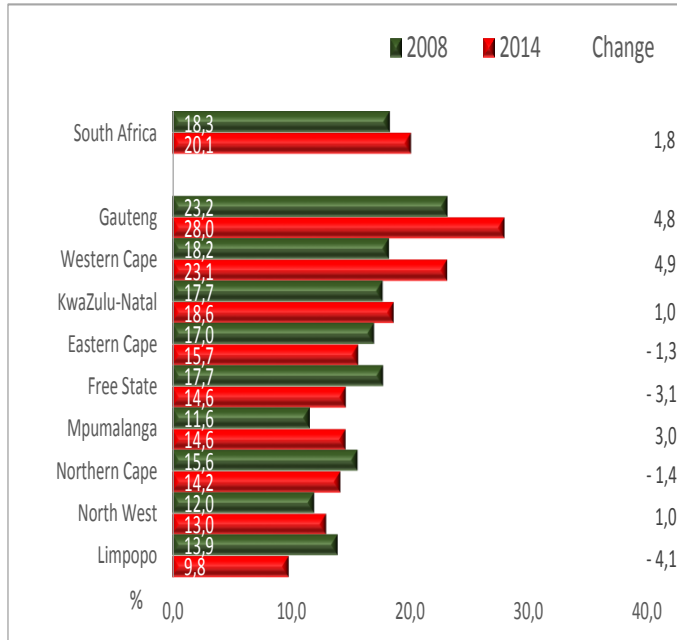
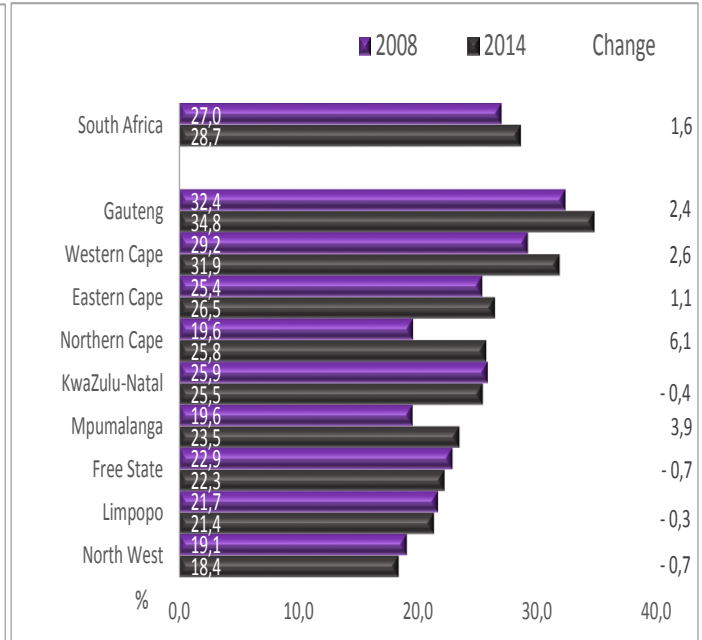


Figure 29: Provincial share of skilled occupations among adults, 2008 and 2014



For youth aged 15–34 years, the share of employment in skilled occupations was lower compared to adults in both 2008 and 2014. At provincial level, the largest increase over the period was observed in Western Cape where the share of employment in skilled occupations among youth increased from 18,2% to 23,1%. Gauteng remained the province in which the share of employment in skilled occupations among youth remained the highest over the period (23,2% in 2008 and 28,0% in 2014).

Figure 30: Provincial share of employment by sector among youth, 2014

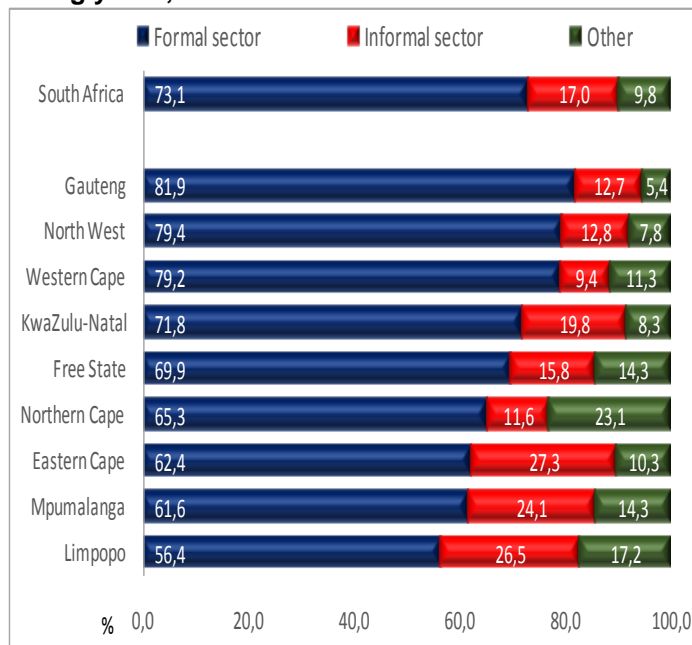
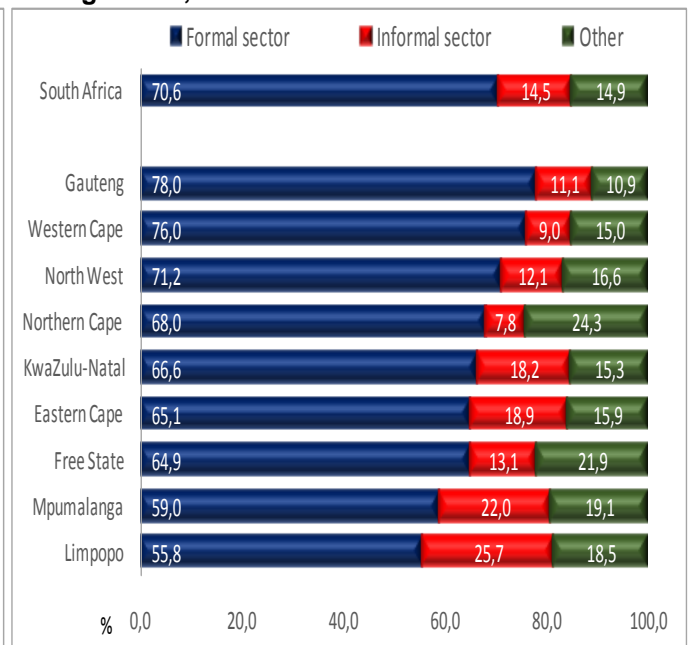


Figure 31: Provincial share of employment by sector among adults, 2014



"Other" includes Agriculture and private households

In 2014, the formal sector dominated employment opportunities available in all provinces for both youth and adults. Nationally, the formal sector accounted for 73,1% of employment among young people in 2014 and ranged from a low

of 56,4% in Limpopo to 81,9% in Gauteng. The largest informal sector share in youth employment occurred in Eastern Cape (27,3%). For adults, formal sector employment nationally accounted for 70,6% of total employment in 2014, lower than that of the youth; a finding consistent across the provinces.

Figure 32: Provincial access to medical aid among youth, 2008 and 2014

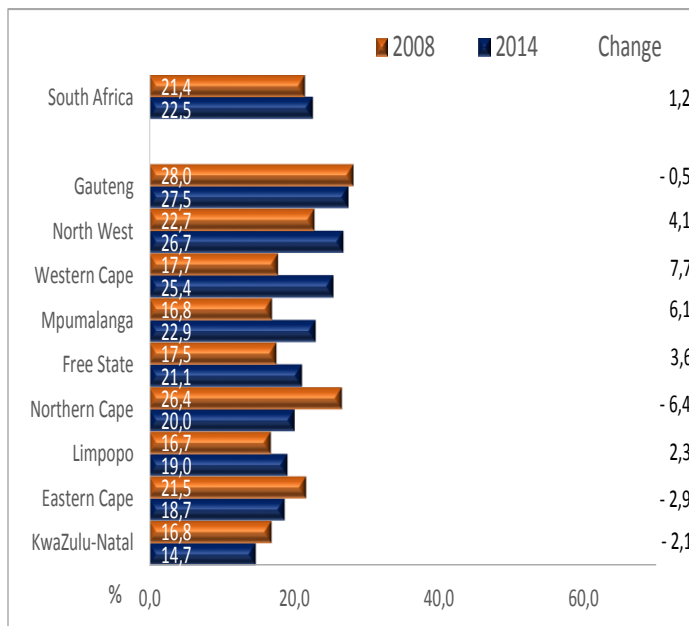
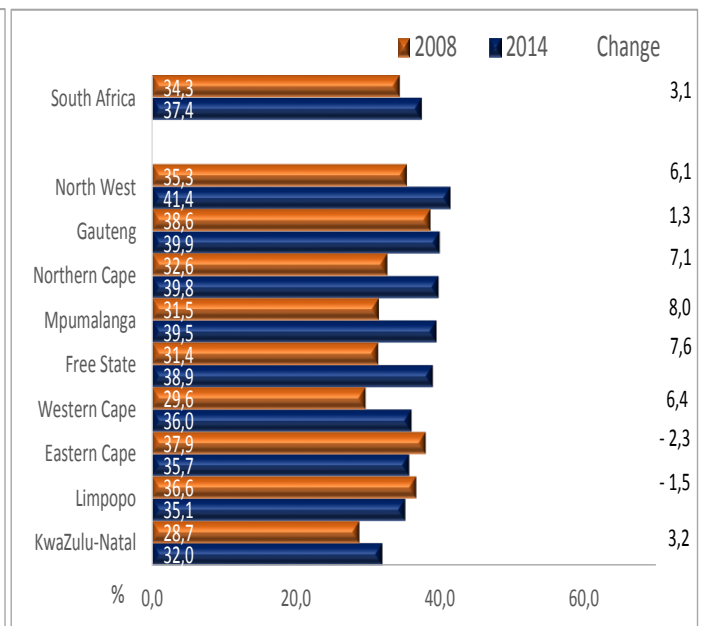


Figure 33: Provincial access to medical aid among adults, 2008 and 2014



Access to medical aid benefits is lower for young people compared to adults. In 2008, only 21,4% of young people had access to medical aid benefits, and by 2014 this had increased to 22,5%. Among adults, over the same period, access increased from 34,3% to 37,4%. At provincial level, adults also had higher access to medical aid benefits compared to youth. Medical aid coverage declined among both youth (2,8 percentage points) and adults (2,2 percentage points) in Eastern Cape.

Figure 34: Provincial limited contract duration among youth, 2008 and 2014

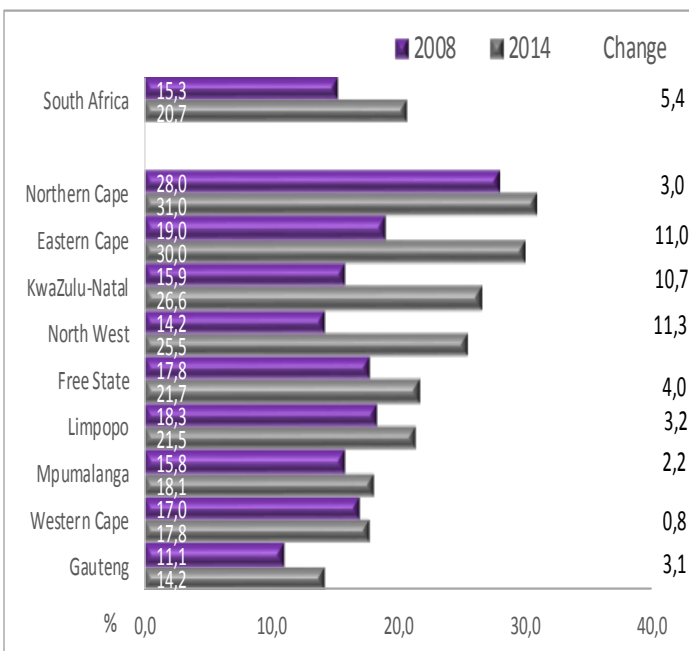
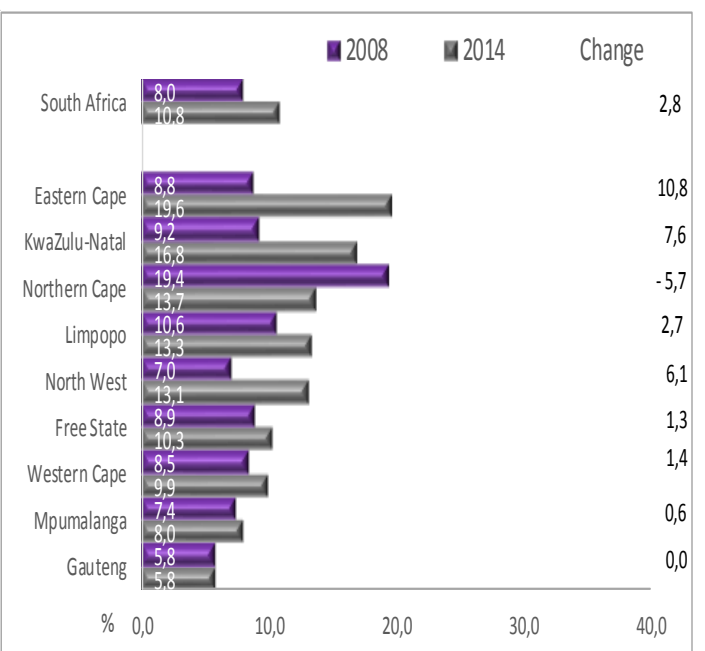


Figure 35: Provincial limited contract duration among adults, 2008 and 2014



The type of employment contract can point to vulnerabilities in the labour market. A permanent contract generally provides for a more stable employment environment and better access to benefits. Nationally and in every province, young people are more likely than adults to be employed on a contract of limited duration. In KwaZulu-Natal, Eastern

Cape and North West, the percentage of youth employed on limited-duration contracts increased by more than 10 percentage points over the period 2008 to 2014, reflecting the scarcity of permanent jobs in the post-recession period.

Figure 36: Provincial permanent contract duration among youth, 2008 and 2014

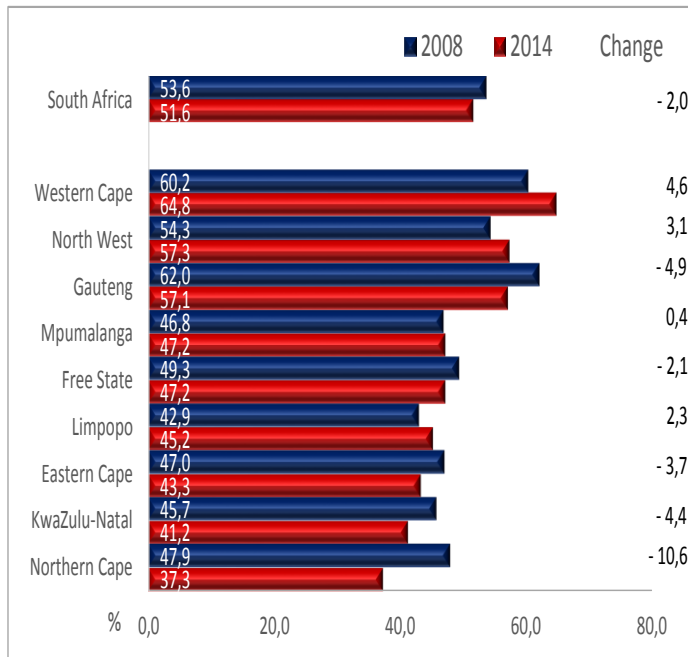
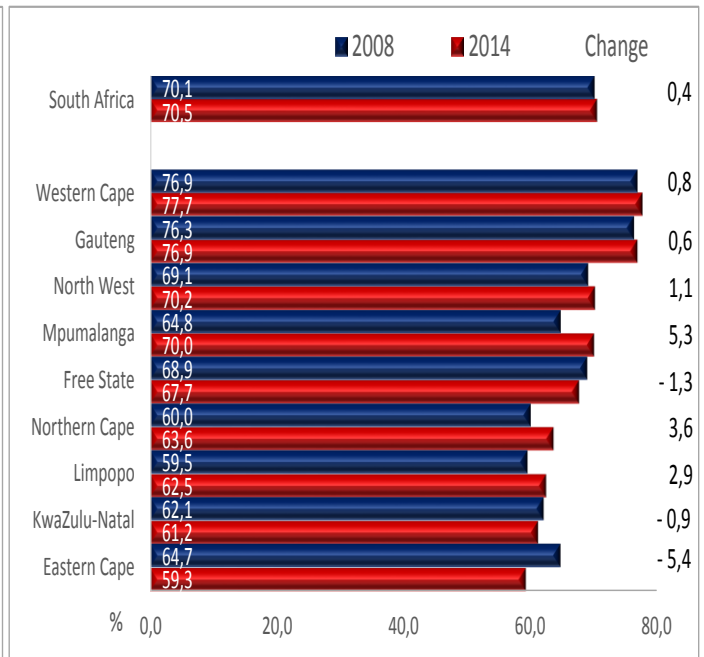
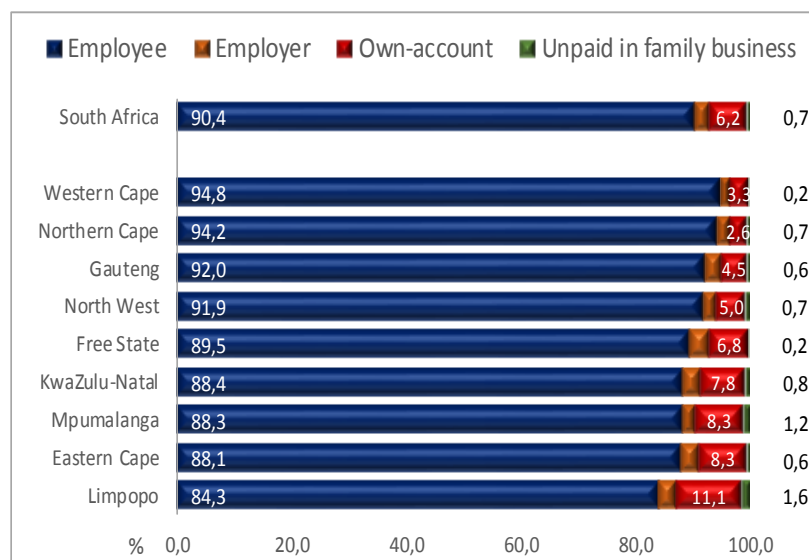


Figure 37: Provincial permanent contract duration among adults, 2008 and 2014



In addition to young people being less likely to be employed on a permanent contract basis, the proportion of youth on this type of contract declined between 2008 and 2014 from 53,6% to 51,6%. In five out of the nine provinces (Northern Cape, Gauteng, KwaZulu-Natal, Eastern Cape and Free State) there was a decline in the proportion of youth employed on a permanent contract basis. In the other provinces (North West, Mpumalanga, Limpopo and Western Cape) the proportion increased. In 2014, Western Cape (64,8%) replaced Gauteng (57,1%) as the province with the highest proportion of youth employed on a permanent contract basis.

Figure 38: Provincial status in employment among youth, 2014



The distribution of young people by status in employment indicated that nationally in 2014, 90,4% were employed as an employee while only 6,2% were own-account workers. At provincial level, the proportion of young employees ranges from 84,3% in Limpopo to 94,8% in Western Cape. The largest proportion of youth employed as own-account workers was in Limpopo (11,1%). To the extent that own-account workers are not survivalist in nature, they point to increasing levels of entrepreneurial activities.

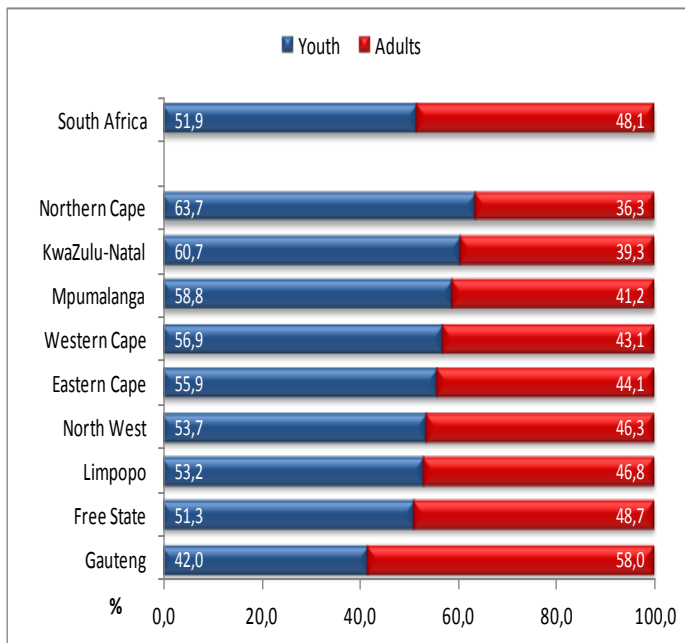
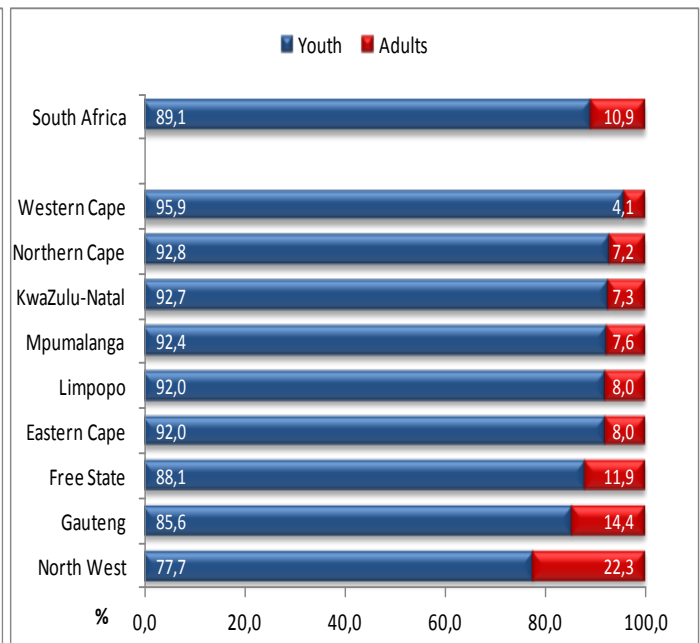
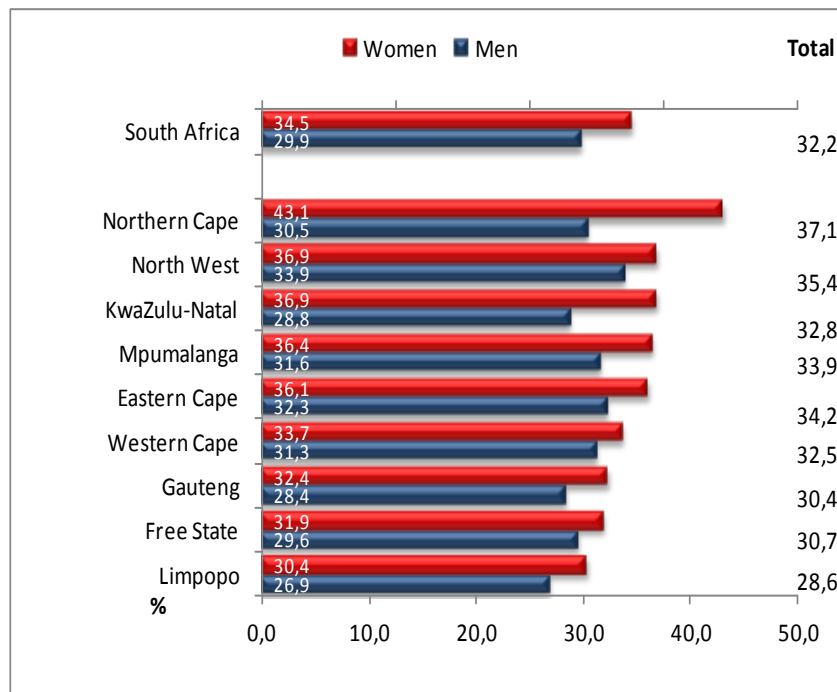
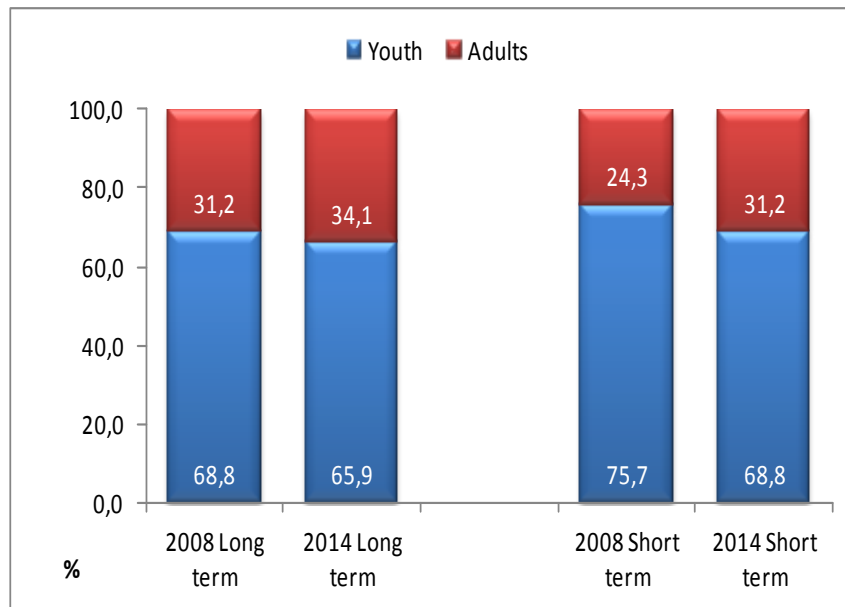
Figure 39: Unemployed youth and adults who have work experience, 2014**Figure 40: Unemployed youth and adults who do not have work experience, 2014**

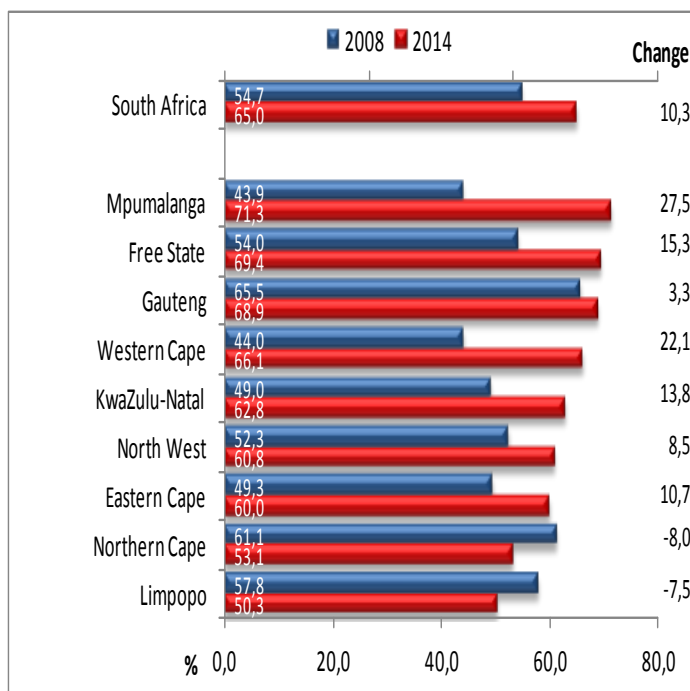
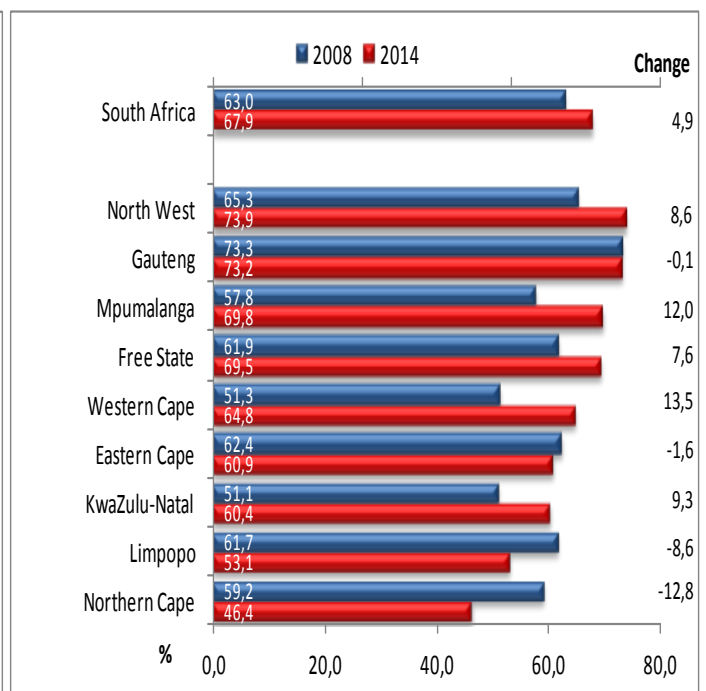
Figure 39 and Figure 40 show that nationally, youth account for the bulk of the unemployed who have no work experience (89,1%) and only 51,9% of the unemployed that have work experience. This pattern is reflected at provincial level although the proportions vary across the provinces. In Western Cape, 95,9% of the unemployed who do not have any work experience are youth while 56,9% of the unemployed with previous work experience are youth.

Figure 41: NEET rate among youth by sex and province, 2014

In 2014, one in every three young people aged 15–24 years (32,2%) were not in employment and not in education/training (NEET). This proportion (the NEET rate) was higher among young women at 34,5% than among young men (29,9%). Reflecting the national outcome, in every province the NEET rate among young women was also higher than that of young men with the largest gender differences in Northern Cape and KwaZulu-Natal. The NEET rate among both young men and young women was lowest in Limpopo.

Figure 42: Unemployment duration among youth and adults, 2008 and 2014

Young people aged 15–34 years accounted for more than two-thirds of the long-term unemployed in both 2008 and 2014. A similar distribution was found among those in short-term unemployment; however, the share of youth in short-term unemployment declined from 75,7% in 2008 to 68,8% in 2014 as the share of adults in short-term unemployment increased over the period from 24,3% to 31,2%.

Figure 43: Incidence of long-term unemployment among youth, 2008 and 2014**Figure 44: Incidence of long-term unemployment among adults, 2008 and 2014**

Over the period 2008 to 2014, the incidence of long-term unemployment increased by a larger amount among youth (up 10,3 percentage points) compared to among adults (up 4,9 percentage points). Despite this, in 2014, the incidence of long-term unemployment was still lower (at 65,0%) among youth compared to among adults (67,9%). Limpopo and Northern Cape were the only provinces in which there was a decline in the incidence of long-term unemployment among both youth and adults over the period 2008 to 2014. The largest provincial increase among both youth and adults occurred in Mpumalanga and Western Cape.

Figure 45: Reasons for not working among youth, 2014

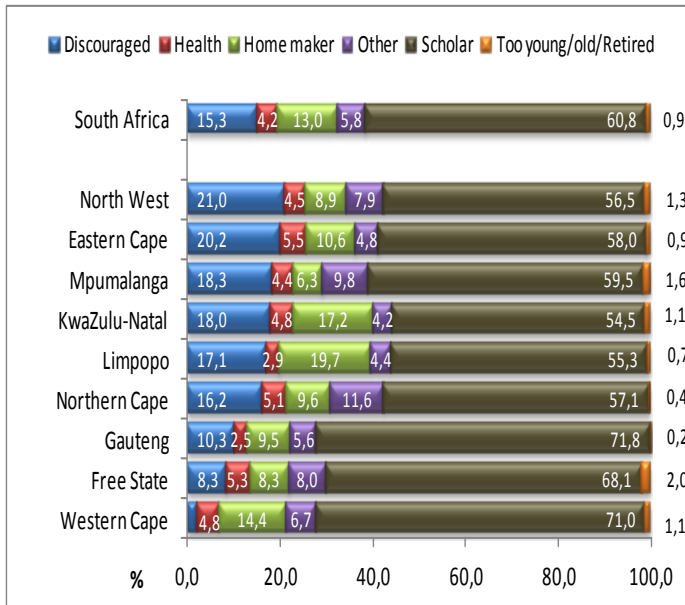


Figure 46: Reasons for not working among adults, 2014

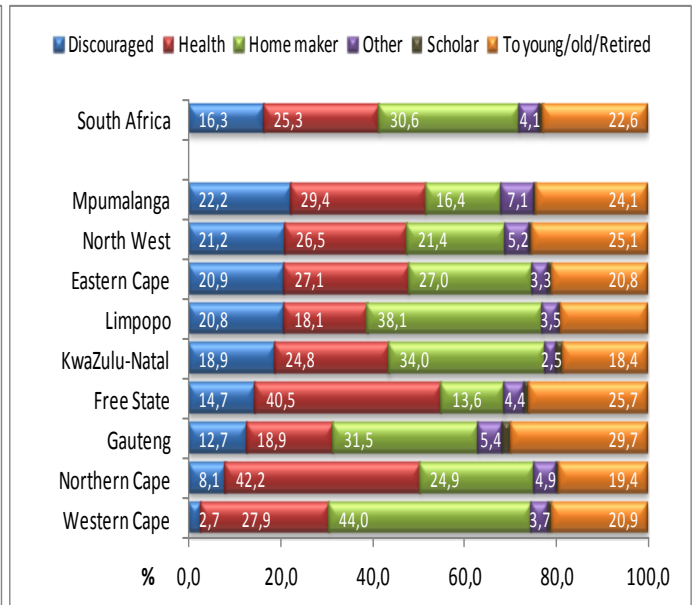


Figure 45 and Figure 46 show that, except among the discouraged, there are generally large differences between the proportions of not economically active youth and adults reporting reasons such as ill health, housework; studying; and retirement for being inactive. The major reason for inactivity among youth is that they are scholars – accounting for 56,0%–71,0% of not economically active youth in every province. In contrast, the most important reasons for inactivity among adults relate to health issues, age-related concerns, and housework.

Labour market outcomes among youth by age group

Introduction

Young people aged 15–34 years are not a homogenous group, and their labour market situation often varies enormously when 5-year age categories are analysed. This section provides insight into various aspects of the national youth labour market for each of those age categories.

Key indicators

Figure 47: Distribution of the working age population among youth by age group

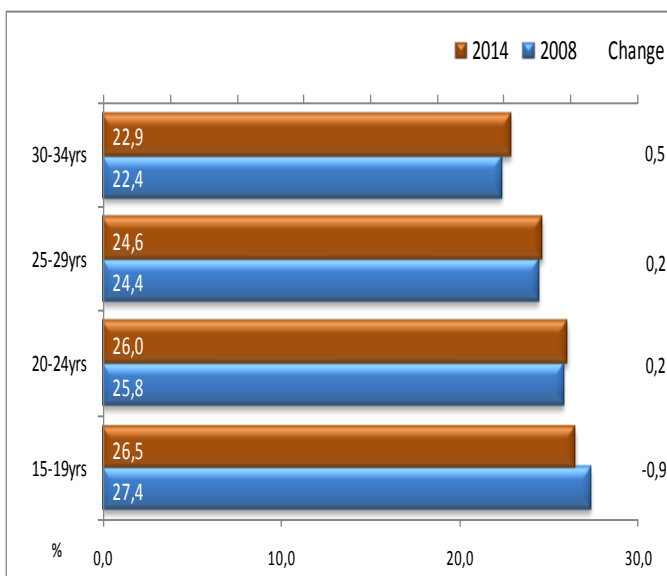


Table 5: Components of the working age population among youth by age group, 2014

	Employed	Unemployed	Discouraged	Other NEA	Total
Thousand					
15-19yrs	108	185	127	4 744	5 164
20-24yrs	1 118	1 206	556	2 195	5 075
25-29yrs	2 274	1 144	492	895	4 806
30-34yrs	2 500	854	375	731	4 460
Total	6 000	3 390	1 549	8 565	19 504
Percent share					
15-19yrs	2,1	3,6	2,5	91,9	100,0
20-24yrs	22,0	23,8	11,0	43,2	100,0
25-29yrs	47,3	23,8	10,2	18,6	100,0
30-34yrs	56,1	19,2	8,4	16,4	100,0
Total	30,8	17,4	7,9	43,9	100,0

In both 2008 and 2014, young people aged 15–19 years accounted for the largest share of the youth working-age population aged 15–34 years. However, over this period, their share has declined, while for all other age groups there has been a slight increase in shares (Figure 47). In 2014, most working-age youth aged 15–19 years, were in the 'other not economically active' category (4,7 million or 91,9%), since the vast majority are still pursuing their education. In contrast, a relatively small percentage of working-age youth aged 25–29 years and 30–34 years fall into that labour market category (Table 5).

Figure 48: Youth unemployment rate by age group, 2008, 2011 and 2014

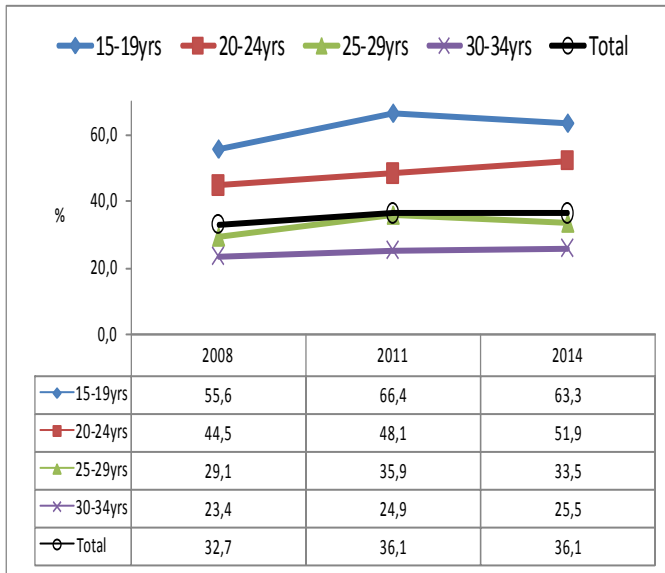


Figure 49: Youth absorption rate by age group, 2008, 2011 and 2014

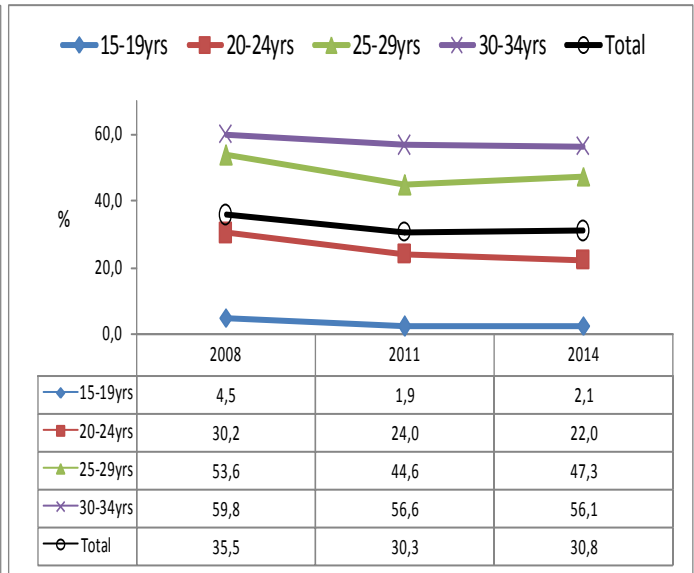


Figure 48 shows that the unemployment rate increases as age declines. Conversely, the absorption rate is highest among those aged 25–29 years and 30–34 years, and lowest among those in the youngest age group.

Figure 50: Youth labour force participation rate by age group, 2008, 2011 and 2014

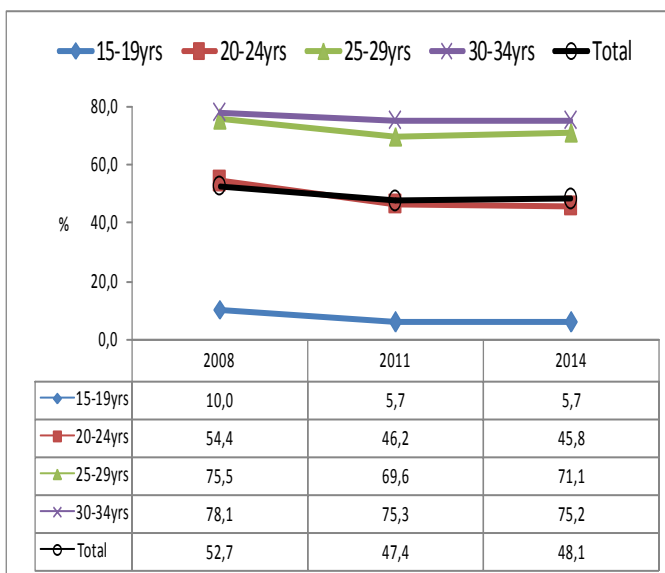
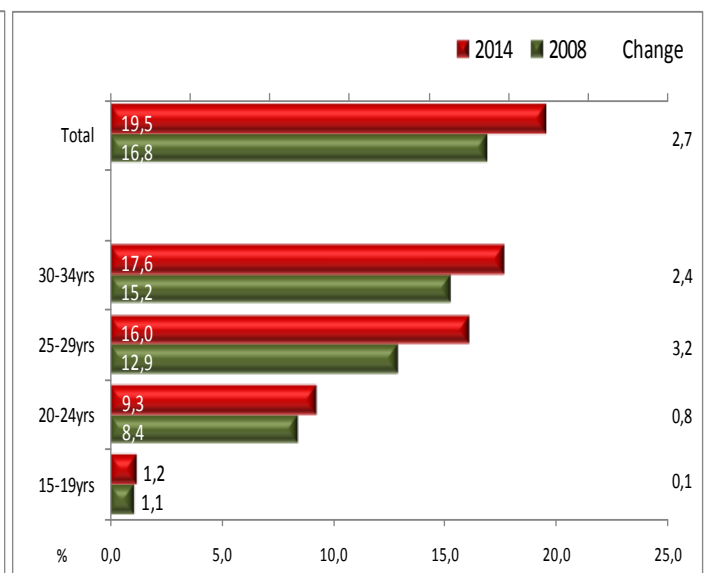


Figure 51: Share of youth in the labour force with tertiary qualifications by age group, 2008 and 2014



Young people in the 15–19-year age group have the lowest labour force participation rate, since the majority are continuing their education and are not employed or looking for work. Over the period 2008 to 2014, youth aged 25–29 years and 30–34 years had the highest participation rates ranging between 70,0 and 80,0%. As expected, the largest proportion of young people in the labour force with tertiary qualifications was in the older age groups. Over the period 2008 to 2014, the improvement in the education profile of those with tertiary qualifications was most pronounced

among young people aged 25–29 years (up by 3,2 percentage points) and those aged 30–34 years (up by 2,4 percentage points).

Figure 52: Male unemployment rate by age group, 2008, 2011 and 2014

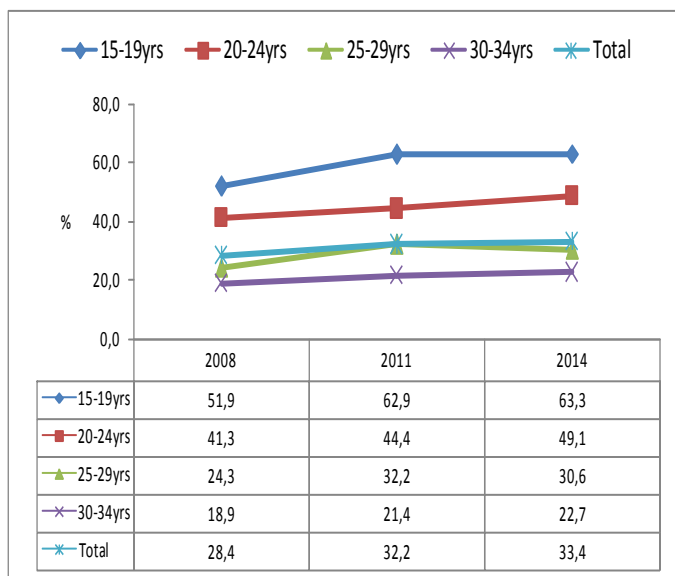


Figure 53: Female unemployment rate by age group, 2008, 2011 and 2014

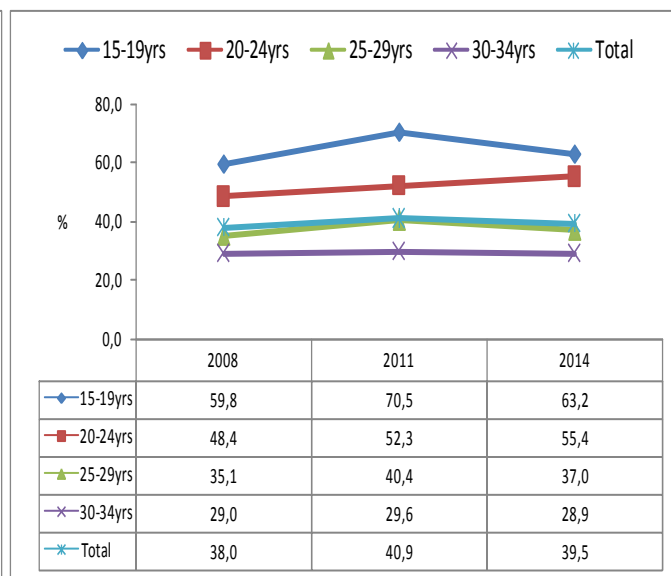
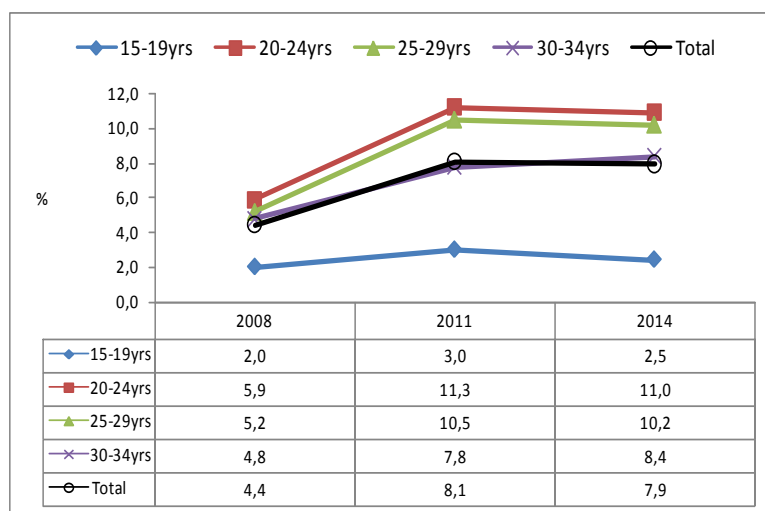


Figure 52 and Figure 53 show that in every age category, unemployment rates among young women are higher than those for young men by a large margin, except among youth aged 15–19 years in 2014. In that year, the female unemployment rate among those aged 15–19 years declined to 63,2% from 70,5% in 2011, while among young men aged 15–19 years the rate increased to 63,3% over the same period.

Figure 54: Percentage of the working-age population that is discouraged among youth, 2008, 2011 and 2014



Among the working-age population aged 20–24 years and those aged 25–29 years, the proportion of discouraged work-seekers is higher than in other age groups. Figure 54 also shows that there was generally a sharp increase in the proportion of discouraged work-seekers over the period 2008 and 2011, reflecting the impact of the economic crisis on the labour market situation of young people.

Employment by industry, occupation and sector, 2008 and 2014

Figure 55: Share of youth in 5-year age groups in the primary, secondary and the tertiary industries, 2008 and 2014

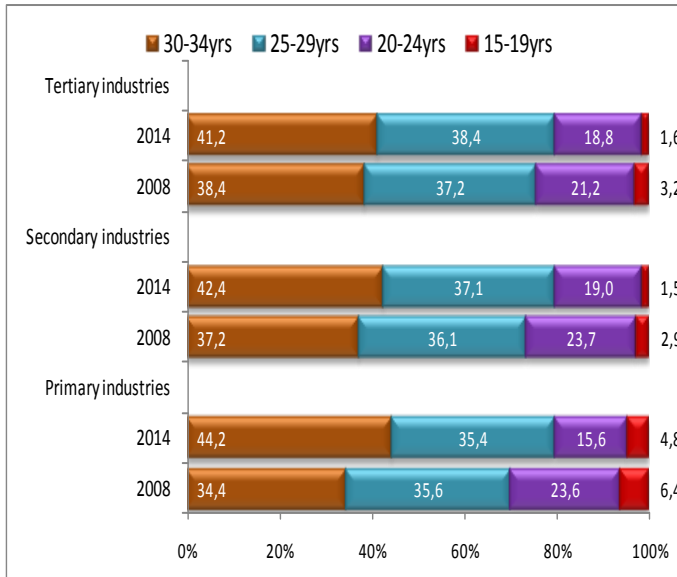
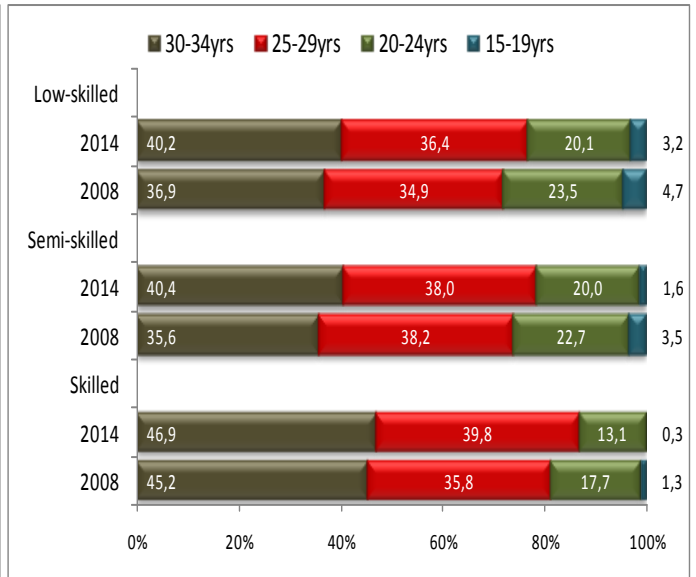
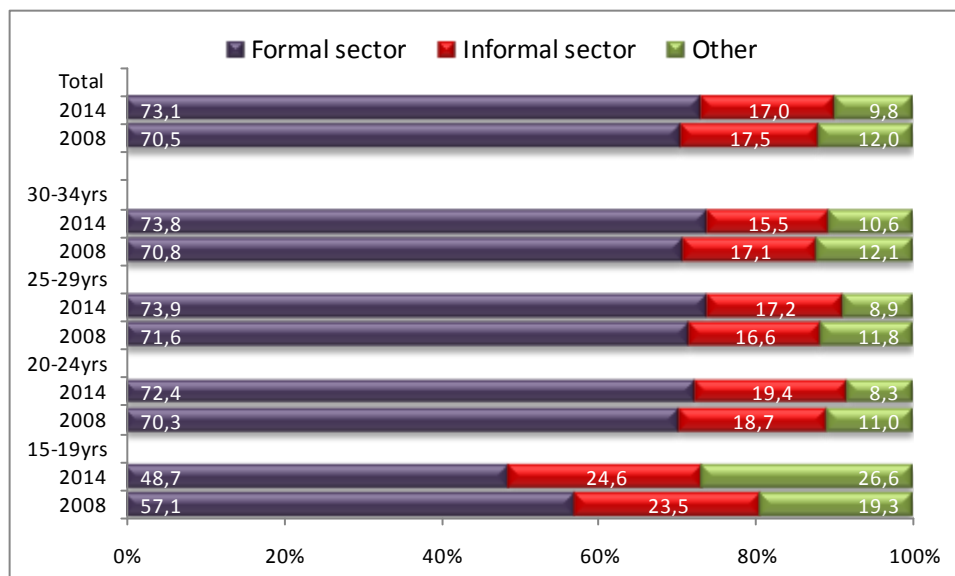


Figure 56: Share of youth in 5-year age groups in skilled, semi and low-skilled occupations, 2008 and 2014



In the three broad industry groupings (primary, secondary, tertiary), the share of employment among the youngest age groups declined between 2008 and 2014. In contrast, within each of the industry groupings, the share of older youth (25–29 years and 30–34 years) increased over the same period. In terms of skilled occupations, Figure 56 shows that there was also an increase in the share of employment among the older age categories. In contrast, the share of the youngest groups (15–19 years and 20–24 years) in skilled, low-skilled and semi-skilled employment declined.

Figure 57: Share of youth in 5-year age groups by sector, 2008 and 2014



'Other' includes Agriculture and private households

Nationally, the formal sector provides the most jobs among young people of all ages, but the proportion is substantially lower for the youngest age group (15–19 years) where the informal sector contributes one in every four jobs.

Figure 58: Access to medical aid among youth in 5-year age groups, 2008 and 2014

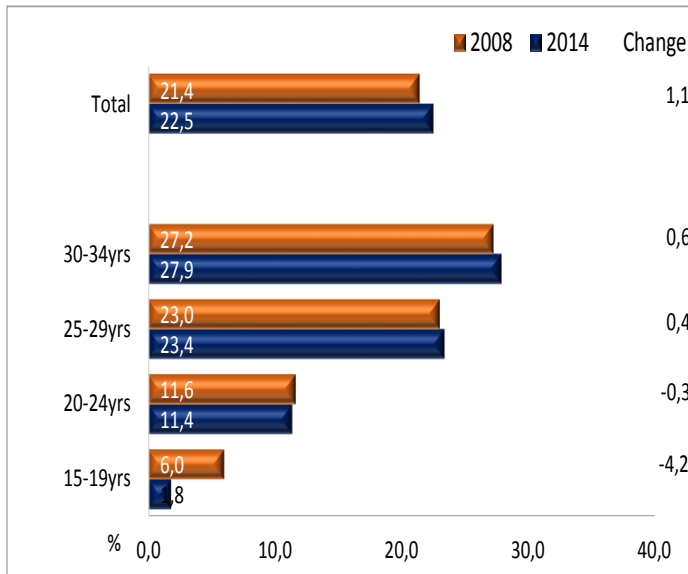
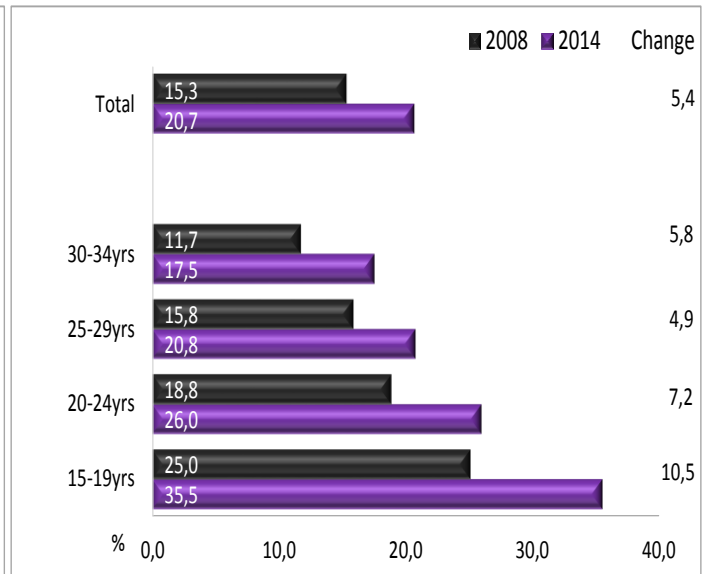


Figure 59: Limited contract duration among youth in 5-year age groups, 2008 and 2014



Young people across the age spectrum experience low access to medical aid, in particular those aged 15–19 years and 20–24 years, while their access to medical aid declined over the period 2008 to 2014. Young people aged 30–34 years recorded a 0,6 of a percentage point increase in their access to medical aid over the period to reach 27,9% in 2014. The younger the person, the more likely they are to be employed on a contract of limited duration. In 2014, one in every three young people aged 15–19 years (35,5%) were employed on a contract of limited duration, constituting an increase of 10,5 percentage points over the period 2008–2014. In contrast, only 17,5% of those aged 30–34 years had such contracts.

Work experience and the incidence of long-term unemployment

Figure 60: Share of unemployed youth with work experience in 5-year age groups, 2008 and 2014

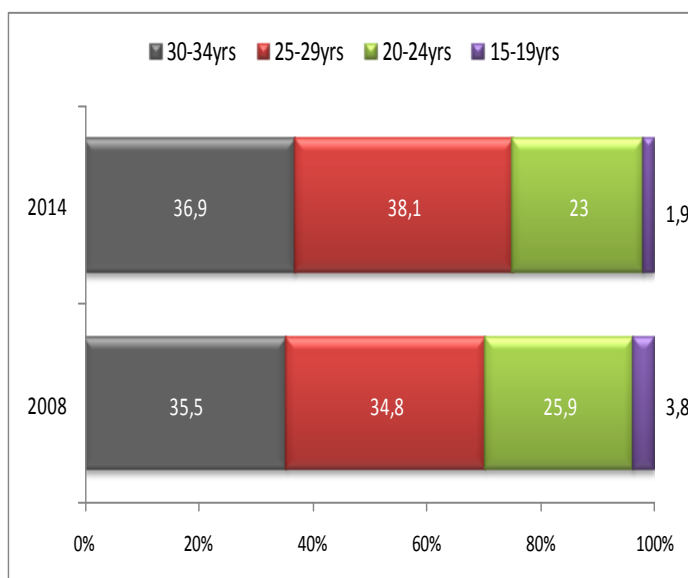
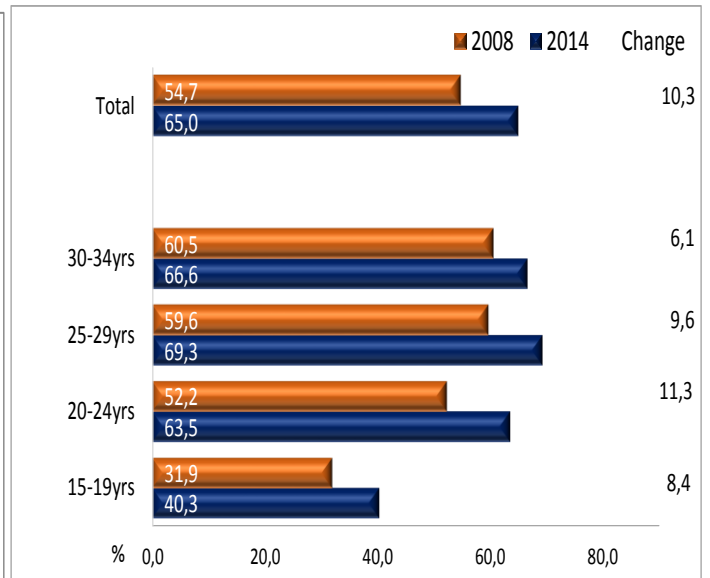


Figure 61: Incidence of long term unemployment among youth in 5-year age groups, 2008 and 2014



Over the period 2008 and 2014, amongst the unemployed who had work experience there was a decline in the share of those in age groups 15–19 years and 20–24 years. However, among older youth the share increased. Young people aged 30–34 years accounted for 35,5% of the unemployed with work experience in 2008, and by 2014 this had increased to 36,9%. Figure 61 shows that over the period 2008 to 2014, the incidence of long-term unemployment increased among young people in each age group. The increase was largest among young people aged 20–24 years (11,3 percentage points), and in 2014, close to two-thirds of these young people were in long-term unemployment.

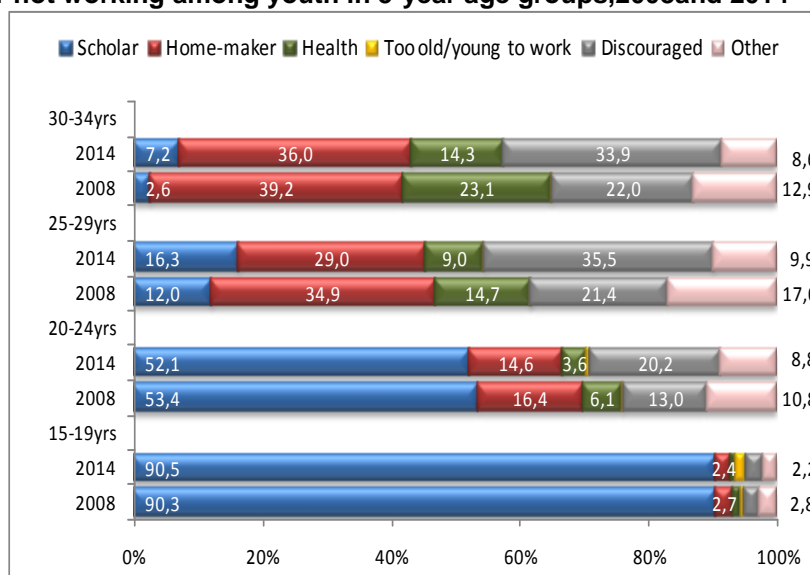
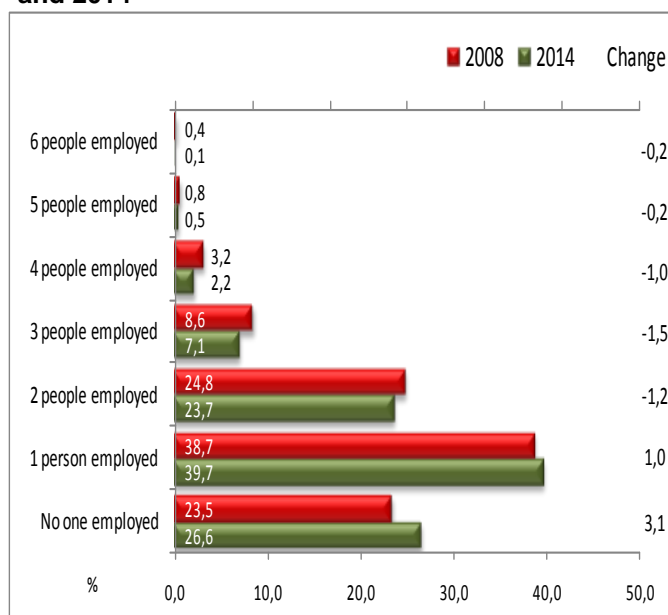
Figure 62: Reasons for not working among youth in 5-year age groups, 2008 and 2014

Figure 62 shows that as expected, in both 2008 and 2014, nine out of every ten not economically active youth in the youngest age group (15–19 years) were still in education. The percentage of young people in education declines as age increases with as few as 7,2% of those aged 30–34 years reporting that they were students/scholars in 2014. Among the not economically active youth in the older age categories, discouraged work-seekers and homemakers accounted for larger shares as age increased. Trends over time show that over the period 2008 to 2014, in every age group there was an increase in the percentage of not economically active youth that were discouraged – with the largest increase among those aged 25–29 years. Over the same period, in every age group, ill health became less of a problem in preventing youth from entering the labour force.

Profile of youth 15–34 years living in households in which no one is employed

This section focuses initially on youth aged 15–34 years living in households in which no one is employed. This is followed by a comparison of their profile with the profile of youth who live in households in which at least one person is employed. To the extent that networks are important in finding employment, youth living in households in which no one is employed are clearly at a more serious disadvantage in the labour market.

Figure 63: Proportion of youth (15–34 years) by employment status of household members, 2008 and 2014**Table 6: Distribution of youth (15–34 years) by employment status of household members, 2008, 2011, and 2014**

	2008	2011	2014
	Thousand		
Labour market status			
No one employed	4 271	5 299	5 188
1 person employed	7 043	7 505	7 743
2 people employed	4 522	4 444	4 618
3 people employed	1 560	1 140	1 381
4 people employed	590	313	438
5 people employed	139	80	104
6 people employed	67	38	26
7 people employed	11	6	0
8 people employed	6	0	7
Youth aged 15-34yr	18 209	18 824	19 504
% no one employed	23,5	28,1	26,6

Figure 63 and Table 6 show that in 2014, of the 19,5 million young people aged 15–34 years, 26,6% resided in households in which no one was employed – up from 23,5% in 2008. In 2014, as many as 39,7% of youth resided in

households in which only one person was employed, while an additional 23,7% were residing in households in which two people were employed.

Table 7: Youth (15–34 years) living in households in which no one is employed by sex and population group, 2008, 2011 and 2014

	2008	2011	2014	2008	2011	2014
	Thousand			Percent share		
Male youth	1 984	2 537	2 560	46,5	47,9	49,3
Female youth	2 287	2 761	2 628	53,5	52,1	50,7
Total	4 271	5 299	5 188	100,0	100,0	100,0
Black African	4 033	5 008	4 853	94,4	94,5	93,6
Coloured	152	199	234	3,6	3,7	4,5
Indian/Asian	28	19	15	0,7	0,4	0,3
White	57	74	86	1,3	1,4	1,6
Total	4 271	5 299	5 188	100,0	100,0	100,0

The share of male youth who lived in households in which no one was employed rose from 46,5% in 2008 to 49,3% in 2014. This was accompanied by a decline in the share of young women who lived in such households from 53,5% to 50,7% over the same period. Table 7 also shows that nine out of every ten young people aged 15–34 years who lived in households with no one employed were black African.

Table 8: Youth (15–34 years) living in households in which no one is employed by province, 2008, 2011 and 2014

	2008	2011	2014	2008	2011	2014
	Youth in households with no one employed			Youth aged 15–34 years		
	Thousand			Thousand		
Western Cape	186	241	241	1 913	1 973	2 066
Eastern Cape	853	1 017	1 017	2 320	2 421	2 475
Northern Cape	107	125	128	383	394	409
Free State	229	273	330	1 015	1 019	1 029
KwaZulu-Natal	888	1 145	1 096	3 641	3 773	3 899
North West	328	458	439	1 204	1 247	1 297
Gauteng	444	672	679	4 309	4 385	4 559
Mpumalanga	363	473	439	1 453	1 519	1 590
Limpopo	872	894	820	1 971	2 093	2 180
South Africa	4 271	5 299	5 188	18 209	18 824	19 504

Nationally, over the period 2008 to 2014, the number of youth who lived in households in which no one was employed increased from 4,3 million to 5,2 million. In 2014, of the 4,6 million youth residing in Gauteng, 679 000 (14,9%) lived in households in which no one was employed. Although the youth population was smallest in Northern Cape (409 000), a substantially larger proportion of youth (31,2%) lived in households in which no one was employed (Tables 8 and 9).

Figure 64: Proportion of youth (15–34 years) living in households in which no one is employed by province, 2008 and 2014

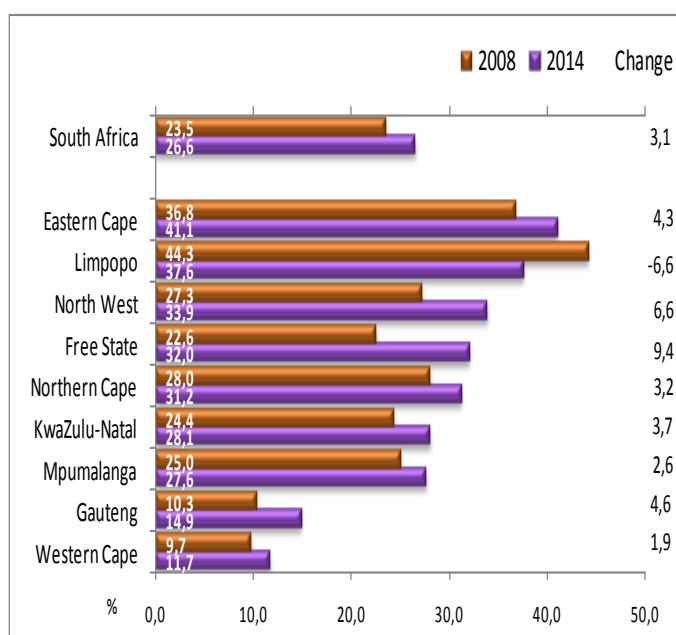


Table 9: Proportion of youth (15–34 years) living in households in which no one is employed by province, 2008, 2011 and 2014

	2008	2011	2014
	Percent		
Western Cape	9,7	12,2	11,7
Eastern Cape	36,8	42,0	41,1
Northern Cape	28,0	31,8	31,2
Free State	22,6	26,7	32,0
KwaZulu-Natal	24,4	30,4	28,1
North West	27,3	36,7	33,9
Gauteng	10,3	15,3	14,9
Mpumalanga	25,0	31,2	27,6
Limpopo	44,3	42,7	37,6
South Africa	23,5	28,1	26,6

In 2014, the proportion of youth that live in households in which no one is employed is highest in Eastern Cape (41,1%) and Limpopo (37,6%) and lowest in Western Cape (11,7%) and Gauteng (14,9%).

Figure 65: Labour market status of youth (15–34years) living in households in which no one is employed, 2008, 2011 and 2014

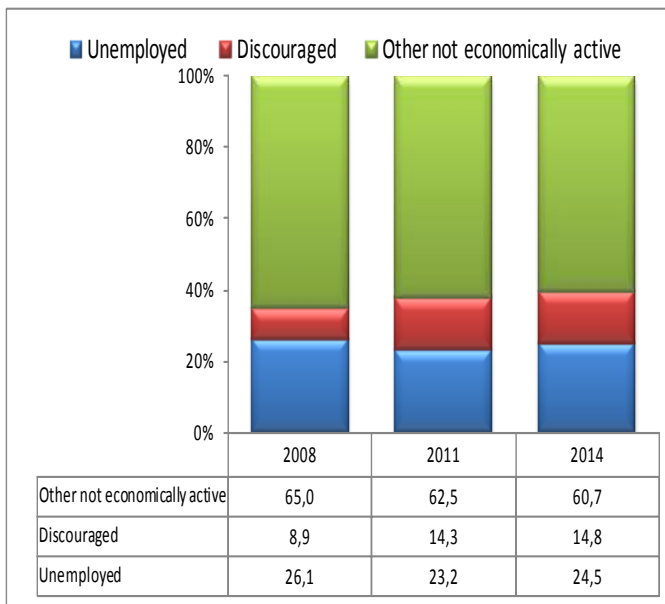
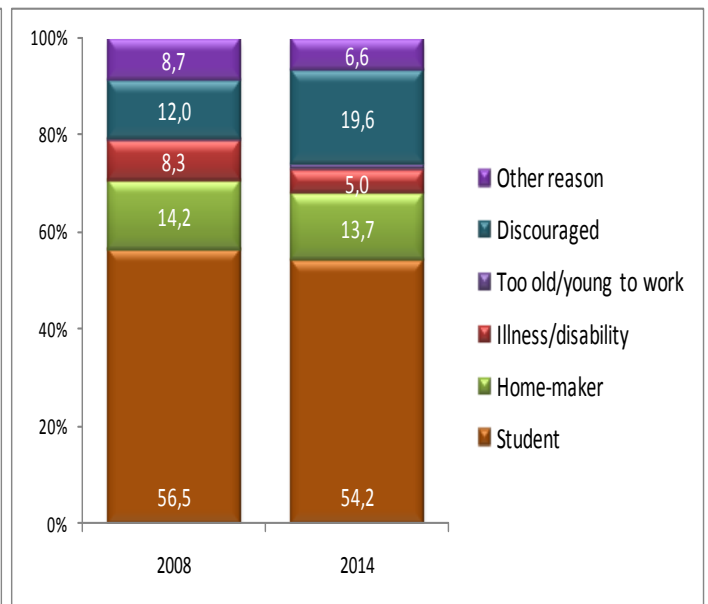


Figure 66: Reason for inactivity of NEA youth (15–34years) living in households in which no one is employed, 2008 and 2014



The vast majority of youth aged 15–34 years who live in households in which no one is employed are not economically active (60,0%-65,0%). Over the period 2008 to 2014, an increasingly large proportion became discouraged (8,9% in 2008 to over 14,0% in both 2011 and 2014). Figure 66 shows that among youth who were not economically active and who lived in households in which no one was employed, one in every two were students. In 2014, discouragement became the second most important reason for inactivity (19,6%), followed by housework (13,7%).

Figure 67: Education level of youth 15–34 years living in households in which no one is employed, 2008 and 2014

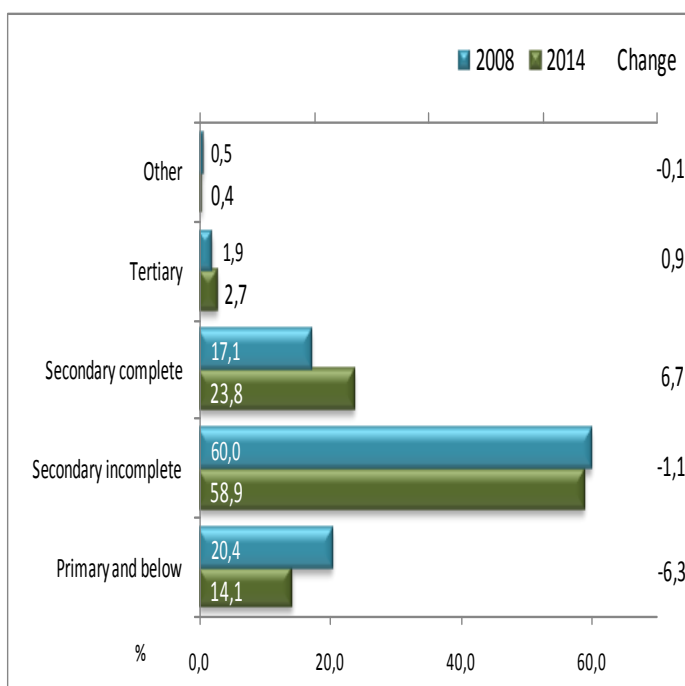
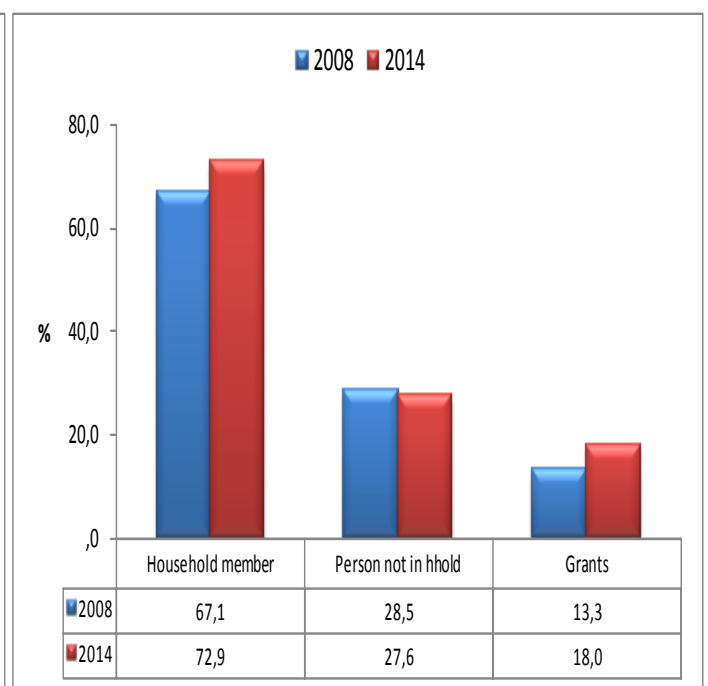


Figure 68: Means of support of youth (15–34years) living in households in which no one is employed, 2008 and 2014



In 2014, one in every ten young persons (14,1%) who lived in households in which no one was employed had only “primary and lower” levels of education, while an additional 58,9% had not completed their secondary education. More than two out of every three young persons who lived in households in which no one was employed depended on other household members for financial support, and an additional 27,0%–29,0% relied on persons outside the household. This once again highlights the vulnerability of young people in the labour market.

Figure 69: Previous industry of youth (15–34years) living in households in which no one is employed, 2008 and 2014

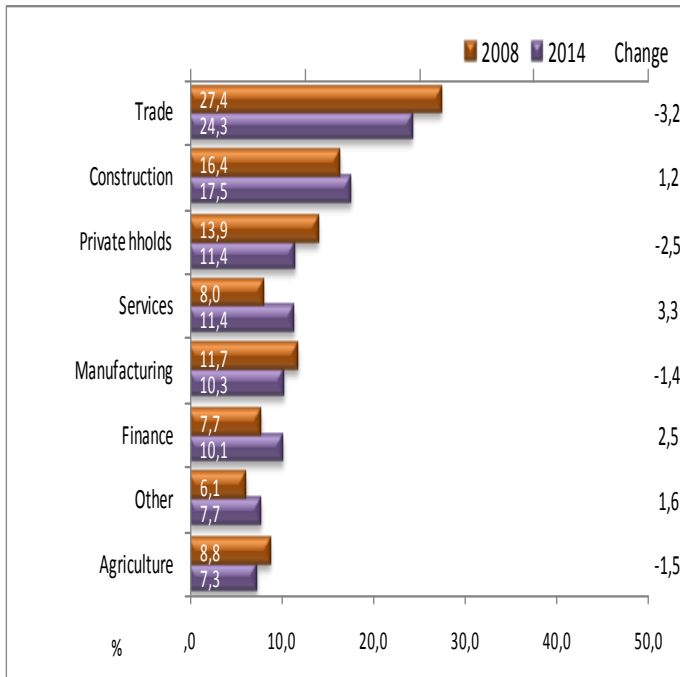
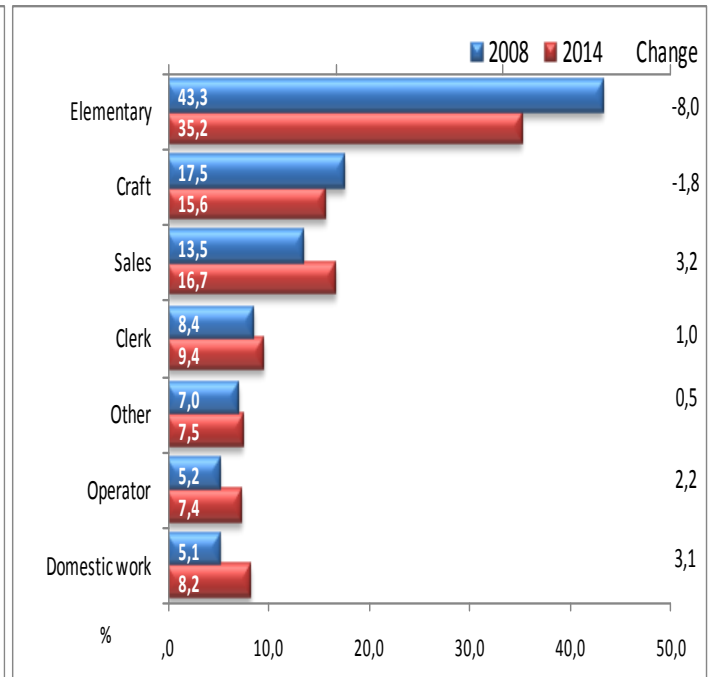
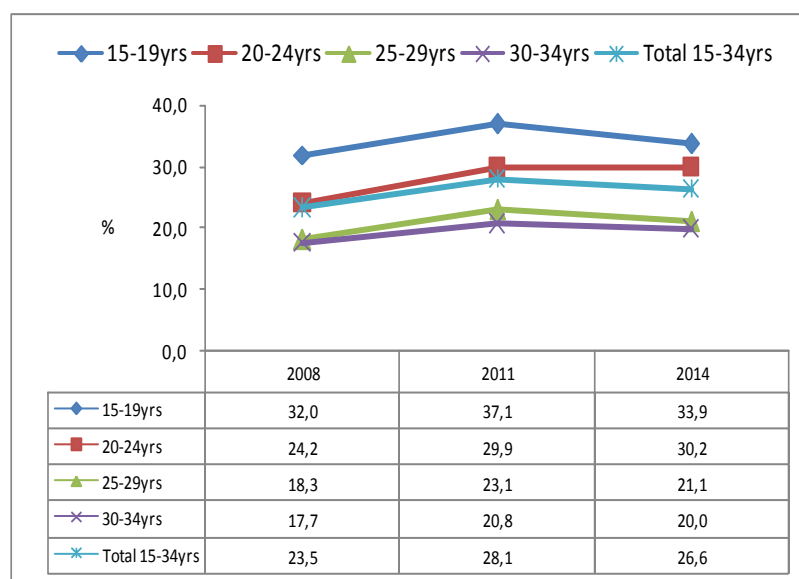


Figure 70: Previous occupation of youth (15–34years) living in households in which no one is employed, 2008 and 2014



Young people aged 15–34 years who had previous work experience and lived in households in which no one was employed were mostly employed in the Trade and Construction industries in the five years prior to the survey interview. Their previous occupations were predominantly in elementary positions or as Craft workers.

Figure 71: Proportion of youth in 5-year age groups living in households in which no one is employed, 2008, 2011 and 2014



The younger age categories are more likely to live in households in which no one is employed. For all age groups, the share of youth living in such households increased during the recession period and declined in 2014, but not to the levels reached in 2008 before the recession occurred.

Comparison of youth living in households with and without at least one person employed

The analysis in this section compares the situation of persons living in households with no one employed to those in which at least one person is employed.

Figure 72: Proportion of youth living in households with and without employed persons, 2014

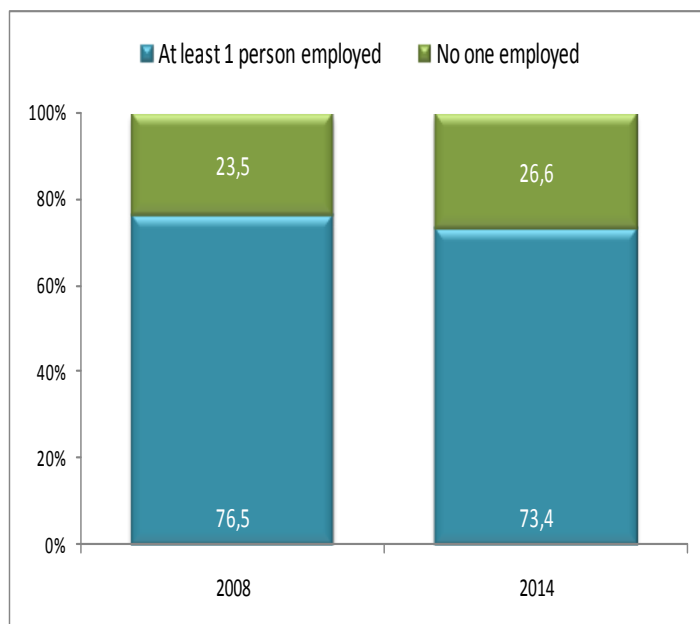


Table 10: Distribution of youth living in households with and without employed persons, 2014

	2008	2011	2014
	Thousand		
At least 1 person employed	13 938	13 525	14 317
No one employed	4 271	5 299	5 188
Total youth 15-34 yrs	18 209	18 824	19 504
	Per cent		
At least 1 person employed	76,5	71,9	73,4
No one employed	23,5	28,1	26,6
Total youth 15-34 yrs	100,0	100,0	100,0

In 2014, of the 19,5 million young people aged 15–34 years, 14,3 million (73,4%) lived in households with at least one person employed, while 5,2 million (26,6%) lived in households with no one employed (Figure 72 and Table 10). Reflecting the impact of the global recession, the percentage of youth living in households with at least one person employed declined from 76,5% in 2008 to 71,9% in 2011.

Figure 73: Education level of youth living in households with and without employed persons, 2014

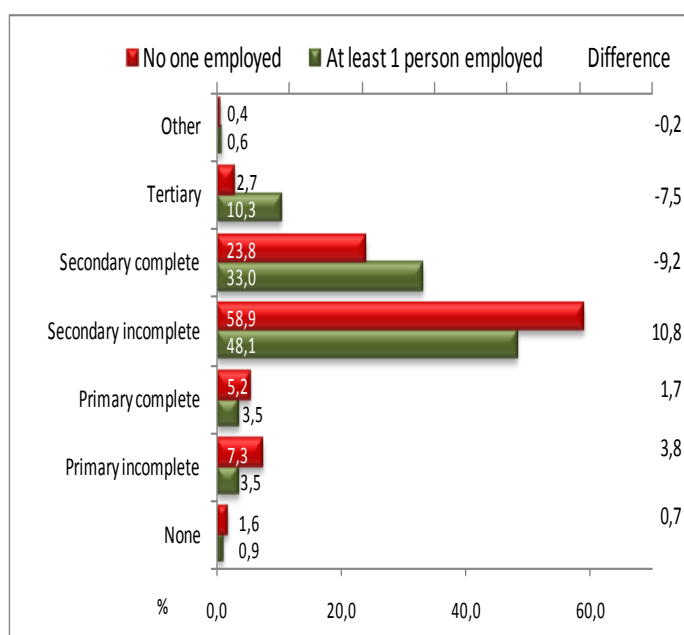


Table 11: Education profile of youth living in households with and without employed persons by 5-year age groups, 2014

	Households with at least 1 person employed				
	15-19yrs	20-24yrs	25-29yrs	30-34yrs	Total
None	0,8	0,8	0,8	1,3	0,9
Primary incomplete	4,0	2,5	3,5	4,0	3,5
Primary complete	5,6	2,4	2,5	3,7	3,5
Secondary incomplete	75,3	42,5	37,9	38,5	48,1
Secondary complete	13,4	43,8	39,1	34,6	33,0
Tertiary	0,4	7,2	15,5	17,2	10,3
Other	0,6	0,8	0,7	0,6	0,6
Total 15-34 yrs	100,0	100,0	100,0	100,0	100,0
	Households with no one employed				
	15-19yrs	20-24yrs	25-29yrs	30-34yrs	Total
None	1,2	0,8	1,7	3,6	1,6
Primary incomplete	8,0	5,0	7,3	9,7	7,3
Primary complete	7,9	3,3	3,7	4,9	5,2
Secondary incomplete	73,6	48,8	53,8	53,4	58,9
Secondary complete	8,9	38,0	28,2	23,5	23,8
Tertiary	0,1	3,6	4,8	4,2	2,7
Other	0,3	0,4	,4	0,6	0,4
Total 15-34 yrs	100,0	100,0	100,0	100,0	100,0

The education profile of youth living in households with at least one person employed is better than the profile of those in households with no one employed. Figure 73 shows that, among the former, 48,1% had not completed secondary education while among the latter (youth in households with no one employed), as many as 58,9% fell into that education category. Notably, Table 11 underscores the vulnerability of youth who have not completed their secondary education – particularly in the older age groups. In this regard, one in every two young persons in the age categories 25–29 years and 30–34 years who live in households in which no one is employed have not completed their secondary education. This poses a major constraint to their chances of finding employment.

Figure 74: Youth living in households with and without employed persons by province, 2014

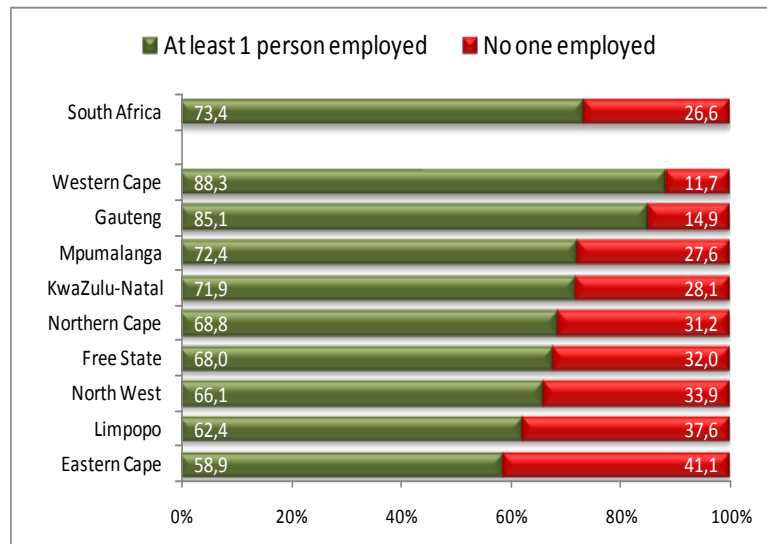


Figure 74 shows that in Western Cape and Gauteng, 85,0%–90,0% of young people aged 15–34 years live in households with at least one person employed – the highest percentage across all the provinces. In contrast, in Eastern Cape, 58,9% of youth live in households with at least one person employed, while 41,1% of the youth in that province live in households in which no one is employed – the highest percentage across all the provinces.

Hard facts

- In common with the situation across the globe, South African youth are an extremely vulnerable group in the labour market.
- In every province, their level of education attainment has improved over the period, but their labour market prospects have generally deteriorated. This reflects structural weaknesses in the labour market due to the mismatch between skills and available jobs.
- Young women (15–34 years) are in a particularly precarious labour market situation with unemployment rates more than 10 percentage points higher than that of young men each year over the period 2008–2014. In 2014, the rate among young women increased to between 45,0% and 51,0% in Free State, Mpumalanga and Northern Cape.
- While some young people have opted to continue with their education to improve their future job prospects, others have become increasingly discouraged. In 2014, more than one in every ten working-age young persons in Eastern Cape, Limpopo, North West and KwaZulu-Natal became discouraged.
- Adults dominate employment in skilled occupations with youth accounting for only 38,1% of employment in these occupations. Young people are more likely to be employed in semi-skilled occupations, while in provinces such as KwaZulu-Natal, Limpopo and Mpumalanga, youth accounted for more than 50% of employment in semi-skilled occupations.
- Young people are more likely to be employed in the formal sector, but are also more likely than adults to be employed in the informal sector.
- Young people are more likely to be employed on a contract of limited duration than on a permanent contract; the share of young people employed on a permanent contract also declined over the period 2008 to 2014 (from 53,6% to 21,6%). The largest decline was observed in Northern Cape.
- NEET rates are higher for young women.

-
- Incidence of long-term unemployment has increased in the past 5 years.
 - The proportion of youth that live in households in which no one employed is highest in Eastern Cape and Limpopo and lowest in Western Cape and Gauteng.
 - Among the youth, the younger age categories (15–19 years and 20–24 years) are more vulnerable in the labour market as reflected in higher unemployment rates, lower absorption rates and a greater likelihood to be discouraged relative to the older age categories (25–29 years and 30–34 years).

Western Cape labour market: Youth

Q1: 2008–Q1: 2014

Introduction

The focus of this report is the situation of young people aged 15–34 years in the Western Cape. This group faces particular challenges in the labour market and as such, it is important to gain a better understanding of the factors that impact on their labour market outcomes. This report is based on first quarter results of the Quarterly Labour Force Survey (QLFS) of every year over the period 2008–2014. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Characteristics of the working-age population

Table 1: Western Cape working-age population by age group, 2008–2014

Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15–19 yrs	450	445	470	482	490	496	505
20–24 yrs	491	487	483	518	528	508	510
25–29 yrs	506	508	499	498	511	544	533
30–34 yrs	466	490	497	475	473	486	518
35–39 yrs	452	478	487	482	497	498	487
40–44 yrs	377	379	388	397	400	433	443
45–49 yrs	315	322	330	350	364	363	380
50–54 yrs	236	255	277	297	293	315	334
55–59 yrs	202	199	201	220	229	244	251
60–64 yrs	147	157	169	166	189	176	192
Total	3 641	3 721	3 802	3 886	3 973	4 062	4 153

In the Western Cape, the working-age population has increased from 3,6 million to 4,1 million between 2008 and 2014. More people of the working-age population are in the age group 15–39 years compared to those in the older groups. The number of persons in the working-age population decreases as age increases, especially from the age group 40–64 years.

Table 2: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Youth 15–34 years (Thousand)						
Population	1 913	1 930	1 950	1 973	2 001	2 033	2 066
Labour force	1 245	1 261	1 243	1 216	1 282	1 233	1 294
Employed	923	916	900	825	877	823	892
Unemployed	323	345	343	391	405	410	401
Not economically active	667	669	707	757	719	800	772
Rates (%)							
Unemployment rate	25,9	27,4	27,6	32,1	31,6	33,2	31,0
Employed/population ratio (Absorption)	48,2	47,4	46,1	41,8	43,8	40,5	43,2
Labour force participation rate	65,1	65,3	63,8	61,6	64,1	60,7	62,6
	Adults 35–64 years (Thousand)						
Population	1 729	1 791	1 852	1 913	1 971	2 029	2 088
Labour force	1 218	1 317	1 344	1 374	1 437	1 484	1 535
Employed	1 104	1 197	1 170	1 204	1 230	1 267	1 344
Unemployed	113	120	174	170	207	217	191
Not economically active	511	474	508	538	535	545	552
Rates (%)							
Unemployment rate	9,3	9,1	13,0	12,4	14,4	14,6	12,4
Employed/population ratio (Absorption)	63,9	66,8	63,2	63,0	62,4	62,5	64,4
Labour force participation rate	70,4	73,6	72,6	71,8	72,9	73,2	73,5

The labour force among youth increased from 1,2 million in 2008 to 1,3 million in 2014, while among adults the labour force increased from 1,2 million to 1,5 million over the same period. Although the working-age population was higher among youth, labour force participation was higher among adults. In addition, the youth labour force participation rate declined from 65,1% to 62,6% between 2008 and 2014. The number of employed youth decreased from 923 000 in 2008 to 892 000 in 2014, while the number of employed adults increased from 1,1 million in 2008 to 1,3 million in 2014. The unemployment rate for youth was double that of the adults, while the absorption and labour force participation rates among adults were noticeably higher compared to those of youth. For both youth and adults, the

unemployment rate increased over this period; young people reflected a 5,1 percentage points increase to reach an unemployment rate of 31,0%, while that of adults increased by 3,1 percentage points in 2014.

Figure 1: Unemployment rate among youth and adults, 2008–2014

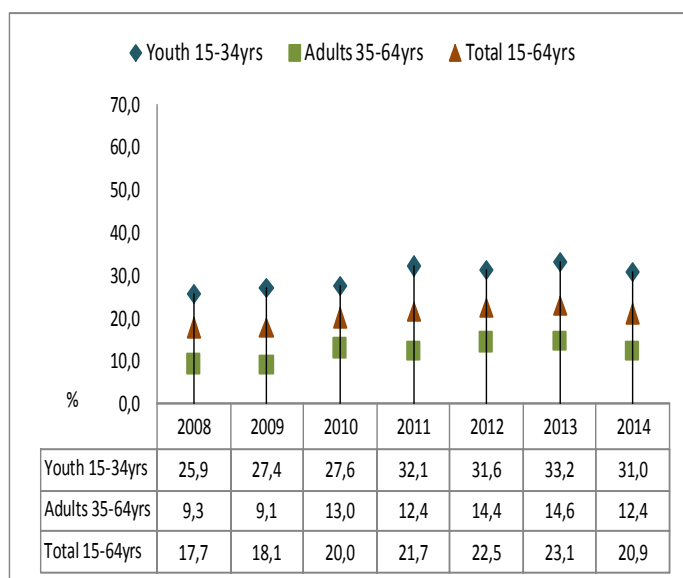
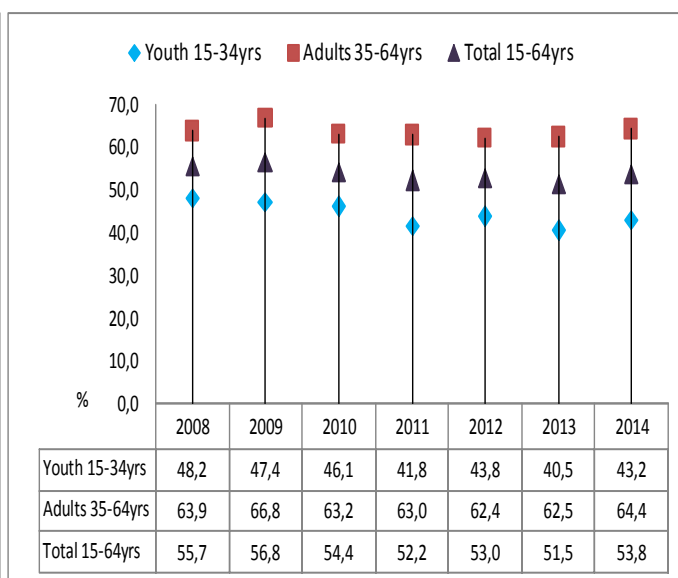
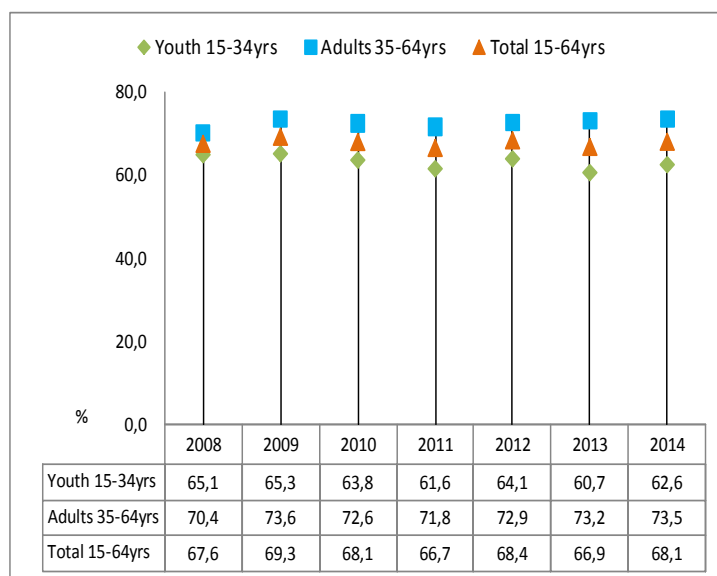


Figure 2: Absorption rate among youth and adults, 2008–2014

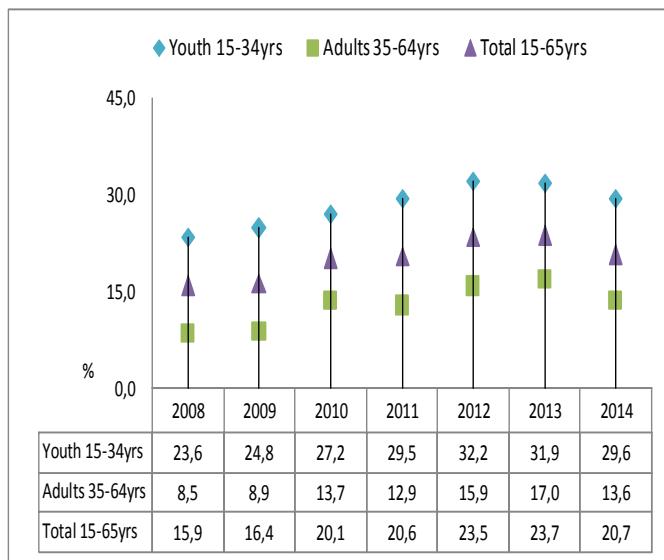
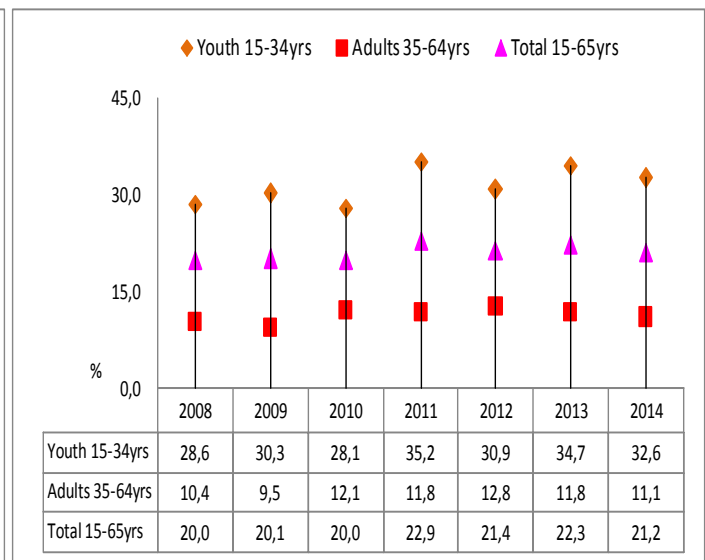


The total unemployment rate in the Western Cape increased from 17,7% in 2008 to 20,9% in 2014, while the absorption rate declined from 55,7% to 53,8% over the same period. The vulnerability of youth in the labour market in the province is highlighted by their unemployment rate, which is more than twice that of adults. Absorption rates for the youth were 15–22 percentage points lower than those of the adults each year over the period 2008–2014. Among youth, the highest absorption rate was observed in 2008 at 48,2%, while among adults the highest was observed in 2009 at 66,8%.

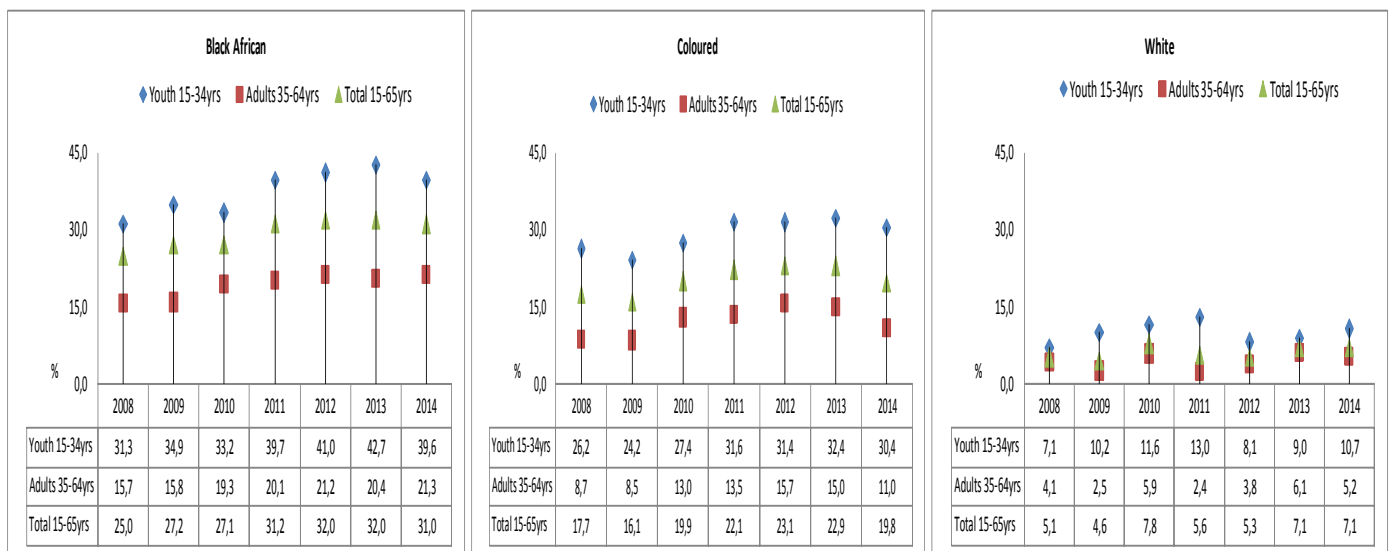
Figure 3: Labour force participation rate among youth and adults, 2008–2014



The labour force participation rate for adults was higher than that of youth in the Western Cape. The highest labour force participation rates for both youth and adults were observed in 2009 at 65,3% and 73,6% respectively, while for the Western Cape the rate was 69,3% in the same year. Among youth, the labour force participation rate declined from 65,1% in 2008 to 62,6% in 2014, with the lowest rate observed in 2013 at 60,7%. Among adults, the labour force participation rate increased from 70,4% in 2008 to 73,5% in 2014.

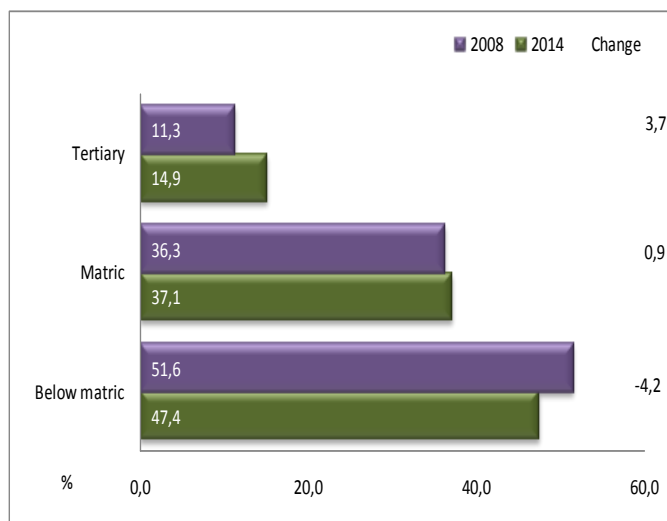
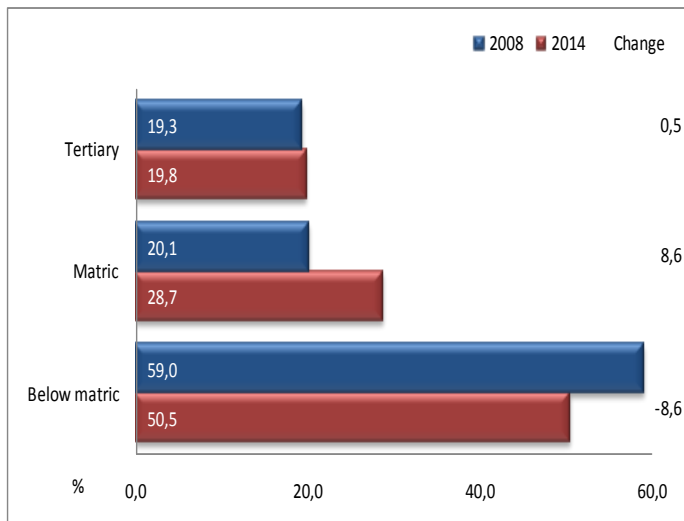
Figure 4a: Male unemployment rate among youth and adults, 2008–2014**Figure 4b: Female unemployment rate among youth and adults, 2008–2014**

Between 2008 and 2013, the total male unemployment rate in Western Cape increased from 15,9% to 23,7%, followed by a decline to 20,7% in 2014. For both males and females, the unemployment rate for youth is noticeably higher than that of adults. Figures 4a and 4b highlight that the unemployment rate for female youth was higher than the unemployment rate for male youth – a finding consistent over the period 2008–2014, except in 2012. Except for 2008 and 2009, the unemployment rate for male adults was higher than that of female adults.

Figure 5: Unemployment rate among youth and adults, by population group, 2008–2014

Note: The sample size for the Indian/Asian population group is too small for reliable estimates

The patterns of higher unemployment rates among youth compared to adults shown in Figure 1 also persist within the population groups. The unemployment rate for the black African population group was higher compared to that of the coloured and white population groups. Young black Africans face the highest unemployment rate in the province; in addition, their unemployment rate increased from 31,3% in 2008 to 39,6% in 2014. The unemployment rate among the white population group was the lowest in 2014 at 7,1% compared to 19,8% among the coloured population group and 31,0% among black Africans.

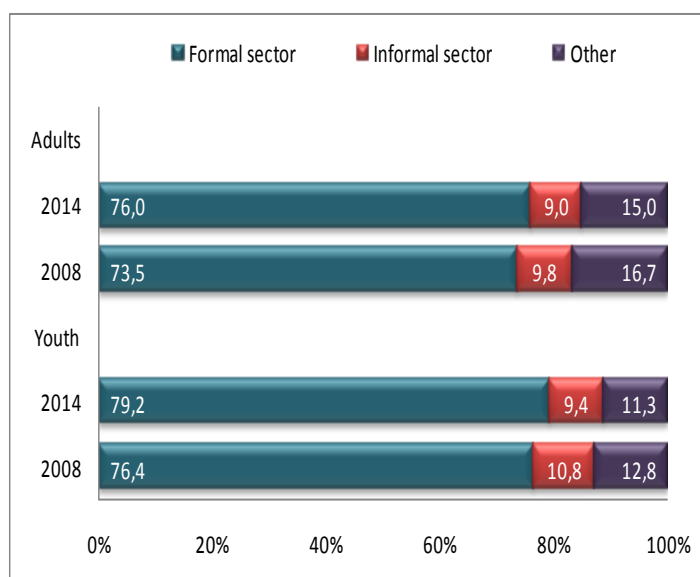
Figure 6: Education level of the labour force among youth, 2008 and 2014**Figure 7: Education level of the labour force among adults, 2008 and 2014**

Both youth and adults improved their levels of education between 2008 and 2014. The proportion of the labour force with an educational attainment lower than matric declined for both youth and adults between 2008 and 2014. This decline may imply that youth have improved their education level to a tertiary qualification (Figure 6), while adults improved their education level to a matric qualification (Figure 7). The education level of both the youth and adults in the labour force has improved for those with matric and higher. Between 2008 and 2014, the proportion of youth with a tertiary qualification increased by 3,7 percentage points, and the proportion of those who had attained a matric qualification increased by 0,9 of a percentage point. The proportion of adults with a tertiary qualification increased by 0,5 of a percentage point, while the proportion of adults who had attained a matric qualification increased by 8,6 percentage points.

Employment

Table 3: Employment by sector among youth and adults, 2008–2014

Year	Age group	Formal	Informal	Other
		Per cent		
2008	Youth	76,4	10,8	12,8
	Adults	73,5	9,8	16,7
2009	Youth	78,2	9,9	11,9
	Adults	73,8	10,5	15,6
2010	Youth	73,8	10,7	15,5
	Adults	73,4	10,5	16,1
2011	Youth	77,7	11,7	10,5
	Adults	76,4	9,7	13,9
2012	Youth	81,6	8,4	10,0
	Adults	75,1	9,5	15,5
2013	Youth	79,4	9,5	11,1
	Adults	75,5	11,3	13,2
2014	Youth	79,2	9,4	11,3
	Adults	76,0	9,0	15,0

Figure 8: Share of employment by sector among youth and adults, 2014

Note: 'Other' refers to Agriculture and Private households

Employment in the formal sector comprises a higher share compared to the informal sector for both youth and adults. In 2014, 79,2% of youth were employed in the formal sector, which is 2,9 percentage points higher than in 2008. Among adults, the share of formal employment increased by 2,5 percentage points from 73,5% in 2008 to 76,0% in 2014. The share of employment for the informal sector has decreased between 2008 and 2014 among both youth and adults.

Table 3a: Employment by industry among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	91	73	94	60	60	73	67
Mining	1	3	1	1	3	1	1
Manufacturing	163	140	125	144	152	129	152
Utilities	2	6	2	6	2	4	7
Construction	98	99	65	63	59	67	61
Trade	246	259	244	232	231	198	212
Transport	43	32	36	51	52	43	54
Finance	140	139	140	114	142	148	158
Community and social services	112	130	147	126	148	141	147
Private households	27	36	45	27	27	19	34
Other					1		
Total	923	916	900	825	877	823	892

The sample sizes for Mining and Utilities are too small for reliable estimates

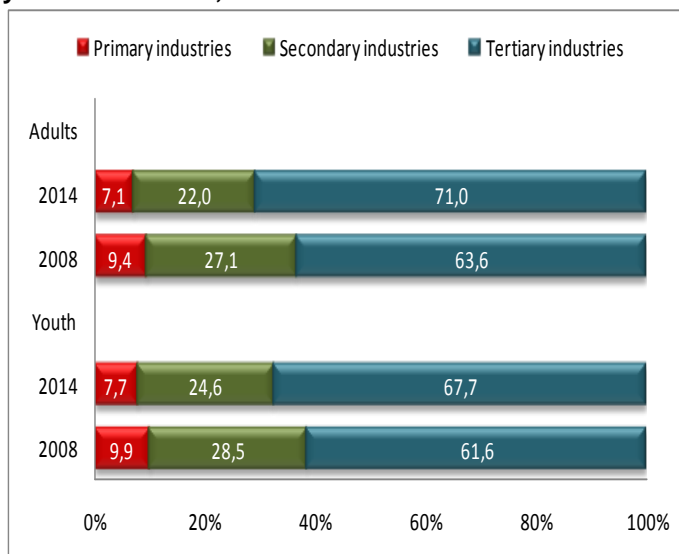
Industries that employed the most youth were Trade, Manufacturing, Finance, and Community and social services. The Private households and Transport industries employed the least number of young people over the period 2008–2014.

Table 3b: Employment by industry among adults, 2008–2014

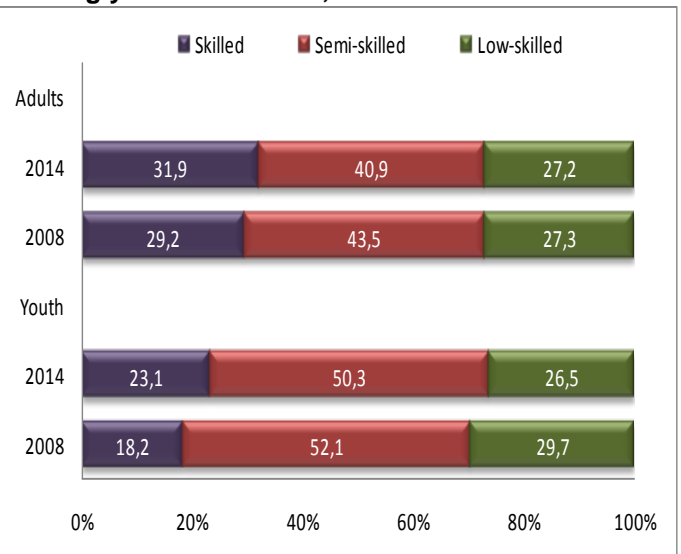
Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	102	85	93	73	82	67	92
Mining	1	1		1	0	2	2
Manufacturing	195	194	184	178	188	200	193
Utilities	7	4	7	5	3	9	8
Construction	97	113	100	77	97	83	94
Trade	188	210	197	204	205	221	263
Transport	52	68	73	81	61	88	88
Finance	126	169	153	167	196	206	194
Community and social services	254	250	268	322	288	289	301
Private households	82	102	95	94	108	100	109
Other				1		1	
Total	1 104	1 197	1 170	1 204	1 230	1 267	1 344

The sample sizes for Mining and Utilities are too small for reliable estimates

Among adults, the Community and social services, followed by the Trade, Manufacturing, and Finance industries employed the highest number of persons between 2008 and 2014. Table 3b also indicates that the Transport and Agriculture industries provided the least number of jobs for adults.

Figure 9: Share of employment by industry among youth and adults, 2014

Note: 'Primary' refers to Agriculture and Mining, 'Secondary' to Manufacturing, Utilities and Construction, 'Tertiary' refers to Trade, Transport, Finance, Community and Private household.

Figure 10: Share of employment by occupation among youth and adults, 2014

Note: 'Skilled' refers to Manager, Professional and Technician, 'Semi-skilled' to Clerk, Sales, Skilled Agriculture, Trade and Operator, 'Low-skilled' refers to Elementary and domestic workers.

Figure 9 shows that in 2008 and 2014, tertiary industries provided more jobs for both youth and adults. Tertiary industries employed three out of every five youth and adults in 2008, and employed more than two-thirds of both youth and adults in 2014. The share of employment was lower in the primary industries for both youth and adults between 2008 and 2014. The primary industries contributed 7,7% of the youth employment in the Western Cape, while it accounted for 7,1% among adults in 2014.

Employment in the Western Cape is concentrated in the semi-skilled occupations with youth accounting for more than half of the jobs in these occupations in both 2008 and 2014. Adults accounted for more than 40% in semi-skilled occupations. Skilled occupations employed the least number of youth while among adults, while low-skilled occupations accounted for the lowest number of employed adults in the province.

Table 4a: Employment by occupation among youth, 2008–2014

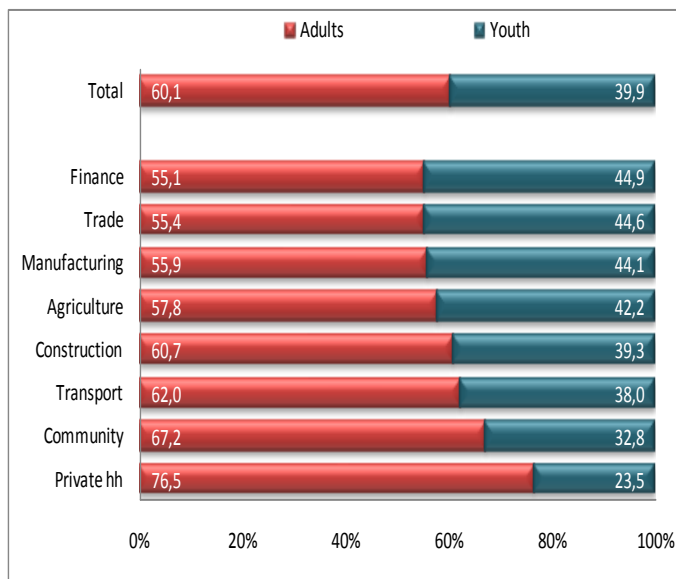
Occupation	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	44	38	55	66	52	54	53
Professional	54	47	41	49	68	54	75
Technician	70	95	93	76	100	93	79
Clerk	130	131	141	107	113	120	133
Sales and services	155	152	141	140	163	139	161
Skilled agriculture	4	6	5	3	1	9	5
Craft and related trade	142	121	110	98	91	82	93
Plant and machine operator	49	69	52	59	57	57	57
Elementary	252	229	228	205	209	205	211
Domestic worker	22	28	35	21	22	12	26
Total	923	916	900	825	877	823	892

The largest employment categories for young people were Elementary, Sales and services, Craft and related trade as well as Clerks. Domestic workers contributed only 26 000 jobs for youth compared to 211 000 jobs contributed by Elementary occupations in 2014.

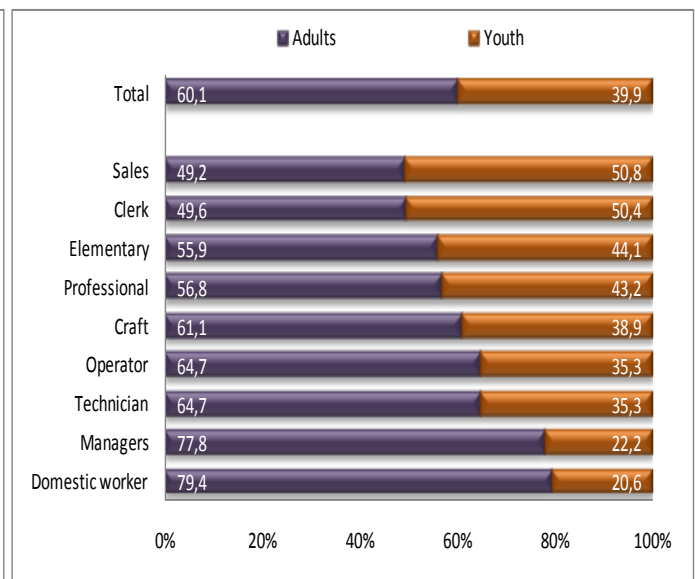
Table 4b: Employment by occupation among adults, 2008–2014

Occupation	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	109	139	125	180	168	168	186
Professional	88	102	93	91	72	100	98
Technician	126	155	147	188	165	146	144
Clerk	114	121	128	109	136	151	131
Sales and services	95	92	118	95	143	129	156
Skilled agriculture	15	9	9	18	8	6	11
Craft and related trade	164	161	146	131	121	118	147
Plant and machine operator	92	110	95	90	83	115	105
Elementary	232	222	230	221	239	248	267
Domestic worker	69	86	78	82	95	87	99
Total	1 104	1 197	1 170	1 204	1 230	1 267	1 344

Similar to the youth, Domestic workers accounted for the least number of jobs among adults, while the largest occupational employment contributors were the Elementary, Craft and related trade, and Technician occupations. Over the period, the number of adults employed as Managers increased from 109 000 in 2008 to 186 000 in 2014, making it the second largest contributor since 2012.

Figure 11: Employment by industry among youth and adults, 2014

Due to small sample size, Mining and Utilities industries have been removed; the sample is too small for reliable estimates

Figure 12: Employment by occupation among youth and adults, 2014

Due to small sample size, the Skilled agriculture occupation has been removed; the sample is too small for reliable estimates

Employment by adults dominated in all industries in the Western Cape; adults accounted for 60,1% of total employment compared to 39,9% employment for youth. The Finance and business services, Trade, Manufacturing, and Agriculture industries employed over 40% of youth. Industries in which adults accounted for more than 60% of total employment in 2014 included Construction (60,7%), Transport (62,0%), Community and social services (67,2%) and Private households (76,5%). In terms of occupations (Figure 12), youth accounted for a larger share in Sales (50,8%) and Clerks (50,4%). In contrast, adults accounted for the largest share in Domestic workers (79,4%) and Managers (77,8%) in the province.

Conditions of employment, status in employment and incidence of long-term unemployment

Table 5: Status in employment among youth and adults, 2008 and 2014

Year	Age group	Employee	Employer	Own-account	Unpaid in family business
Per cent					
2008	Youth	94,2	1,7	4,0	0,1
	Adults	84,6	7,8	7,3	0,3
2009	Youth	94,0	2,0	3,3	0,7
	Adults	84,0	7,9	7,9	0,2
2010	Youth	94,4	2,2	2,8	0,6
	Adults	87,3	5,6	6,5	0,6
2011	Youth	93,8	2,5	2,9	0,8
	Adults	85,3	7,9	6,5	0,2
2012	Youth	95,4	1,2	3,2	0,2
	Adults	85,5	6,8	7,2	0,6
2013	Youth	95,4	2,0	2,4	0,1
	Adults	84,3	7,6	7,7	0,3
2014	Youth	94,8	1,7	3,3	0,2
	Adults	85,4	8,4	5,8	0,4

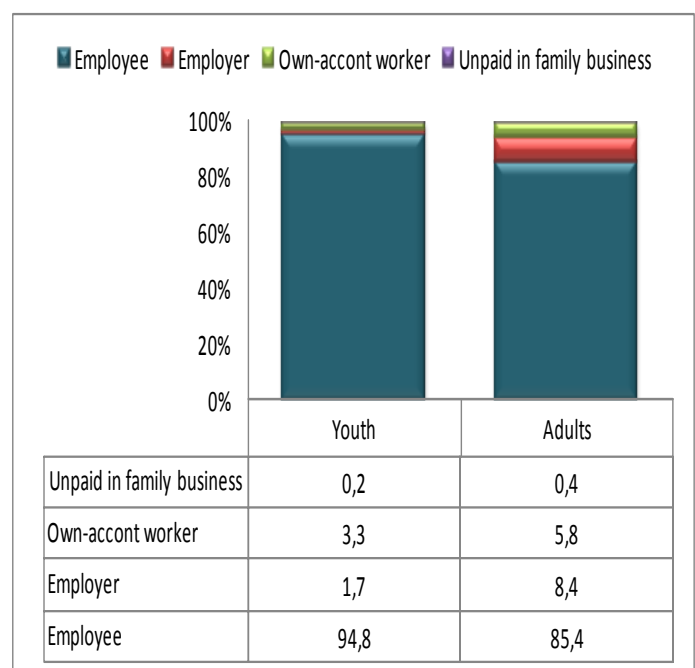
Figure 13: Status in employment among youth and adults, 2014

Table 5 indicates that nine out of ten employed youth were employees, while eight out of ten employed adults were employees over the period 2008–2014. Figure 13 shows that in 2014, 94,8% of youth were employed as employees and only 1,7% were employed as employers, while the corresponding shares were 85,4% and 8,4% for adults respectively. The number of own-account workers declined from 4,0% in 2008 to 3,3% in 2014 among youth, while among adults the number of own-account workers decreased from 7,3% in 2008 to 5,8% in 2014.

Table 6: Access to benefits among youth and adults, 2008 and 2014

Year	Age group	UIF	Medical aid	Pension
		Per cent		
2008	Youth	70,2	17,7	34,9
	Adults	67,9	29,6	50,9
2009	Youth	70,3	18,1	40,2
	Adults	64,5	29,6	53,1
2010	Youth	65,9	19,0	36,6
	Adults	66,6	33,6	54,6
2011	Youth	71,3	22,2	43,2
	Adults	65,0	41,0	61,2
2012	Youth	73,7	24,5	46,1
	Adults	66,6	35,2	58,9
2013	Youth	76,6	24,0	47,1
	Adults	73,9	37,1	58,3
2014	Youth	76,5	25,4	46,2
	Adults	75,8	36,0	59,8

Figure 14: Access to benefits among youth and adults, 2014

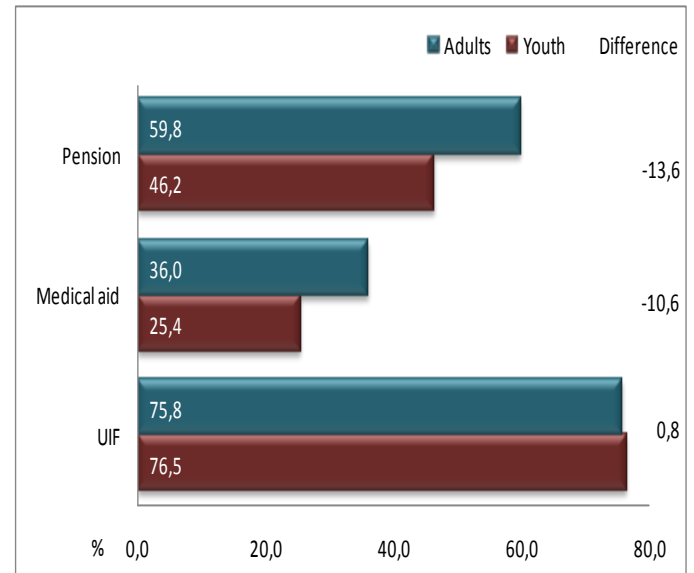


Table 6 and Figure 14 highlight that the access to UIF benefits has increased among both youth and adults over the period 2008–2014 to reach close to equal shares in access to this benefit in 2014. Access to pension and medical aid benefits in 2014 among youth was 13,6 and 10,6 percentage points lower than that of adults respectively, despite access increasing among young people over this period.

Table 7: Contract duration among youth and adults, 2008 and 2014

Contract	Age group	Limited	Permanent	Unspecified
		Per cent		
2008	Youth	17,0	60,2	22,8
	Adults	8,5	76,9	14,7
2009	Youth	15,4	62,4	22,2
	Adults	7,4	77,4	15,2
2010	Youth	18,2	65,6	16,2
	Adults	7,8	80,0	12,1
2011	Youth	12,0	67,6	20,4
	Adults	6,5	81,8	11,7
2012	Youth	15,1	66,4	18,5
	Adults	8,5	79,0	12,5
2013	Youth	16,1	67,7	16,3
	Adults	8,9	78,0	13,1
2014	Youth	17,8	64,8	17,4
	Adults	9,9	77,7	12,4

Figure 15: Contract duration among youth and adults, 2014

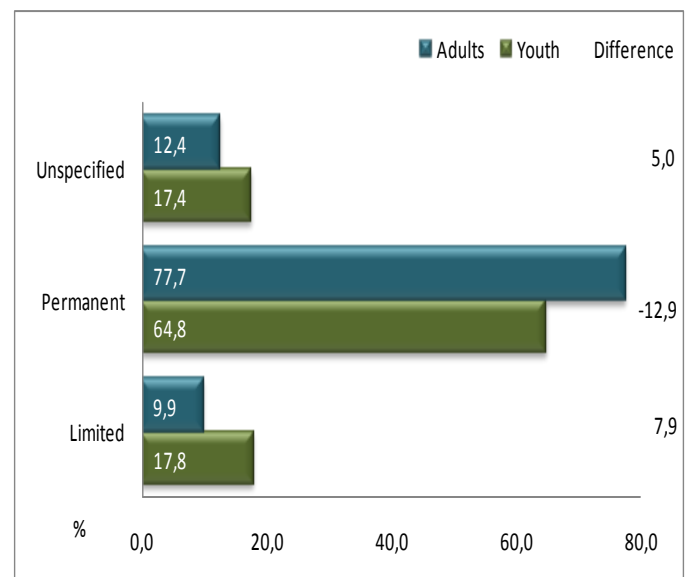
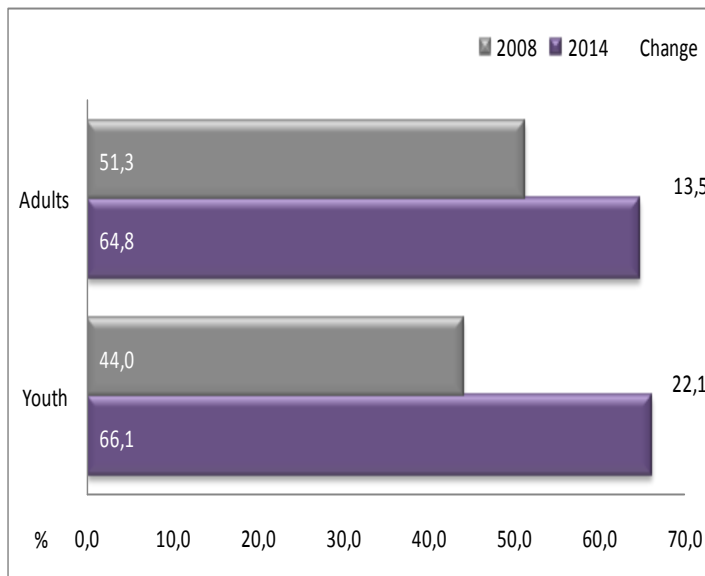
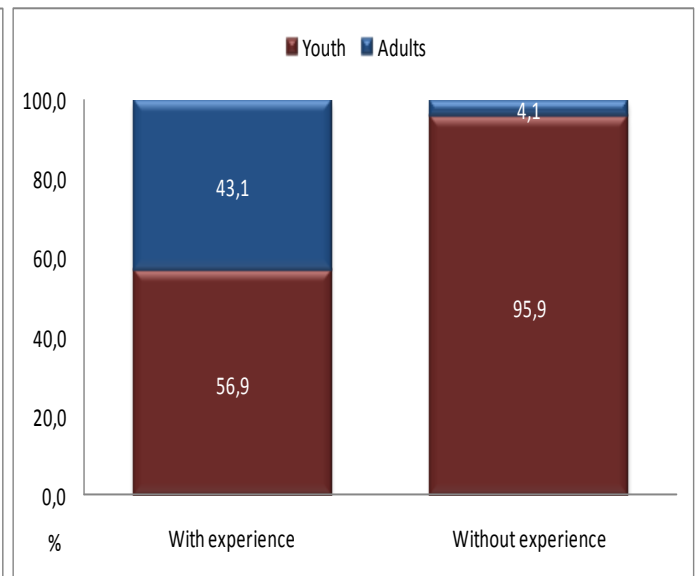
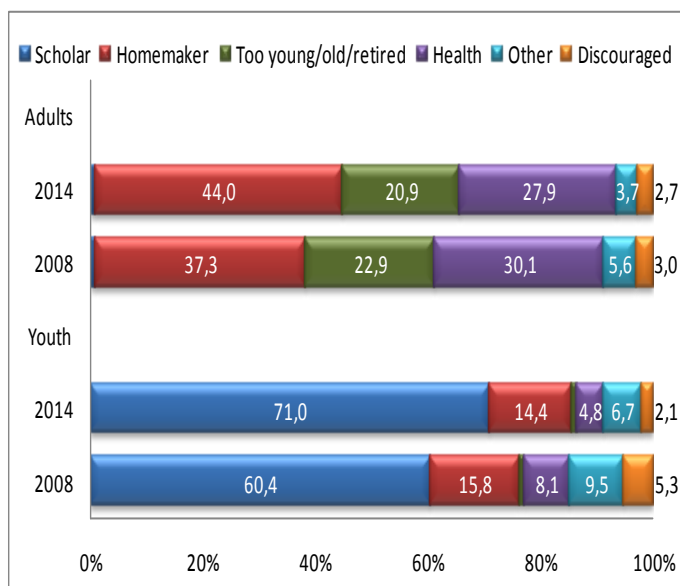
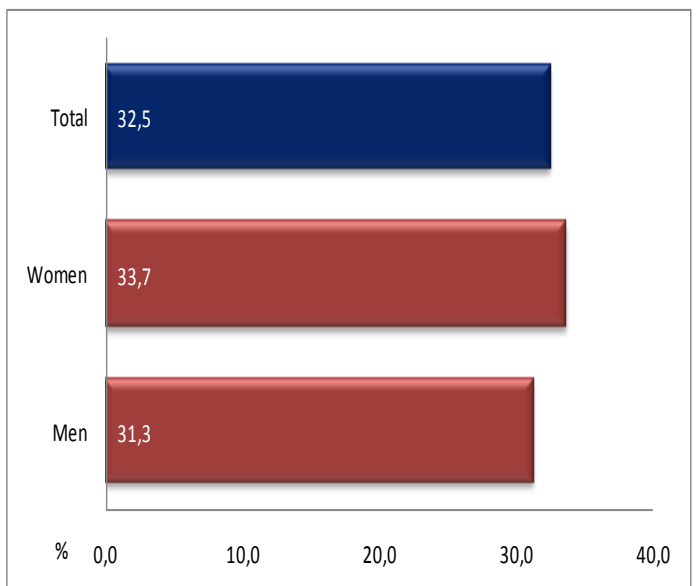


Table 7 shows that a larger proportion of adults relative to youth were employed on a permanent contract basis. The proportion of youth employed on contracts of a limited and unspecified duration was higher than that of adults throughout the period 2008–2014. In 2014, 77,7% of adults were employed on a permanent contract basis compared to two-thirds of young people (64,8%), as indicated in Figure 15.

Figure 16: Incidence of long-term unemployment among youth and adults, 2008 and 2014**Figure 17: Work experience among youth and adults, 2014**

In the Western Cape, the incidence of long-term unemployment among youth has increased by 22,1 percentage points from 44,0% in 2008 to 66,1% in 2014. Among adults, the incidence of long-term unemployment has increased by 13,5 percentage points over the same period. Figure 17 highlights that in 2014, unemployed persons with experience comprised 56,9% of youth and 43,1% of adults. Among the unemployed without experience, nine out of ten were youth compared to just 4,1% of adults.

Figure 18: Reasons for inactivity among youth and adults, 2008 and 2014**Figure 19: Youth who are Not in Education, Employment or Training (NEET) by sex, 2014**

Note: NEET (15-24 years)

Among youth, the main reason for inactivity is being a scholar. Engagement in education by youth has increased from 60,4% in 2008 to 71,0% in 2014. There were three main reasons for inactivity among adults, namely homemaker, health reasons and too young/old/retired. Being a scholar was the least reason for inactivity among adults, while among youth the least reason for inactivity was too young/old/retired. Discouragement amongst both youth and adults declined over the period (Figure 18). The NEET rate among the youth aged 15–24 years for the Western Cape was 32,5% in 2014, as indicated in Figure 19. The NEET rate for women (33,7%) was 2,4 percentage points higher than that of men (31,3%).

Hard facts

- The number of youth in the working-age population was higher than the number of adults, while labour force participation was higher among adults relative to young people in the Western Cape.
- The unemployment rate for youth was more than double that of adults, while the absorption rates for youth were 15–22 percentage points lower than those for adults.
- The total unemployment rate in the Western Cape has increased from 17,7 % in 2008 to 20,9% in 2014.
- The unemployment rate for the black African population group was highest compared to that of the coloured and white population groups. Young black African women faced the highest unemployment rate in the province.
- The education level of both youth and adults in the labour force has improved between 2008 and 2014. In particular, the proportion of young people with a tertiary qualification increased over this period.
- In 2014, there were at least seven out of ten persons employed in the formal sector among adults.
- The tertiary industries and semi-skilled occupations created more jobs for both youth and adults.
- Nine out of ten employed youth were employees, while eight out of ten employed adults were employees.
- There has been an increase in access to the UIF benefit among both youth and adults, while fewer young people had access to medical aid and pension compared to adults in the province.
- There were more youth employed on contract of a limited and unspecified duration than adults throughout the years (2008–2014).
- Amongst those unemployed with no work experience, nine out of ten were young people between the ages of 15 and 34 years compared to just to just 4,1% who were adults.

Eastern Cape labour market: Youth

Q1: 2008–Q1: 2014

Introduction

The focus of this report is the situation of young people aged 15–34 years in the Eastern Cape. This group faces particular challenges in the labour market and as such, it is important to gain a better understanding of the factors that impact on their labour market outcomes. This report is based on first quarter results of the Quarterly Labour Force Survey (QLFS) of every year over the period 2008–2014. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Characteristics of the working-age population

Table 1: Eastern Cape working-age population by age group, 2008–2014

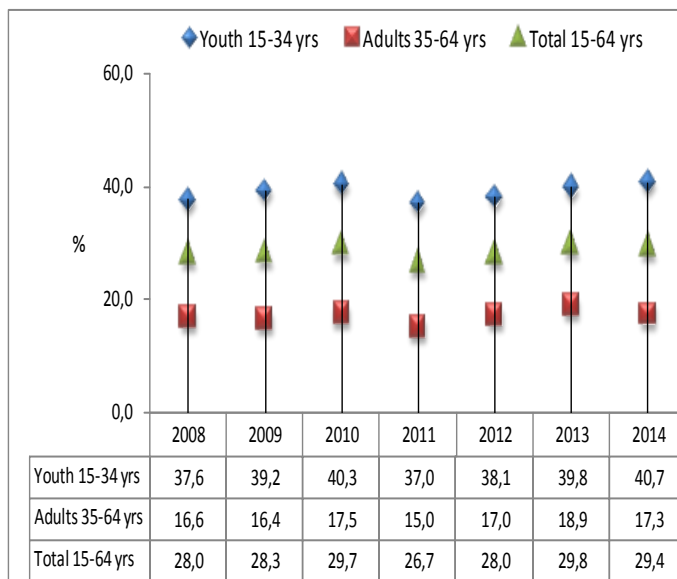
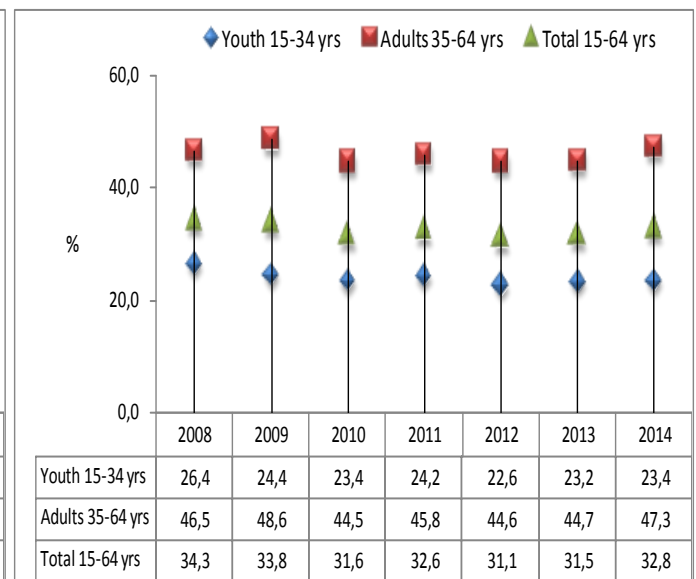
Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15–19 yrs	742	796	769	799	813	777	772
20–24 yrs	627	612	615	598	590	640	625
25–29 yrs	490	530	526	537	570	547	562
30–34 yrs	461	419	481	487	474	501	516
35–39 yrs	312	338	358	373	358	329	325
40–44 yrs	278	264	256	273	273	337	323
45–49 yrs	288	290	264	260	267	261	256
50–54 yrs	257	253	255	268	261	265	269
55–59 yrs	185	192	215	204	207	207	247
60–64 yrs	158	156	161	148	179	166	171
Total	3 798	3 849	3 900	3 947	3 991	4 030	4 065

Table 1 shows that the working-age population (WAP) in Eastern Cape increased from 3,8 million in 2008 to 4,1 million in 2014. The results show that the province has a youthful working-age population. Over the period 2008–2014, more than 60% of the WAP in the province were young people between the ages of 15 and 34 years.

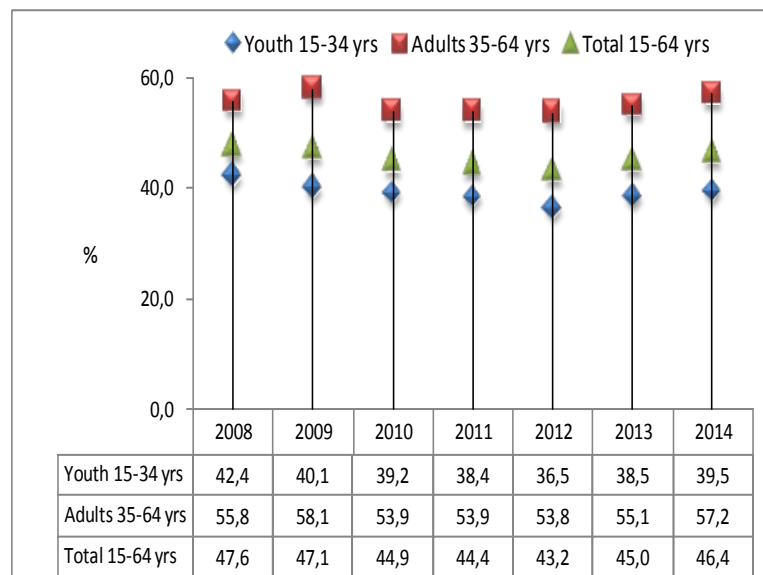
Table 2: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Youth 15–34 years (Thousand)						
Population	2 320	2 356	2 391	2 421	2 446	2 465	2 475
Labour force	983	946	937	930	893	949	979
Employed	614	575	559	585	553	571	580
Unemployed	369	371	378	344	340	378	399
Not economically active	1 337	1 410	1 454	1 491	1 553	1 515	1 496
Rates (%)							
Unemployment rate	37,6	39,2	40,3	37,0	38,1	39,8	40,7
Employed/population ratio (Absorption)	26,4	24,4	23,4	24,2	22,6	23,2	23,4
Labour force participation rate	42,4	40,1	39,2	38,4	36,5	38,5	39,5
	Adults 35–64 years (Thousand)						
Population	1 478	1 493	1 509	1 526	1 545	1 566	1 590
Labour force	824	867	814	823	830	863	909
Employed	687	725	672	700	689	700	752
Unemployed	137	142	142	123	141	163	157
Not economically active	653	626	695	703	714	703	681
Rates (%)							
Unemployment rate	16,6	16,4	17,5	15,0	17,0	18,9	17,3
Employed/population ratio (Absorption)	46,5	48,6	44,5	45,8	44,6	44,7	47,3
Labour force participation rate	55,8	58,1	53,9	53,9	53,8	55,1	57,2

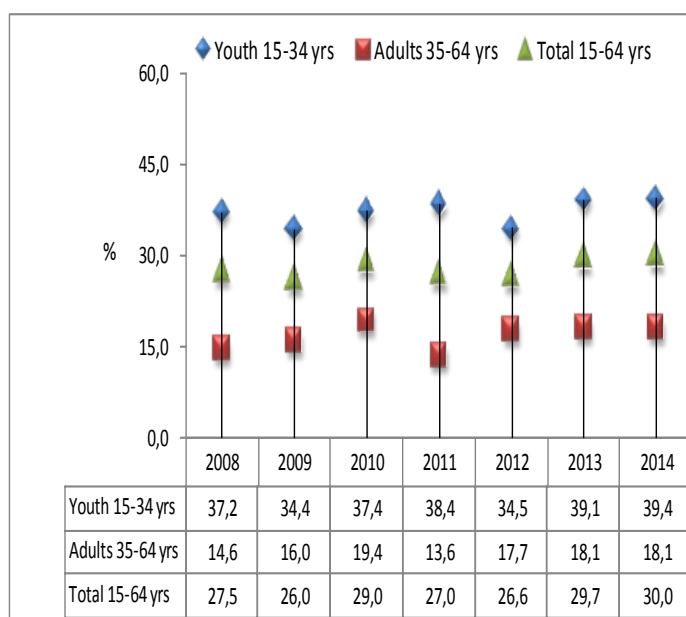
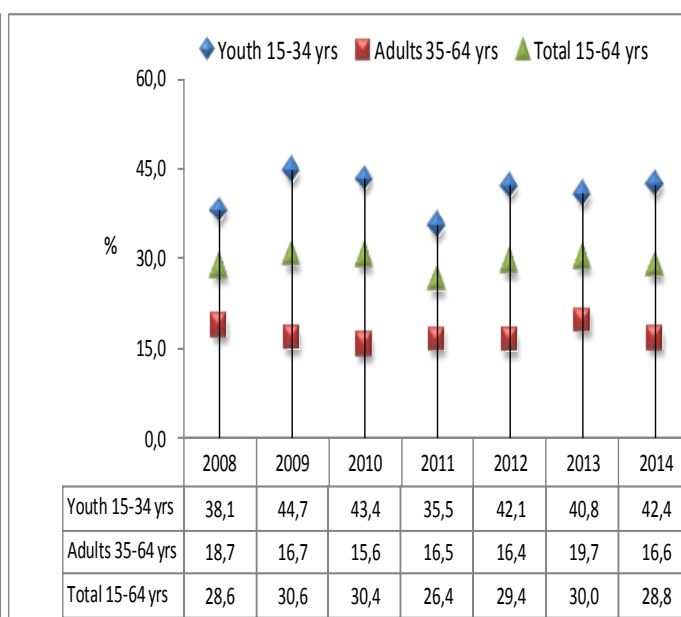
The number of unemployed youth in Eastern Cape was higher than the number of adults who were unemployed. The increase of 30 000 in the number of unemployed youth between 2008 and 2014 was accompanied by a decline in the number of employed youth (by 34 000) over the period. As a result, the youth unemployment rate increased between 2008 and 2014 and was more than double the rate for adults in every year. The analysis shows that even though more youth were in the labour force compared to adults, the majority of them were unemployed. The labour force participation rate among adults increased by 1,4 percentage points between 2008 and 2014, while for youth it declined by 2,9 percentage points.

Figure 1: Unemployment rate among youth and adults, 2008–2014**Figure 2: Absorption rate among youth and adults, 2008–2014**

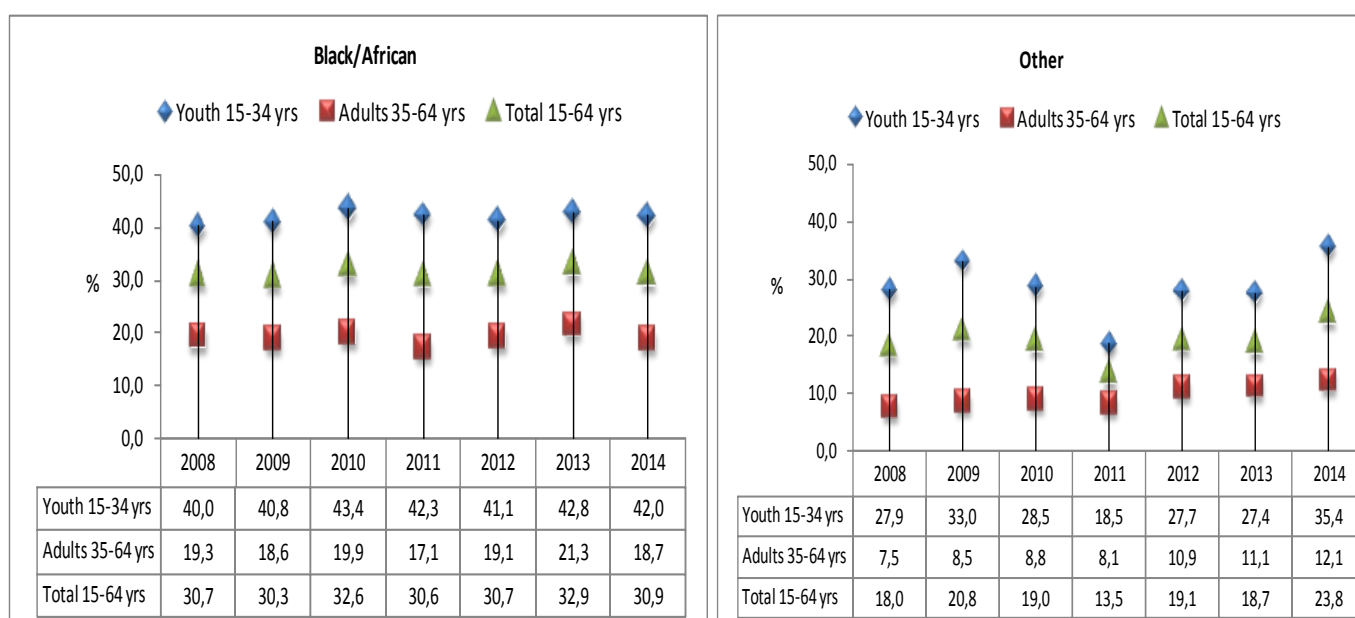
The youth unemployment rate was consistently higher than that of adults every year over the period 2008–2014. Between 2008 and 2014, the unemployment rate for youth increased by 3,1 percentage points, while for adults it increased by less than one percentage point. The youth unemployment rate reached a peak of 40,7% in 2014. Absorption rates for youth were lower than for adults every year over the period 2008–2014. The absorption rate for youth declined by three percentage points between 2008 and 2014, while for adults it increased by less than one percentage point. In 2014, the absorption rate for adults was more than double the rate for youth.

Figure 3: Labour force participation rate among youth and adults, 2008–2014

The labour force participation rate for adults increased over the period 2008–2014, while that of youth declined. The gap between the youth and adult rate ranged between 13,4 and 17,7 percentage points, while the largest gap was observed in 2009, when the labour force participation rate of adults was 58,1% while that of youth was 40,1%. In 2014, this gap once again reached the 2009 level.

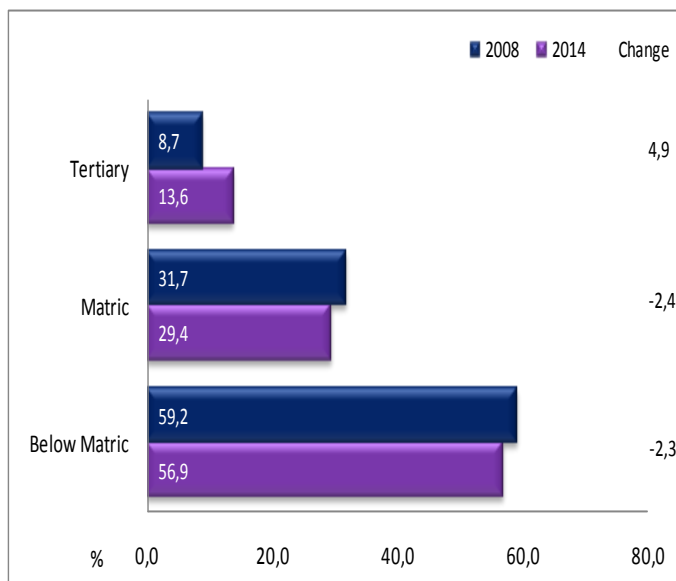
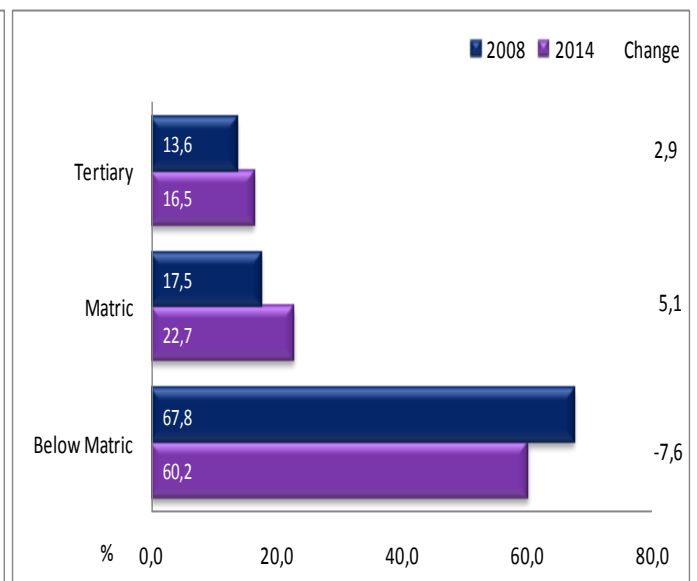
Figure 4a: Male unemployment rate among youth and adults, 2008–2014**Figure 4b: Female unemployment rate among youth and adults, 2008–2014**

Among both men and women, the unemployment rate for adults was lower than the rate for youth each year over the period 2008–2014. In 2011, the unemployment rate for adult men was almost triple the rate for their younger counterparts. While youth in the province faced high unemployment rates, young women in particular were vulnerable in terms of their employment prospects; the unemployment rate for young women increased from 38,1% to 42,4% between 2008 and 2014.

Figure 5: Unemployment rate among youth and adults, by population group, 2008–2014

Note: "Other" includes Indians, Coloureds and Whites

The youth unemployment rate among the black African population group in the Eastern Cape was consistently higher compared to other groups over the period 2008–2014. In particular, in 2011, the youth unemployment rate for other population groups reached a low of 18,5%, while for the black African population group the unemployment rate was 42,3%. The lowest unemployment rate among black African youth was 40,0% in 2008, and the rate increased during the recession period (2009–2010).

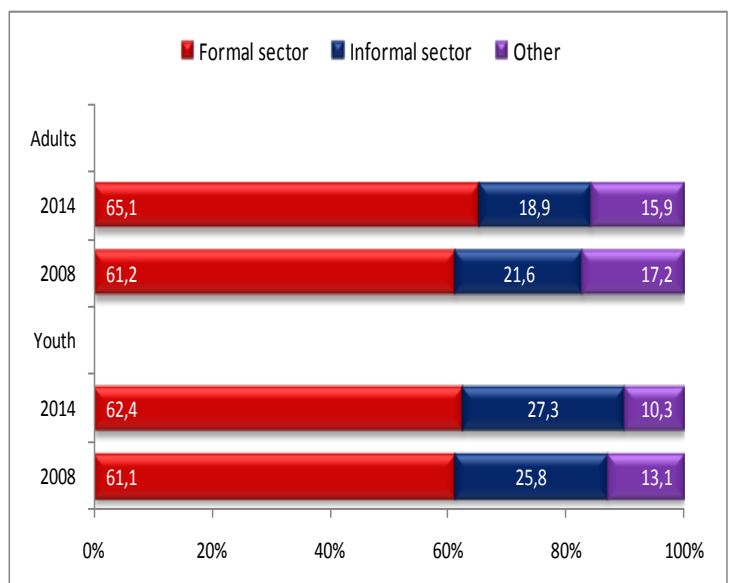
Figure 6: Education level of the labour force among youth, 2008 and 2014**Figure 7: Education level of the labour force among adults, 2008 and 2014**

The education profile of the labour force in Eastern Cape has improved over the period 2008–2014. The results show that the share of the adult labour force who have an education below the matric level declined by 7,6 percentage points in favour of those with matric and tertiary qualifications. On the other hand, compared to adults, a larger percentage of the youth labour force attained tertiary education between 2008 and 2014. Over the same period, the share of the youth labour force with a tertiary education increased by 4,9 percentage points compared to 2,9 percentage points among adults. Despite the improvement in education levels among both youth and adults, in 2014, one in every two (56,9%) of the youth labour force and as many as 60,2% of the adult labour force only had below matric.

Employment

Table 3: Employment by sector among youth and adults, 2008–2014

Year	Age group	Formal	Informal	Other
		Per cent		
2008	Youth	61,1	25,8	13,1
	Adults	61,2	21,6	17,2
2009	Youth	61,1	23,1	15,8
	Adults	60,1	20,8	19,1
2010	Youth	65,3	22,4	12,3
	Adults	63,1	19,5	17,4
2011	Youth	62,9	22,4	14,7
	Adults	66,6	17,3	16,1
2012	Youth	67,0	23,6	9,4
	Adults	65,0	21,9	13,1
2013	Youth	59,0	22,6	18,4
	Adults	63,2	20,4	16,4
2014	Youth	62,4	27,3	10,3
	Adults	65,1	18,9	15,9

Figure 8: Share of employment by sector among youth and adults, 2008 and 2014

In all years except 2009, 2010 and 2012, adults in the province were more likely to be employed in the formal sector than youth. In 2014, 62,4% of youth compared to 65,1% of adults were employed in the formal sector. The results indicate that the chances of working in the formal sector were higher as compared to working in the informal sector for both youth and adults. Employment for adults in the informal sector declined in favour of the formal sector over the

period 2008–2014, while youth lost about 1,3 percentage points of employment in the formal sector in favour of the informal sector.

Table 3a: Employment by industry among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
Youth 15–34 years (Thousand)							
Agriculture	35	41	27	36	23	49	26
Mining	2	1	1	1		1	2
Manufacturing	66	85	63	86	71	72	58
Utilities	1	2	1	2	3		2
Construction	60	46	57	51	50	61	67
Trade	165	155	164	153	161	144	163
Transport	35	30	32	24	34	27	38
Finance	81	57	64	74	69	60	53
Community and social services	123	109	109	109	112	102	139
Private households	45	50	42	50	29	56	34
Total	614	575	559	585	553	571	580

Note: The sample size for Mining and Utilities is too small for reliable estimates.

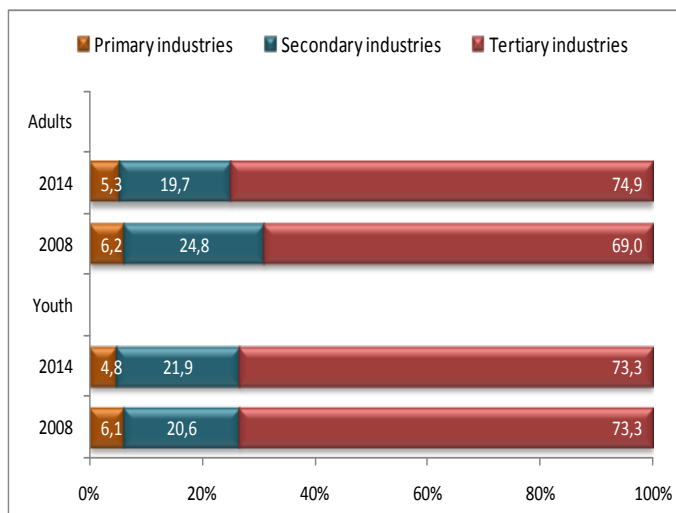
Over the period 2008–2014, youth were predominately employed in the Trade and Community and social services industries as compared to other industries. Over the same period, employment in the Trade industry declined by 2 000 jobs, while Community and social services gained 16 000 jobs. Agriculture, Transport and Private households were the three industries that created the fewest employment opportunities for the youth. The largest decline in employment by industry over the period 2008–2014 was observed in the Finance industry, where 28 000 jobs were lost.

Table 3b: Employment by industry among adults, 2008–2014

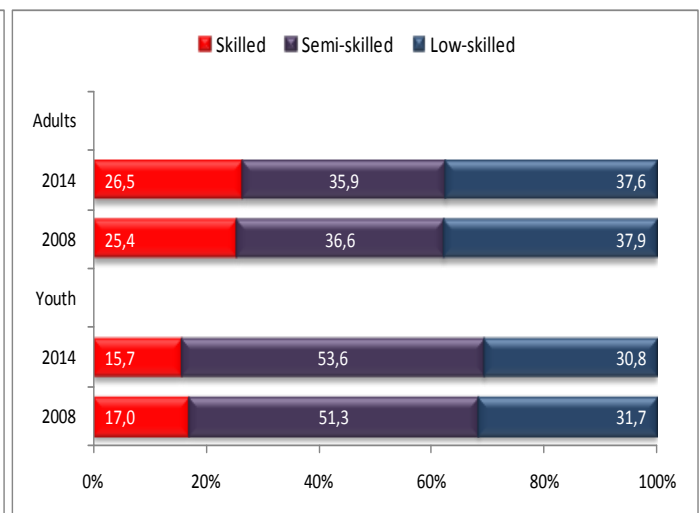
Industry	2008	2009	2010	2011	2012	2013	2014
Adults 35–64 years (Thousand)							
Agriculture	42	41	35	27	23	38	40
Mining	0	2		1		1	
Manufacturing	105	106	71	84	81	95	90
Utilities	4	1	2	4	4	1	3
Construction	62	45	49	67	52	65	56
Trade	131	155	129	132	154	116	125
Transport	32	37	43	33	38	34	48
Finance	36	48	48	46	53	49	62
Community and social services	198	192	213	221	216	224	249
Private households	76	98	82	86	67	77	80
Total	687	725	672	700	689	700	752

Note: The sample size for Mining and Utilities is too small for reliable estimates

In Eastern Cape, the Trade and Community and social services industries contributed the most job opportunities over the period 2008–2014 for both youth and adults, as shown in Tables 3a and 3b. Employment among adults in the Community and social services industry increased by 51 000 jobs over the period 2008–2014. Private households employed more adults between 2008 and 2014 as compared to the Agriculture, Construction, Transport and Finance industries.

Figure 9: Share of employment by industry among youth and adults, 2008 and 2014

Note: 'Primary' refers to Agriculture and Mining, 'Secondary' to Manufacturing, Utilities and Construction, 'Tertiary' refers to Trade, Transport, Finance, Community and Private households

Figure 10: Share of employment by occupation among youth and adults, 2008 and 2014

Note: 'Skilled' refers to Manager, Professional and Technician, 'Semi-skilled' to Clerk, Sales, Skilled Agriculture, Trade and Operator, 'Low-skilled' refers to Elementary and domestic workers

Both youth and adults were more likely to be employed in tertiary industries than primary and secondary industries, with around three in every four young persons employed in tertiary industries in 2014. Close to one in five adults and youth were employed in the secondary industries in the province. In both 2008 and 2014, more than half of all youth in the province were employed in semi-skilled occupations. The results highlight that less than one in every five youth were employed in skilled occupations compared to more than one in every four adults. On the other hand, adults were more likely to be employed in low-skilled occupations (37,6%) followed by semi-skilled occupations (35,9%).

Table 4a: Employment by occupation among youth, 2008–2014

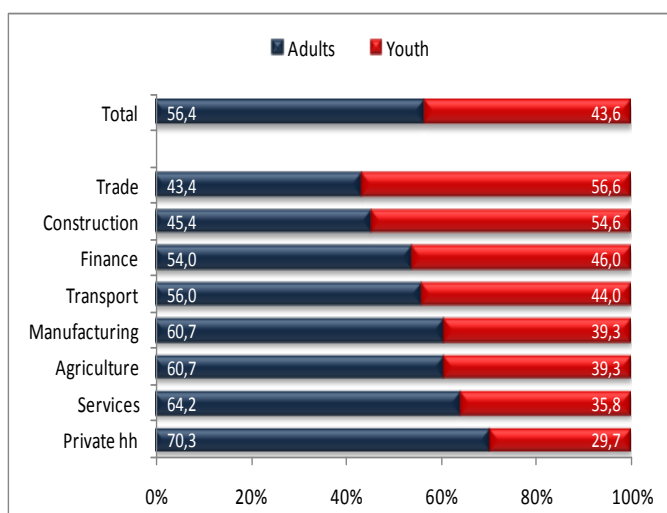
Occupation	2008	2009	2010	2011	2012	2013	2014
	Youth 15–34 years (Thousand)						
Manager	25	25	23	34	26	24	24
Professional	23	30	28	19	29	18	23
Technician	56	55	50	58	50	39	43
Clerk	68	58	78	80	69	62	71
Sales and services	124	87	104	107	118	106	110
Skilled agriculture	3	5	1	4	2	2	1
Craft and related trade	63	67	58	58	77	64	76
Plant and machine operator	55	32	41	39	33	45	52
Elementary	159	183	143	145	132	167	150
Domestic worker	35	34	33	41	18	43	28
Total	614	575	559	585	553	571	580

Youth were more likely to work as Elementary workers and Sales and services workers. Elementary occupations employed the highest number of youth in 2014 (150 000), followed by Sales and services (110 000) and Craft and related trade (76 000). Employment in all occupation categories declined between 2008 and 2014, except for Craft and related trades and Clerical occupations. Youth who were employed as Managers increased from 25 000 in 2008 to a high of 34 000 in 2011, but declined to 24 000 in 2014.

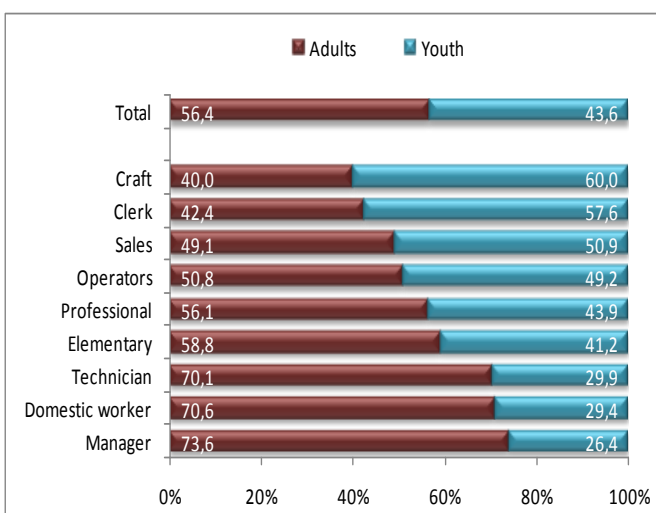
Table 4b: Employment by occupation among adults, 2008–2014

Occupation	2008	2009	2010	2011	2012	2013	2014
Adults 35–64 years (Thousand)							
Manager	58	59	69	77	55	56	67
Professional	38	36	34	33	31	34	30
Technician	78	94	105	115	97	116	102
Clerk	48	50	50	42	46	38	52
Sales and services	65	83	76	85	110	94	106
Skilled agriculture	9	9	7	3	3	4	7
Craft and related trade	82	64	48	66	70	97	51
Plant and machine operator	47	54	47	48	52	49	54
Elementary	203	197	167	165	176	155	214
Domestic worker	58	79	68	65	49	58	68
Total	687	725	672	700	689	700	752

Employment in all occupation categories increased between the period 2008–2014, except for Professionals and workers in Craft and related trades. The analysis shows that Craft and related trades lost 31 000 jobs over the period. The largest job gains over the period 2008–2014 were observed among Sales and service workers, where the number of adults employed increased from 65 000 in 2008 to 106 000 in 2014.

Figure 11: Employment by industry among youth and adults, 2014

Note: Due to small sample size, Mining and Utilities have been removed; the sample is too small for reliable estimates

Figure 12: Employment by occupation among youth and adults, 2014

Note: Due to small sample size, Skilled agriculture have been removed; the sample is too small for reliable estimates

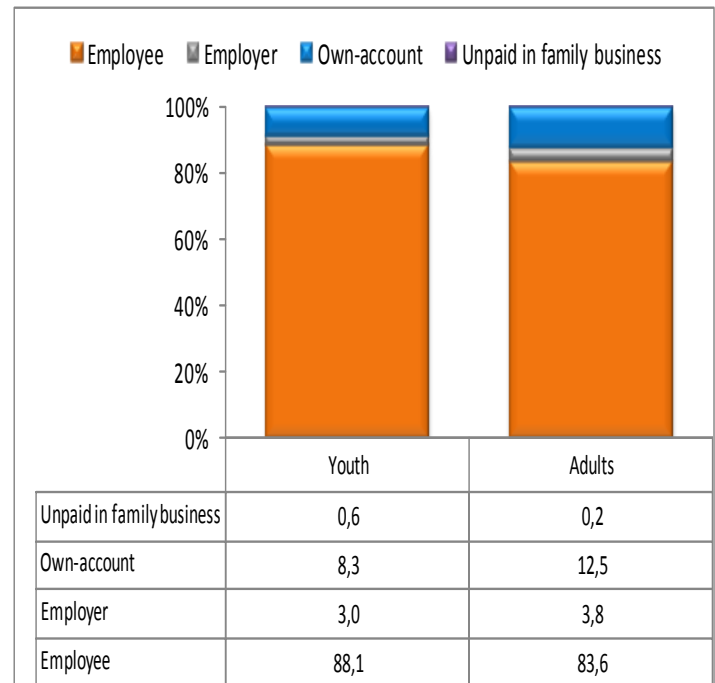
In Eastern Cape, adults accounted for 56,4% of total employment. The share of adults in employment ranged from 43,4% in Trade to 70,3% in Private households. Youth had a share of more than 50% in Craft and related trades (60,0%), Clerical occupations (57,6%) and Sales and services (50,9%). Youth were less likely than adults to be employed in Private households. As expected, adults accounted for more than seven out of ten of people employed as Managers.

Conditions of employment, status in employment and incidence of long-term unemployment

Table 5: Status in employment among youth and adults, 2008–2014

Year	Age group	Per cent			
		Employee	Employer	Own-account	Unpaid in family business
2008	Youth	88,8	2,6	7,9	0,7
	Adults	78,6	7,4	13,6	0,4
2009	Youth	84,4	3,8	9,3	2,5
	Adults	79,3	7,1	13,3	0,3
2010	Youth	86,8	2,7	9,2	1,2
	Adults	80,1	6,1	13,1	0,6
2011	Youth	88,7	3,1	7,0	1,2
	Adults	81,0	7,9	10,6	0,5
2012	Youth	85,2	2,8	9,2	2,7
	Adults	81,5	5,0	13,1	0,4
2013	Youth	86,9	3,7	8,2	1,3
	Adults	80,8	6,4	11,8	1,0
2014	Youth	88,1	3,0	8,3	0,6
	Adults	83,6	3,8	12,5	0,2

Figure 13: Status in employment among youth and adults, 2014

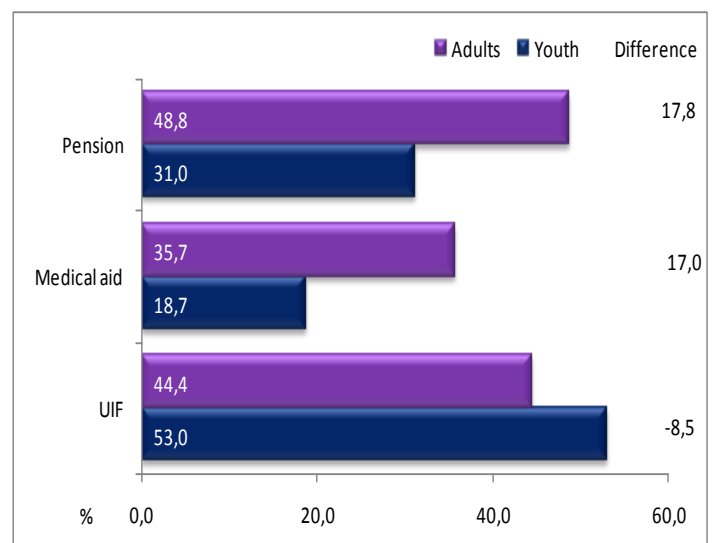


Both youth and adults were more likely to be employed as employees rather than employers, with the share of youth employees being higher than that of adults over the period 2008–2014. About 3% of youth were employers while 8,3% were own-account workers. Adults were more likely to be employers and own-account workers compared to young people.

Table 6: Access to benefits among youth and adults, 2008–2014

Year	Age group	UIF	Medical aid	Pension
		Per cent		
2008	Youth	48,6	21,5	28,7
	Adults	41,7	37,9	45,3
2009	Youth	48,0	25,6	36,0
	Adults	39,3	38,0	47,3
2010	Youth	53,4	23,6	31,4
	Adults	41,2	40,6	48,7
2011	Youth	51,2	23,1	32,2
	Adults	38,6	38,7	48,1
2012	Youth	56,7	25,1	37,5
	Adults	44,4	39,2	50,1
2013	Youth	55,7	16,9	26,5
	Adults	50,1	39,4	48,6
2014	Youth	53,0	18,7	31,0
	Adults	44,4	35,7	48,8

Figure 14: Access to benefits among youth and adults, 2014



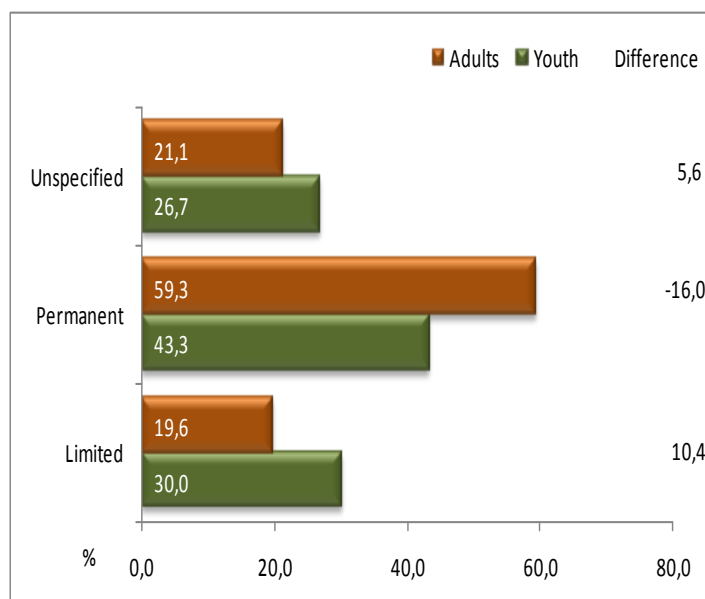
Adults were more likely to have access to pension and medical aid contributions from their employer than youth. In 2014, the age-gap for both these benefits was 17 percentage points. In contrast, more young people had

Unemployment Insurance Fund (UIF) deductions made on their behalf in all years; in 2014 about 53,0% of youth had access to UIF compared to 44,4% adults.

Table7: Contract duration among youth and adults, 2008–2014

Contract	Age group	Limited	Permanent	Unspecified
		Per cent		
2008	Youth	19,0	47,0	34,1
	Adults	8,8	64,7	26,5
2009	Youth	19,3	50,7	30,0
	Adults	11,9	58,9	29,2
2010	Youth	18,8	49,6	31,6
	Adults	12,1	62,3	25,7
2011	Youth	21,4	49,3	29,3
	Adults	14,6	61,8	23,6
2012	Youth	22,3	52,0	25,7
	Adults	15,5	62,7	21,9
2013	Youth	27,7	39,0	33,3
	Adults	17,5	59,6	22,8
2014	Youth	30,0	43,3	26,7
	Adults	19,6	59,3	21,1

Figure 15: Contract duration among youth and adults, 2014



Adults were more likely to be employed on a permanent contract type than any other contract over the period 2008–2014. In 2014, the proportion of adults employed on a permanent contract was 16,0 percentage points higher compared to the proportion of youth (43,3%). Youth were more likely to be employed on contracts of a limited and unspecified duration.

Figure 16: Incidence of long-term unemployment among youth and adults, 2008 and 2014

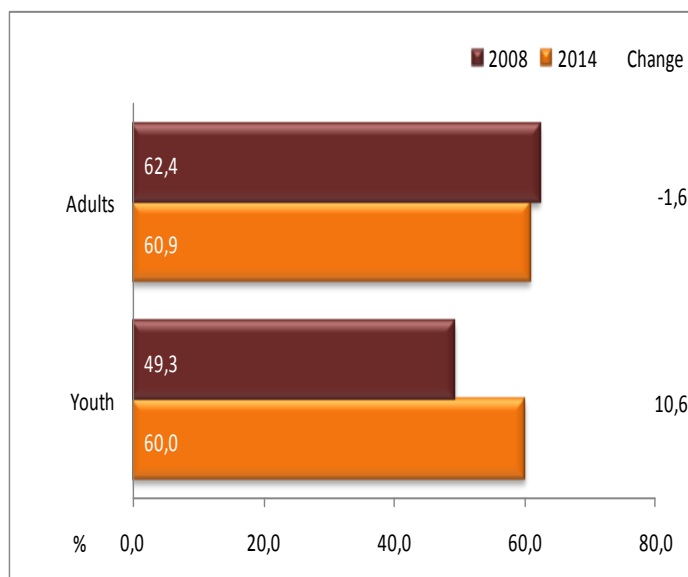
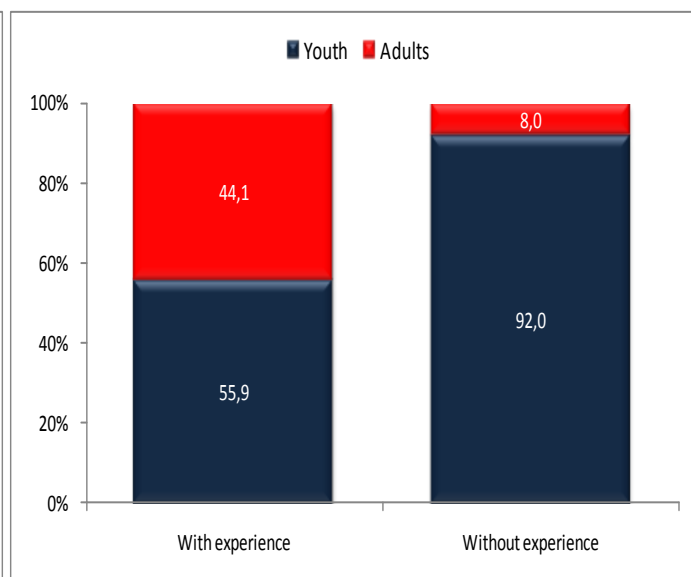
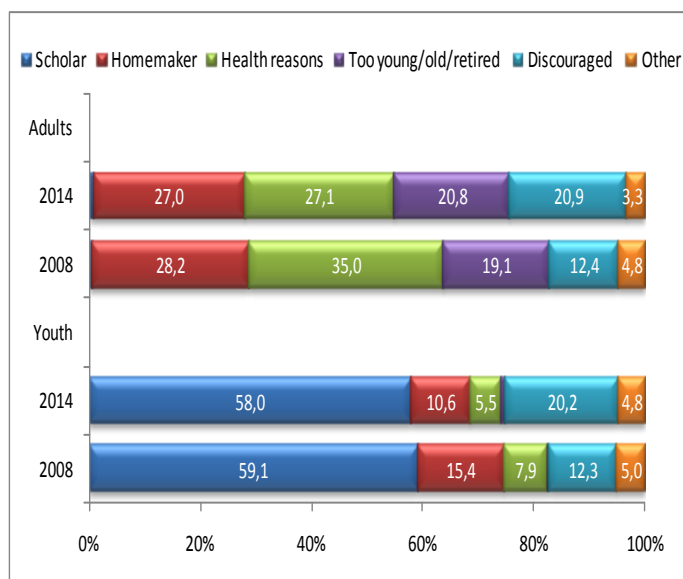
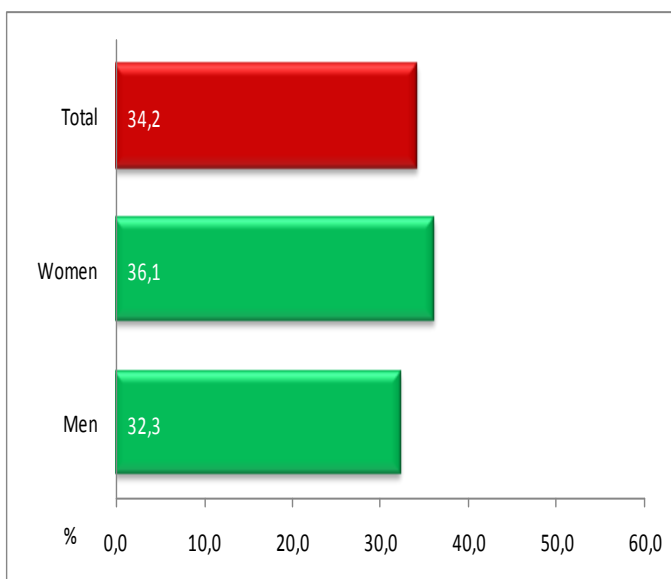


Figure 17: Work experience among youth and adults, 2014



The incidence of long-term unemployment among youth increased by 10,6 percentage over the period 2008–2014. In contrast, the incidence of long-term unemployment among adults declined by 1,6 percentage points over the same period. In 2014, among those without work experience in the province, 92,0% were youth. On the other hand, among those with work experience, youth had a higher share (55,9%) compared to adults (44,1%), suggesting that while many youth have not worked before, young people in the province are better off than those nationally in terms of having worked before.

Figure 18: Reasons for inactivity among youth and adults, 2008 and 2014**Figure 19: Youth who are Not in Education, Employment or Training (NEET) by sex, 2014**

Note: NEET (15–24 years)

In both 2008 and 2014, more than 50% of youth who were not economically active were still studying. Inactivity due to health reasons was higher among adults than among youth in both years. The percentage of discouraged work-seekers was lower in 2008 for both youth (12,3%) and adults (12,4%); however, by 2014, the share of discouraged work-seekers had increased for both groups to over 20%. The NEET rate for youth aged 15–24 years in 2014 was 34,2%, but was higher for women (36,1%) compared to men (32,3%).

Hard facts

- Young women in the province faced the highest unemployment rate relative to young men.
- In Eastern Cape, the share of youth in labour force with tertiary education increased by 4,9 percentage points between 2008 and 2014.
- More than half (53,6%) of all youth in the province were employed in semi-skilled occupations.
- The Trade (56,6%) and Construction (54,6%) industries employed more youth than adults.
- Employed youth had lower access to medical aid and pension as compared to adults, but higher access to UIF.
- Compared to adults, youth in the province were less likely to be employed on permanent contracts and more likely to be employed on contracts of a limited and unspecified duration.
- The incidence of long-term unemployment among youth in the province increased by 10,6 percentage points over the period 2008–2014.
- In 2014, among those with no work experience in Eastern Cape, 92,0% were youth.

Northern Cape labour market: Youth

Q1: 2008–Q1: 2014

Introduction

The focus of this report is the situation of young people aged 15–34 years in the Northern Cape. This group faces particular challenges in the labour market and as such it is important to get a better understanding of the factors that impact on their labour market outcomes. This report is based on first quarter results of the Quarterly Labour Force Survey (QLFS) of every year over the period 2008 to 2014. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Characteristics of the working-age population

Table 1: Northern Cape working-age population by age group, 2008–2014

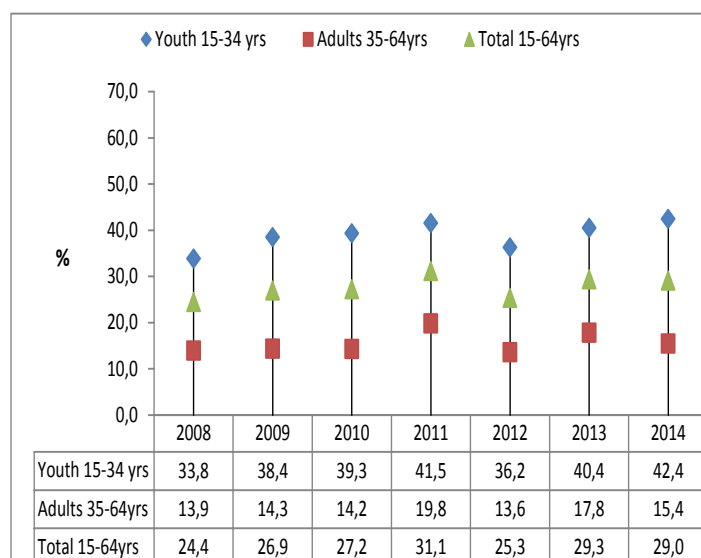
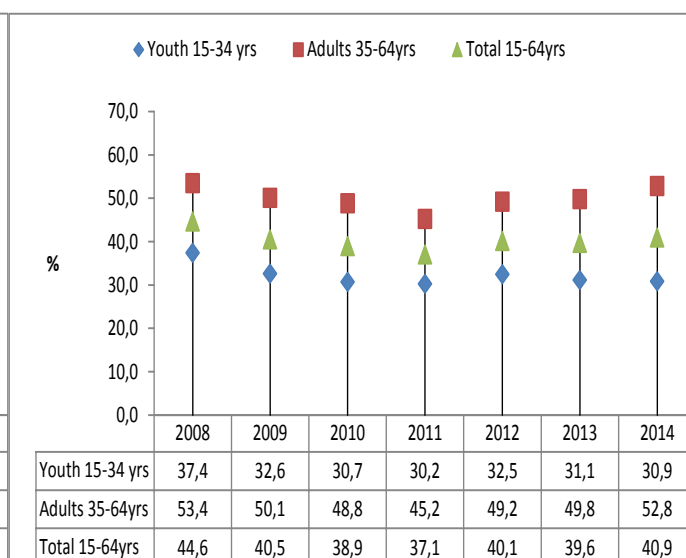
Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15-19 yrs	99	116	114	109	118	119	111
20-24 yrs	88	99	90	94	97	99	111
25-29 yrs	100	88	98	98	83	94	94
30-34 yrs	96	83	88	92	102	92	94
35-39 yrs	76	78	75	73	86	81	77
40-44 yrs	56	61	61	60	62	69	82
45-49 yrs	66	57	57	61	57	56	53
50-54 yrs	53	52	60	54	49	53	56
55-59 yrs	33	39	45	44	44	47	41
60-64 yrs	31	33	27	38	36	34	35
Total	697	706	715	724	734	744	754

The working-age population increased from 697 000 in 2008 to 754 000 in 2014. In 2014, youth in the province accounted for 54,3% of the working age population, a 0,6 of a percentage point decrease compared to 2008. Over the period 2008 to 2014, the working-age population was lowest in the age group 60–64 years and highest among those aged 15-19 years.

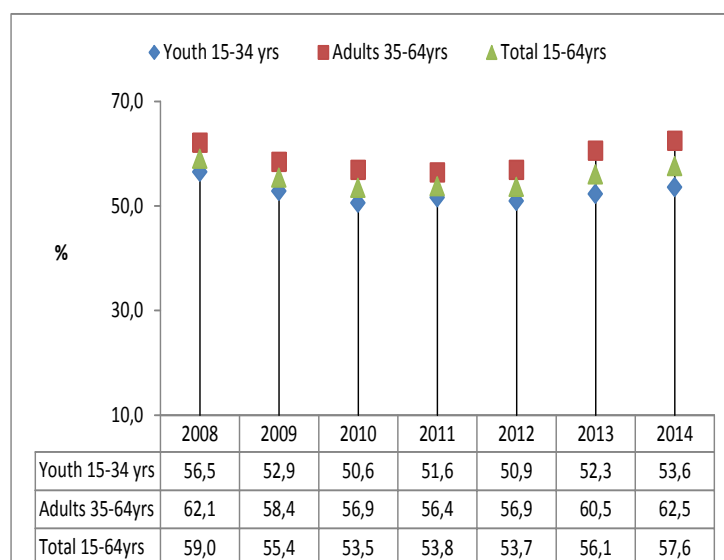
Table 2: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Youth 15-34 years (Thousand)						
Population	383	386	390	394	399	404	409
Labour force	216	204	197	203	203	211	219
Employed	143	126	120	119	130	126	126
Unemployed	73	78	77	84	74	85	93
Not economically active	166	182	193	191	196	193	190
Rates (%)							
Unemployment rate	33,8	38,4	39,3	41,5	36,2	40,4	42,4
Employed/population ratio (Absorption)	37,4	32,6	30,7	30,2	32,5	31,1	30,9
Labour force participation rate	56,5	52,9	50,6	51,6	50,9	52,3	53,6
	Adults 35-64 years (Thousand)						
Population	315	320	325	330	335	340	345
Labour force	195	187	185	186	191	206	215
Employed	168	160	159	149	165	169	182
Unemployed	27	27	26	37	26	37	33
Not economically active	119	133	140	144	144	134	129
Rates (%)							
Unemployment rate	13,9	14,3	14,2	19,8	13,6	17,8	15,4
Employed/population ratio (Absorption)	53,4	50,1	48,8	45,2	49,2	49,8	52,8
Labour force participation rate	62,1	58,4	56,9	56,4	56,9	60,5	62,5

Between 2008 and 2014, the number of employed youth in the province decreased from 143 000 to 126 000, while at the same time the number of unemployed also increased, resulting in a rise in the youth unemployment rate from 33,8% in 2008 to 42,4% in 2014. The absorption rate of adults was almost double that of youth, a finding consistent over the period 2008 to 2014.

Figure 1: Unemployment rate among youth and adults, 2008–2014**Figure 2: Absorption rate among youth and adults, 2008–2014**

Trends in labour market rates for youth in Northern Cape are similar to those observed for youth nationally; namely rising unemployment rates accompanied by declines in the absorption rates. In 2008 the unemployment rate for youth was 33,8%, increasing to 42,4% in 2014, an 8,6 percentage point rise over the period. In contrast, the unemployment rate for adults increased by 1,5 percentage points over the same period. Between 2008 and 2014 the absorption rate for youth in the Northern Cape declined by 6,5 percentage points, whilst the absorption rate for adults in the province remained virtually unchanged.

Figure 3: Labour force participation rate for youth and adults, 2008–2014

The labour force participation rate for adults in the Northern Cape is higher compared to youth. The youth labour force participation rate declined from 56,5% in 2008 to 53,6% in 2014, while for adults the rate increased by 0,4 of a percentage point to 62,5% in 2014.

Figure 4a: Male unemployment rate for youth and adults, 2008–2014

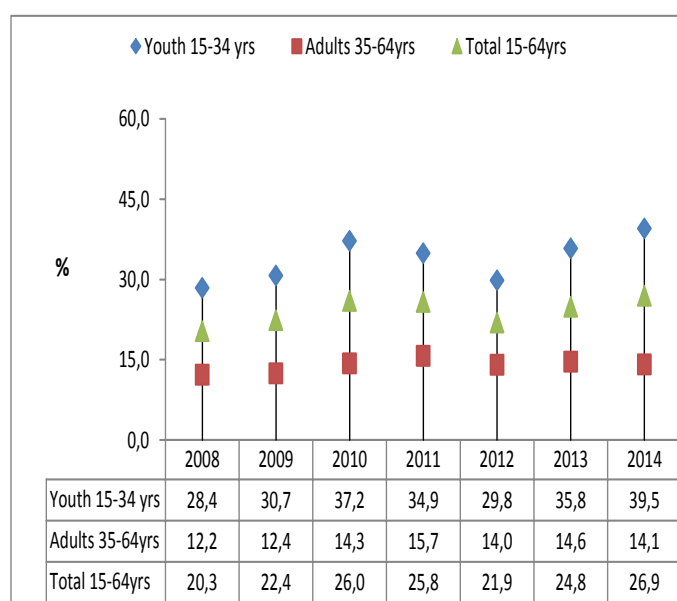
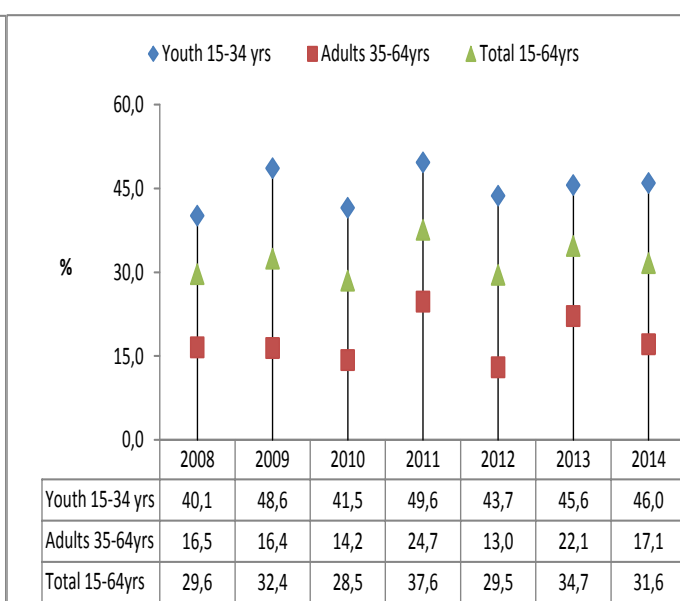
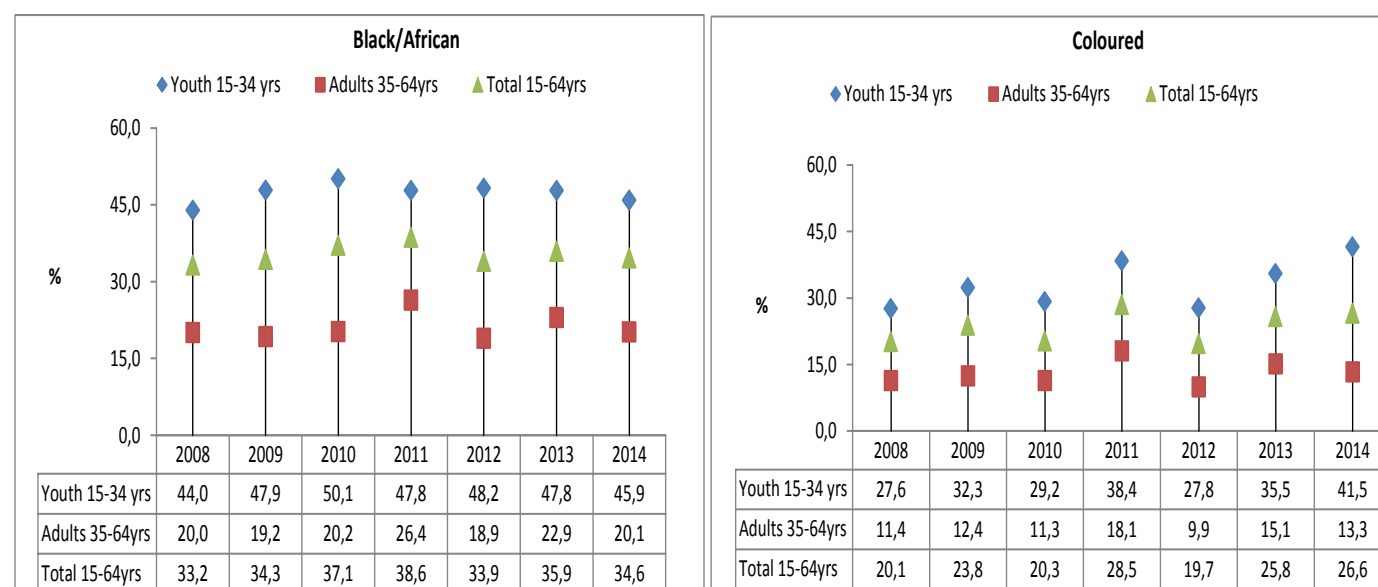


Figure 4b: Female unemployment rate for youth and adults, 2008–2014



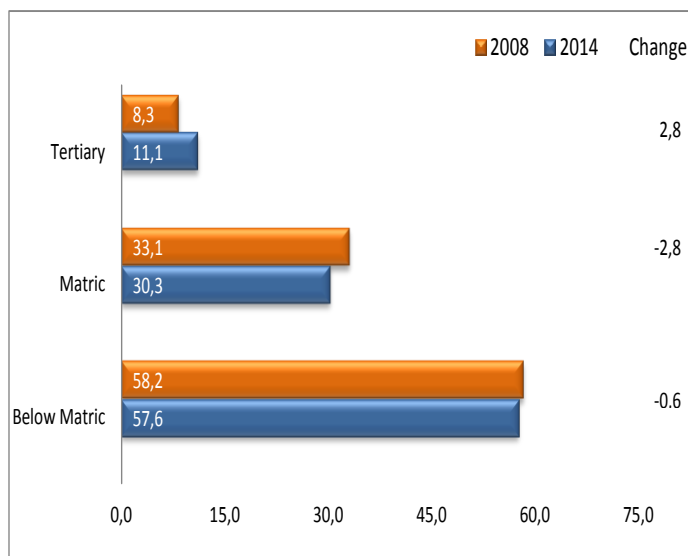
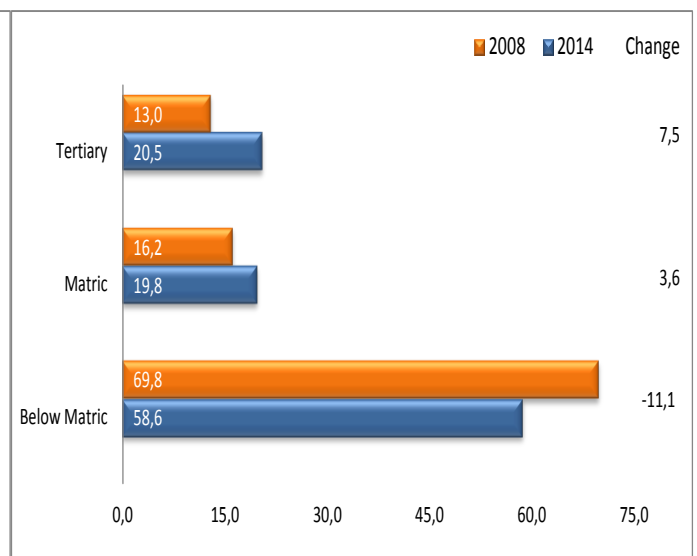
Young women in the Northern Cape are particularly vulnerable in the labour market; their unemployment rate increased from 40,1% to 46,0% between 2008 and 2014, higher than their young male counterparts. The unemployment rates for both young men and women are higher than those of adult men and women; however, the rate for young women is almost three times that of adult women in the Northern Cape.

Figure 5: Unemployment rate among youth and adults by population group, 2008–2014



Note: The sample size for the Indian/Asian and white population group is too small for reliable estimates.

As with gender, there are also considerable differences in the unemployment rate among population groups in the Northern Cape labour market. The unemployment rate for black Africans is higher than that of coloureds, and the rate for young black Africans increased from 44,0% to 45,9% between 2008 and 2014. In addition, their unemployment rate is double that of adults in this population group. Young coloureds in the province reflected a large increased in their unemployment rate over the period 2008 to 2014 increasing from 27,6% to 41,5%.

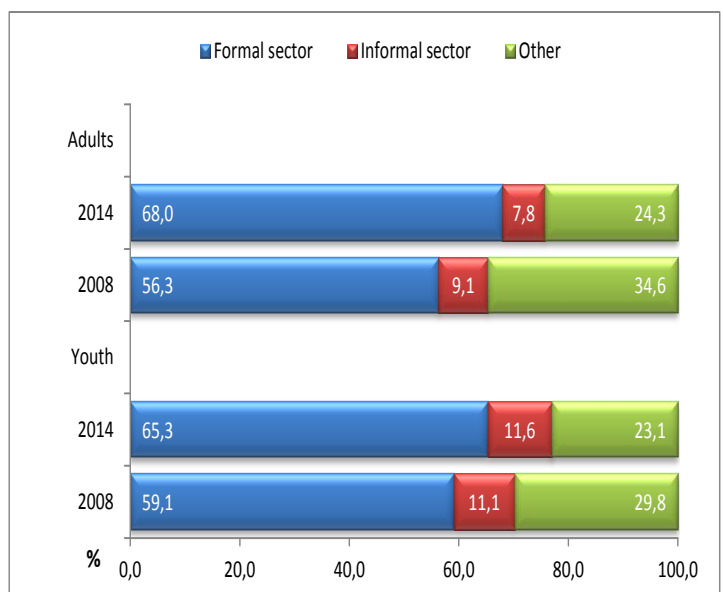
Figure 6: Education level of the labour force among youth, 2008 and 2014**Figure 7: Education level of the labour force among adults, 2008 and 2014**

The educational profile of young people in the Northern Cape improved over the period 2008 to 2014; about three-fifths of youth the youth labour force possessed an educational level below matric, with the share declining by 0,6 of a percentage point over the period. However, over the same period, the share of the youth labour force with a tertiary qualification increased by 2,8 percentage points. The improvement in educational levels of the adult labour force was even more pronounced with increases in the proportion with tertiary qualifications (up 7,5 percentage points) and those with a matric (up 3,6 percentage points) over the period. Despite the improvement in education outcomes among both youth and adults, in 2014 as many as 57,6% of the youth labour force and 58,6% of the adult labour force only had education levels below matric.

Employment

Table 3: Employment by sector among youth and adults, 2008–2014

Year	Age group	Formal	Informal	Other
		Per cent		
2009	Youth	59,1	11,1	29,8
	Adults	56,3	9,1	34,6
	Youth	69,3	8,2	22,6
	Adults	60,5	9,2	30,2
2010	Youth	67,5	8,9	23,6
	Adults	59,0	10,2	30,8
2011	Youth	55,3	16,7	28,0
	Adults	59,8	8,2	32,0
2012	Youth	69,3	10,0	20,7
	Adults	63,0	9,0	28,1
2013	Youth	71,0	7,3	21,8
	Adults	67,9	7,0	25,0
2014	Youth	65,3	11,6	23,1
	Adults	68,0	7,8	24,3

Figure 8: Share of employment by sector among youth and adults, 2008 and 2014

Note: "Other" refers to Agriculture and Private households.

The majority of youth and adults in the province are employed in the formal sector; for young people the formal sector share increased from 59,1% to 65,3% over the period 2008 to 2014, while for adults it increased from 56,3% to 68,0%. The informal sector accounted for only around 10% of employment among youth and less than 10% among adults.

Table 3a: Employment by industry among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	35	20	21	26	19	22	22
Mining	4	5	3	8	8	7	7
Manufacturing	7	6	7	7	6	7	5
Utilities	0	1	1		2	0	0
Construction	9	13	7	7	10	10	10
Trade	30	25	24	20	23	22	25
Transport	5	4	3	8	5	3	4
Finance	12	10	12	7	15	15	12
Community and social services	34	33	34	29	33	32	33
Private households	8	8	7	8	8	5	7
Total	143	126	120	119	130	126	126

Note: The sample size for Mining, Manufacturing, Utilities, Construction, Transport and Private households is too small for reliable estimates.

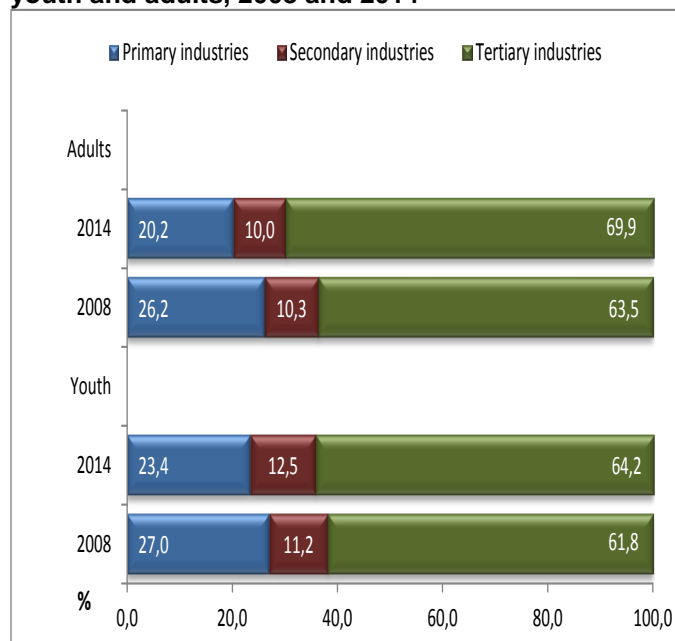
The largest employer for both youth and adults in the Northern Cape is the Community and social services industry, followed by Agriculture and Trade. While youth employment levels in Community and Social services remained unchanged between 2008 and 2014, employment levels declined in the other two industries over the period.

Table 3b: Employment by industry among adults, 2008–2014

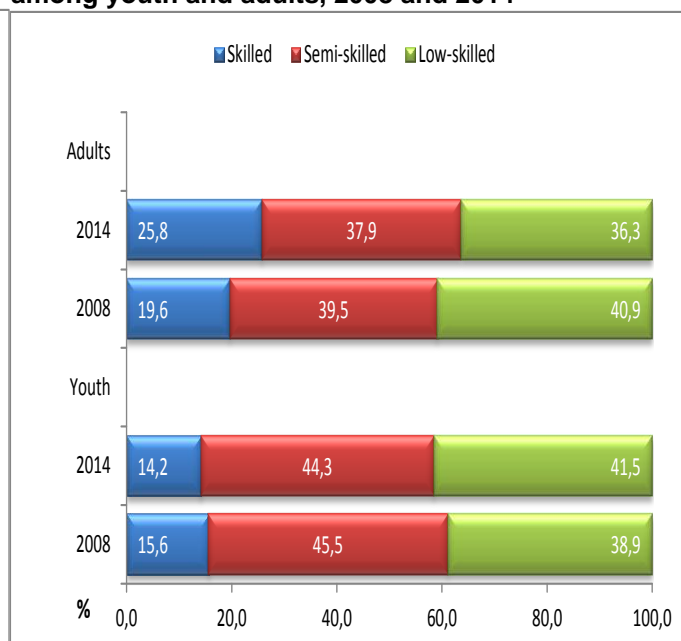
Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	34	24	25	28	28	25	24
Mining	10	7	6	3	8	13	13
Manufacturing	8	6	5	7	10	5	4
Utilities	1	2	0	0	2	3	2
Construction	9	8	9	7	9	12	12
Trade	23	25	23	15	19	24	20
Transport	6	6	6	7	6	7	6
Finance	11	11	7	9	9	9	15
Community and social services	41	47	54	52	55	54	66
Private households	25	24	24	19	18	17	21
Total	168	160	159	149	165	169	182

Note: The sample size for Manufacturing, Utilities, Construction and Transport is too small for reliable estimates.

Among adults, employment levels in Community and social services increased from 41 000 to 66 000, making it the largest contributor to the overall gain in employment over the period. Similar to youth, employment levels for adults declined in Trade and Agriculture.

Figure 9: Share of employment by industry among youth and adults, 2008 and 2014

Note: "Primary" refers to Agriculture and Mining, "Secondary" to Manufacturing, Utilities and Construction, "Tertiary" refers to Trade, Transport, Finance, Community and Private households.

Figure 10: Share of employment by occupation among youth and adults, 2008 and 2014

Note: "Skilled" refers to Manager, Professional and Technician, "Semi-skilled" to Clerk, Sales, Skilled Agriculture, Trade and Operator, "Low-skilled" refers to Elementary and domestic workers.

There are large variations in the contribution of industries to employment in Northern Cape for both youth and adults. In 2014, 64,2% of youth and 69,9% of adults were employed in the Tertiary industries, reflecting an increase in the share among both groups over the period 2008–2014. The Primary industries contributed more than 20% to total employment among both youth and adults.

In 2014, a larger percentage (44,3%) of youth were employed in semi-skilled occupations compared to adults. A higher proportion of adults were employed in skilled occupations compared to youth, with both youth and adults reflecting a decline in the share of these occupations between 2008 and 2014.

Table 4a: Employment by occupation among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	5	3	5	4	3	4	3
Professional	7	4	2	3	5	8	6
Technician	10	10	10	6	12	12	9
Clerk	18	15	19	17	20	16	12
Sales and services	23	23	26	22	19	22	22
Skilled agriculture	3	6	1	1	1	1	1
Craft and related trades	16	12	11	15	17	10	15
Plant and machine operator	6	8	7	10	7	6	6
Elementary	51	39	34	36	40	43	50
Domestic worker	5	6	5	6	6	5	3
Total	143	126	120	119	130	126	126

Note: The sample size for Managers, Professionals, Skilled Agriculture occupations, Plant and machine operators and Domestic workers is too small for reliable estimates.

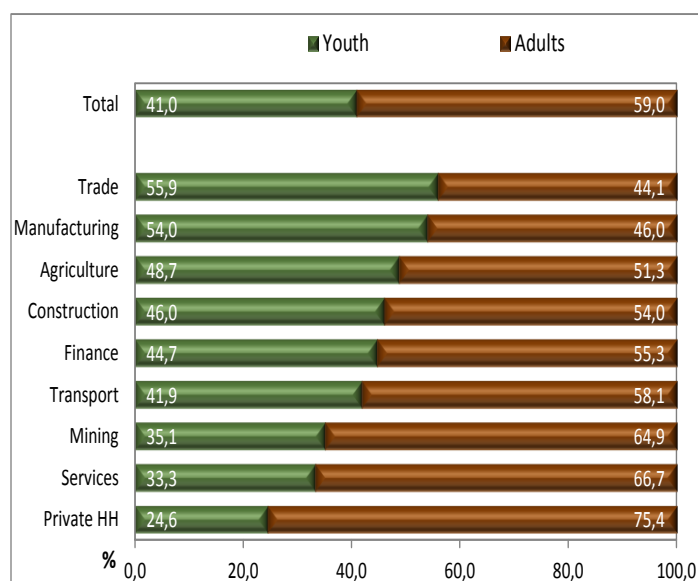
Elementary occupations were the main contributors to employment for young people in the Northern Cape. Employment levels in this occupation declined from a high of 51 000 in 2008 to 34 000 in 2010, only reaching the pre-recessionary period employment levels in 2014. Young people in the province were also employed as Sales and service workers and as Clerks. Employment levels in these two occupations declined over the period 2008 to 2014.

Table 4b: Employment by occupation among adults, 2008–2014

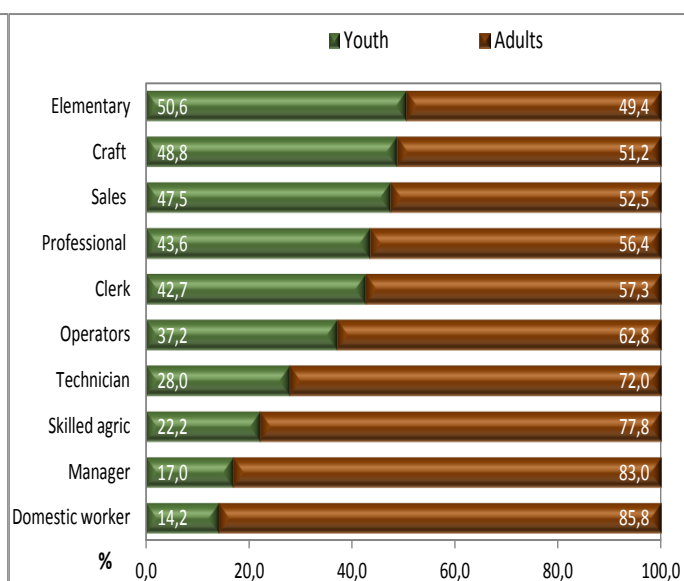
Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	11	8	9	13	12	11	17
Professional	5	7	5	4	5	5	7
Technician	17	18	22	18	23	19	23
Clerk	12	12	13	11	13	18	16
Sales and services	17	18	16	18	18	20	24
Skilled agriculture	6	4	4	5	4	3	3
Craft and related trades	20	16	12	14	14	17	16
Plant and machine operator	11	11	11	12	12	16	10
Elementary	49	48	46	39	49	45	48
Domestic worker	20	19	19	15	14	15	18
Total	168	160	159	149	165	169	182

Note: The sample size for Professional and Skilled Agriculture occupations is too small for reliable estimates.

Similar to youth, the majority of adults in the Northern Cape were employed in Elementary occupations between 2008 and 2014. Four occupational categories namely, Domestic workers, Craft and related trades, Technicians, and Sales and services accounted for the remainder of employment by occupation among adults.

Figure 11: Employment by industry, among youth and adults, 2014

Note: Utilities omitted due to small sample size.

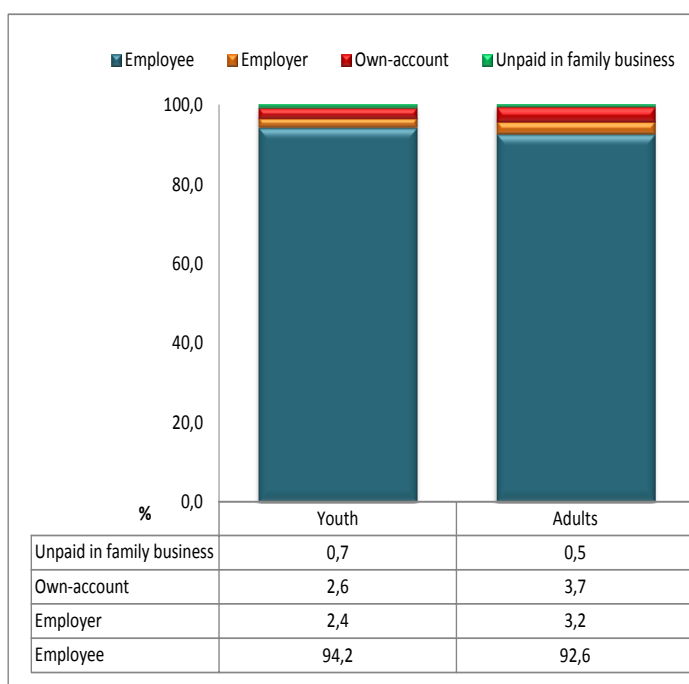
Figure 12: Employment by occupation, among youth and adults, 2014

In 2014, more than half of those employed in Trade and Manufacturing were youth; in the remaining eight industries, adults dominated employment shares. In particular, over 60% of those employed in Mining (64,9%), Services (66,7%), Private households (75,4%) and Utilities (85,3%) were adults. A similar age distribution is observed by occupation; in only elementary occupations did the share of youth exceed the share of adults. The proportion of adults exceeded 70% in industries such as Technicians (72,0%), Skilled agriculture (77,8%), Managers (83,0%) or Domestic workers (85,8%).

Conditions of employment, status in employment and incidence of long-term unemployment

Table 5: Status in employment among youth and adults, 2008–2014

Year	Age group	Employee	Employer	Own-account	Unpaid in family business
		Per cent			
2008	Youth	94,1	2,6	3,2	0,1
	Adults	87,2	7,2	5,1	0,6
2009	Youth	97,5	0,6	1,8	0,2
	Adults	88,2	6,9	4,2	0,8
2010	Youth	94,0	3,1	2,7	0,2
	Adults	89,5	7,0	3,1	0,5
2011	Youth	95,8	2,1	2,0	0,0
	Adults	88,9	6,5	2,8	1,7
2012	Youth	96,2	2,5	0,9	0,3
	Adults	90,5	5,5	3,8	0,2
2013	Youth	96,0	1,3	2,6	0,1
	Adults	91,6	4,7	3,7	0,1
2014	Youth	94,2	2,4	2,6	0,7
	Adults	92,6	3,2	3,7	0,5

Figure 13: Status in employment among youth and adults, 2014

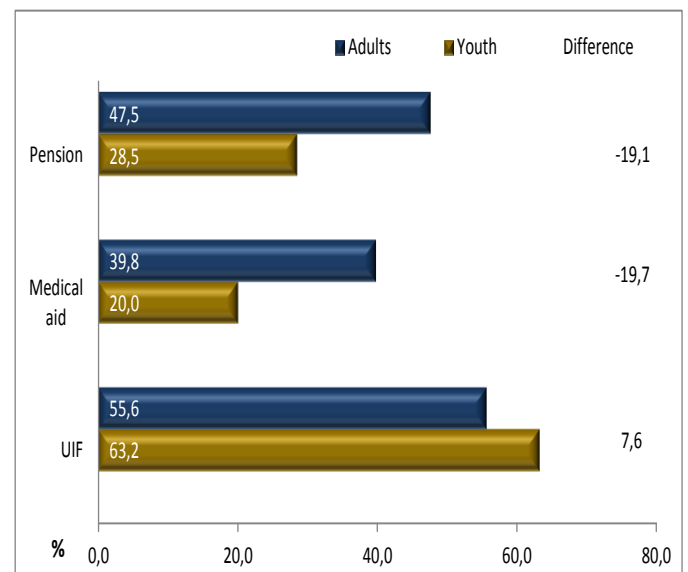
Between 2008 and 2014, a higher proportion of youth were employed as employees compared to adults; more than nine out of ten youth were employed as employees (Table 5). By 2014 the gap between adult and youth employees

had narrowed to 1,6 percentage points. Adults in the province were more likely to be employed as employers and own-account workers.

Table 6: Access to benefits among youth and adults, 2008–2014

Year	Age group	UIF	Medical aid	Pension
		Per cent		
2008	Youth	48,4	26,4	31,3
	Adults	49,0	32,6	42,1
2009	Youth	49,4	24,0	31,6
	Adults	41,6	37,0	43,3
2010	Youth	48,7	24,5	34,9
	Adults	43,1	35,9	44,6
2011	Youth	49,5	19,2	25,0
	Adults	39,6	33,2	43,1
2012	Youth	52,2	30,9	37,5
	Adults	43,9	37,9	47,0
2013	Youth	64,7	25,3	33,5
	Adults	65,2	35,6	44,4
2014	Youth	63,2	20,0	28,5
	Adults	55,6	39,8	47,5

Figure 14: Access to benefits among youth and adults, 2014

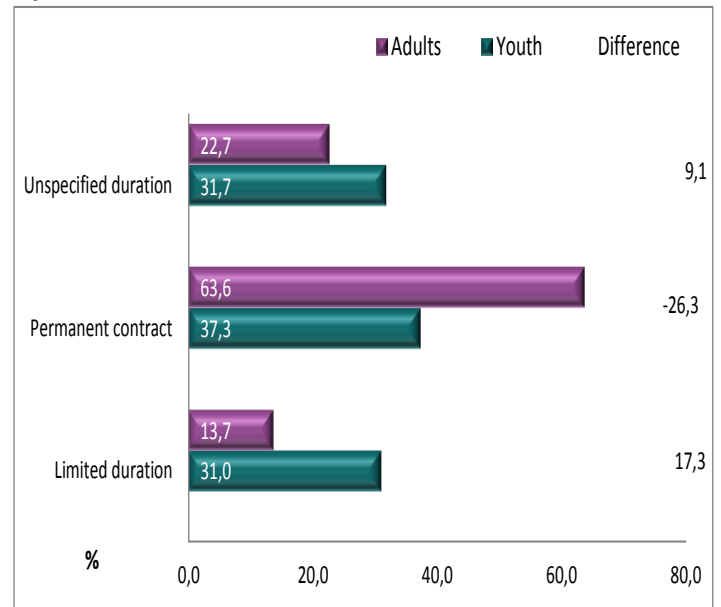


Young employees in the Northern Cape were less likely to have access to medical aid and pension compared to adults. The proportion of young employees who were entitled to pension fund contributions from their employers declined from 31,3% in 2008 to 28,5% in 2014. Only one in five young people were entitled to medical aid benefits, while access for this benefit also declined over the period 2008 to 2014. A larger proportion of youth (63,2%) were entitled to UIF compared to adults (55,6%) ,with entitlement to UIF benefits increasing for both groups over the period.

Table 7: Contract duration among youth and adults, 2008–2014

Year	Age group	Limited	Permanent	Unspecified
		Per cent		
2008	Youth	28,0	47,9	24,2
	Adults	19,4	60,0	20,6
2009	Youth	22,9	48,6	28,5
	Adults	14,9	62,6	22,5
2010	Youth	18,6	52,3	29,2
	Adults	11,5	64,4	24,1
2011	Youth	21,5	45,5	33,0
	Adults	11,2	64,9	23,9
2012	Youth	22,1	55,1	22,9
	Adults	15,7	67,0	17,3
2013	Youth	28,6	46,8	24,7
	Adults	17,1	62,4	20,5
2014	Youth	31,0	37,3	31,7
	Adults	13,7	63,6	22,7

Figure 15: Contract duration among youth and adults, 2014



In 2014, young people in the province were more likely to be employed on a permanent contract and equally likely to be employed on either a contract of unspecified or limited duration compared to adults (Figure 15). Over the period 2008–2014, the share of young people employed on a permanent contract declined by 10,6 percentage points, which was accompanied by a rise of the percentage of youth with contracts of limited and unspecified duration. The proportion of adults on a permanent contract increased from 47,9% in 2008 to 63,6% in 2014.

Figure 16: Incidence of long-term unemployment among youth and adults, 2008 and 2014

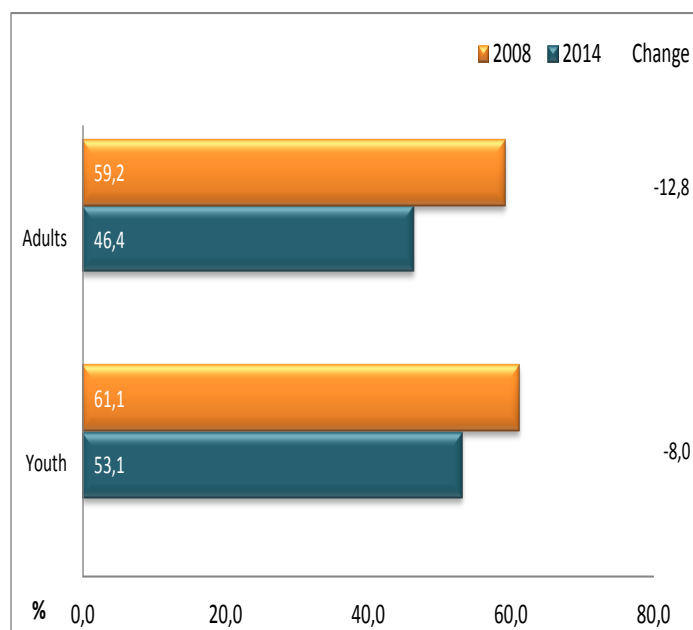
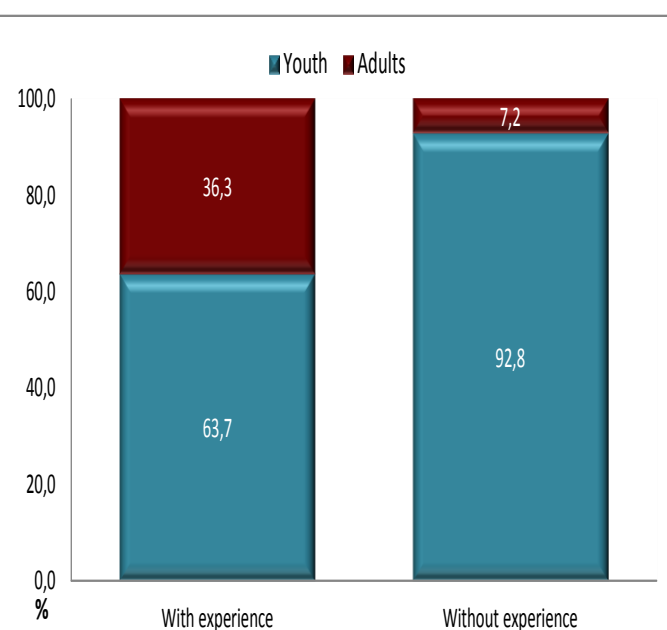


Figure 17: Work experience, youth and adults, 2014



While the incidence of long-term unemployment among youth was higher compared to adults in both 2008 and 2014, the decline in the incidence was more pronounced among adults relative to youth (12,8 percentage points compared to 8,0 percentage points). Young people accounted for three out of five unemployed persons who had worked before, higher than the national average. In 2014, around nine out of ten unemployed persons without work experience were youth (92,8%).

Figure 18: Reasons for inactivity, youth and adults, 2008 and 2014

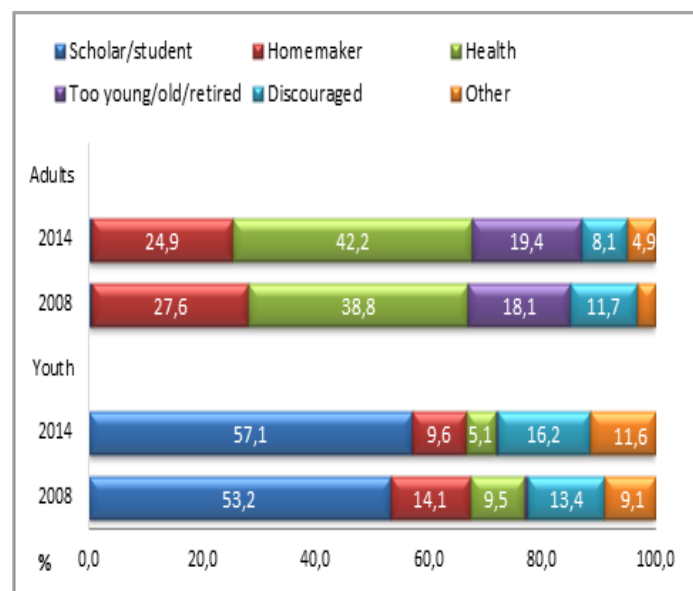
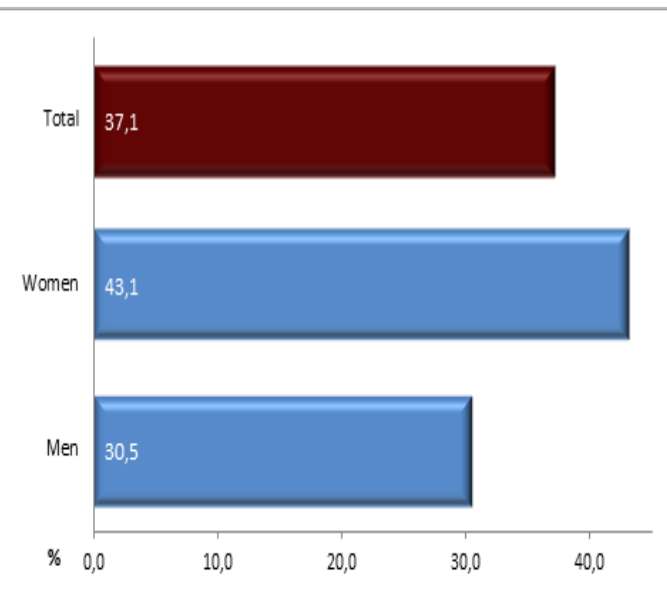


Figure 19: Youth who are Not in Employment, Education or Training (NEET) by sex, 2014



Note: NEET (15–24 years).

Between 2008 and 2014, more than half of youth in the Northern Cape were not economically active because they were studying or attending an educational institution. Discouragement remained the second highest reason for inactivity among youth over the period. The main reason adults were inactive in both 2008 and 2014 was due to health reasons (38,8% and 42,2% respectively), followed by duties related to being a homemaker.

The NEET rate in the Northern Cape for young people aged 15–24 was 37,1% in 2014. The rate for young women (43,1%) was higher than that for young men (30,5%), highlighting the vulnerability of young women in the province.

Hard facts

- Youth in the Northern Cape accounted for 54,9% of the working-age population in 2008 and this declined to 54,3% in 2014.
- The youth unemployment rate increased by 8,6 percentage points to 42,4% in 2014.
- The absorption rate for young people in the Northern Cape declined from 37,4% in 2008 to 30,9% in 2014.
- Young people in the province are more likely to be employed in Community and social services, Agriculture and Private households.
- A larger percentage of the youth were employed in semi-skilled occupations in 2014, compared to adults.
- One of the main reasons why youth were inactive in the province was because of studying or currently attending an educational institution.
- Gender disparities are large in the province; the NEET rate among young women (43,1%) is higher than the NEET rate among their male (30,5%) counterparts.

Free State labour market: Youth

Q1: 2008–Q1: 2014

Introduction

There is widespread recognition of the difficulties faced by youth in labour markets across the globe. This report analyses the labour market outcomes of youth and adults in Free State with a view to providing insight regarding the scale of the problem. The analysis covers the first quarter of every year over the period 2008 to 2014. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Characteristics of the working-age population

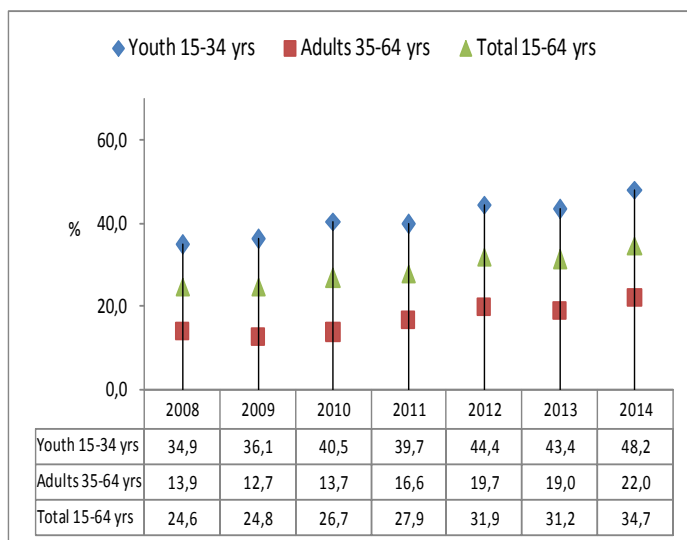
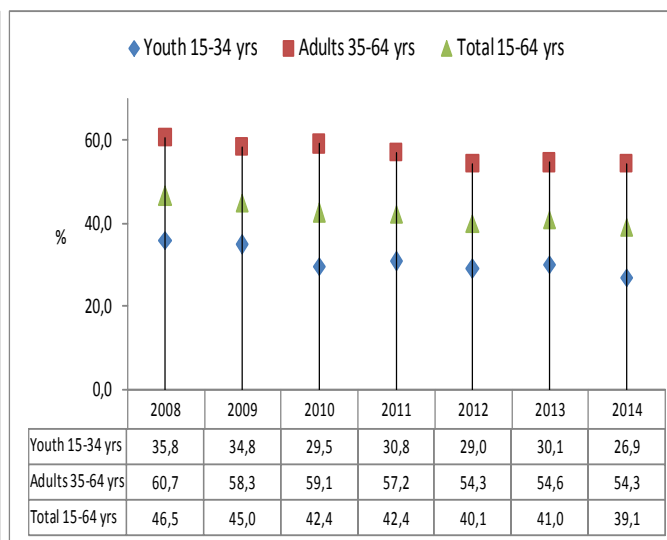
Table 1: Free State working-age population by age group, 2008–2014

Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15-19 yrs	281	255	276	268	247	245	253
20-24 yrs	258	270	267	266	298	283	275
25-29 yrs	246	262	265	259	247	262	267
30-34 yrs	230	228	209	226	230	236	233
35-39 yrs	182	194	202	207	220	193	204
40-44 yrs	174	152	155	160	176	191	197
45-49 yrs	135	138	145	146	121	130	148
50-54 yrs	120	117	123	137	120	128	114
55-59 yrs	89	96	91	88	93	96	92
60-64 yrs	68	80	70	57	74	75	69
Total	1 783	1 793	1 803	1 814	1 826	1 838	1 852

Table 2: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Youth 15-34 years (Thousand)						
Population	1 015	1 015	1 017	1 019	1 023	1 026	1 029
Labour force	558	553	505	521	532	546	535
Employed	363	354	300	314	296	309	277
Unemployed	195	200	205	207	236	237	258
Not economically active	457	462	512	498	490	480	494
Rates (%)							
Unemployment rate	34,9	36,1	40,5	39,7	44,4	43,4	48,2
Employed/population ratio (Absorption)	35,8	34,8	29,5	30,8	29,0	30,1	26,9
Labour force participation rate	55,0	54,5	49,7	51,1	52,0	53,2	52,0
	Adults 35-64 years (Thousand)						
Population	767	777	786	794	803	813	823
Labour force	541	519	539	544	543	548	573
Employed	466	453	465	454	436	444	447
Unemployed	75	66	74	90	107	104	126
Not economically active	226	258	247	250	261	264	250
Rates (%)							
Unemployment rate	13,9	12,7	13,7	16,6	19,7	19,0	22,0
Employed/population ratio (Absorption)	60,7	58,3	59,1	57,2	54,3	54,6	54,3
Labour force participation rate	70,6	66,8	68,5	68,5	67,6	67,5	69,6

Table 1 shows that the population of working age has increased steadily since 2008 among both youth and adults, but the number of youth has been consistently higher than that of adults. Over the period 2008–2014, the youth unemployment rate is higher than that of adults each year. Conversely, absorption and labour force participation rates have been higher among adults than among youth.

Figure 1: Unemployment rate among youth and adults, 2008–2014**Figure 2: Absorption rate among youth and adults, 2008–2014**

At 48,2%, the unemployment rate among youth was at its highest in 2014 while it was at its lowest in 2008, at 34,9%. In 2014, the unemployment rate among adults (22,0%) was 12,7 percentage points lower than the average unemployment rate for the province (34,7%). In contrast, the rate among youth at 48,2% was 13,5 percentage points higher than the average. In 2014, the absorption rate of adults (54,3%) was double that of youth in 2014 (26,9%). Over the period 2008 to 2014, the unemployment rate among both youth and adults showed an upward trend while the absorption rate showed a downward trend.

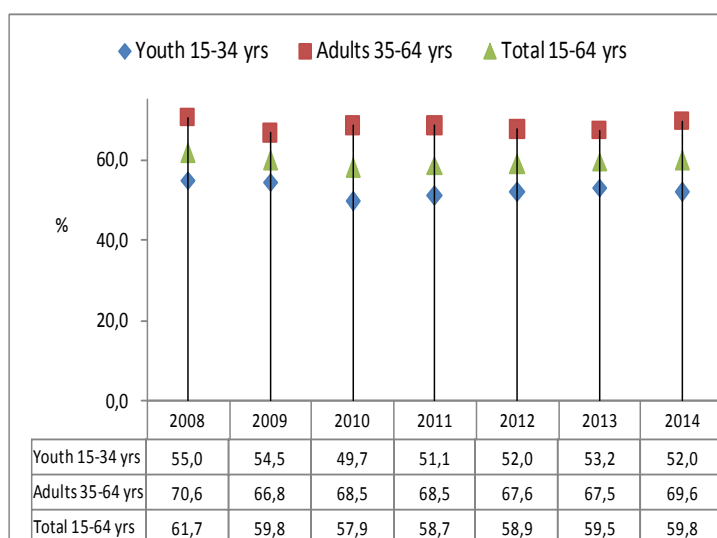
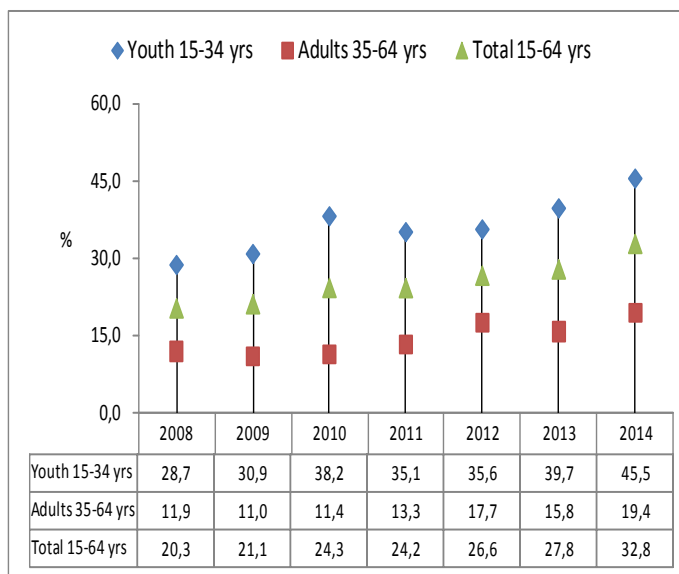
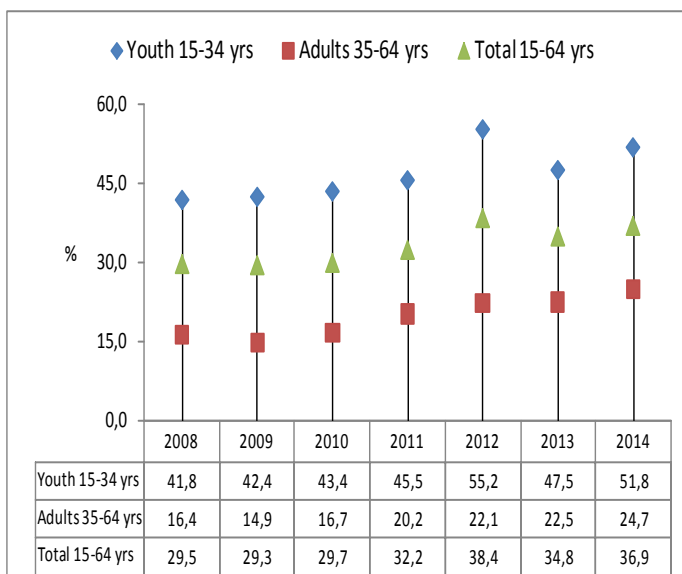
Figure 3: Labour force participation rate among youth and adults, 2008–2014

Figure 3 shows that over the period 2008–2014, the labour force participation rate among adults has been consistently higher than among youth. The results further show that the youth participation rate has been consistently lower than the average for the province. Over the period 2008–2014, the labour force participation rate among youth declined by 3,0 percentage points and by 1,0 percentage point among adults.

Figure 4a: Male unemployment rate among youth and adults, 2008–2014**Figure 4b: Female unemployment rate among youth and adults, 2008–2014**

The global recession had a greater impact on the labour market situation of men compared to women. In this regard, the unemployment rate among men increased by 12,5 percentage points over the period 2008–2014 and by 7,4 percentage points among women. A similar pattern is evident among male and female youth. However, each year the unemployment rate among young women has been higher than that of young men. In 2014 the unemployment rate among young women at 51,8% was 6,3 percentage points higher than the rate among young men. The rate among adults in 2014 (24,7%) was higher than in previous years.

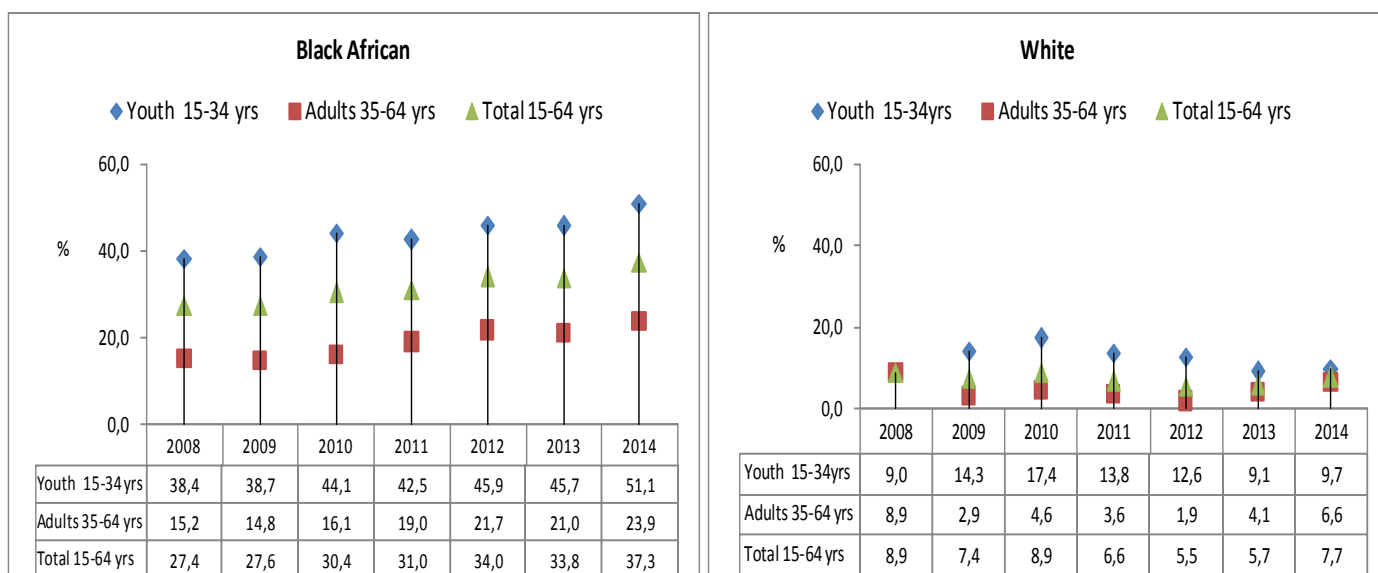
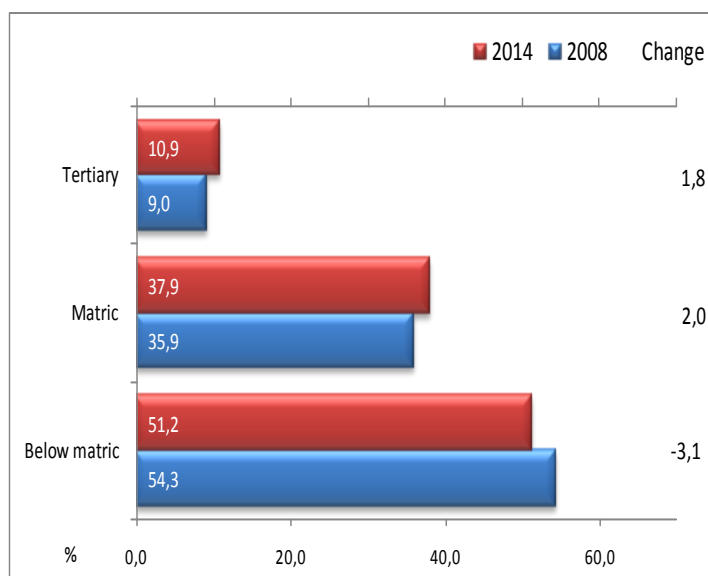
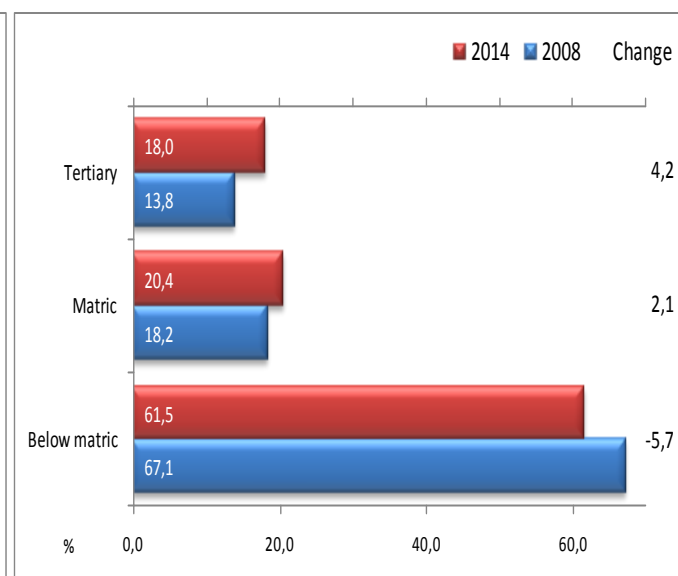
Figure 5: Unemployment rate among youth and adults by population group, 2008–2014

Figure 5 shows that the unemployment rate among the black African population group was substantially higher than that of the white group, irrespective of age. Black African youth face particular challenges in the South African labour market. Their unemployment rate has been more than three times that of the white group each year and as much as 6,2 times that of the white group in 2012.

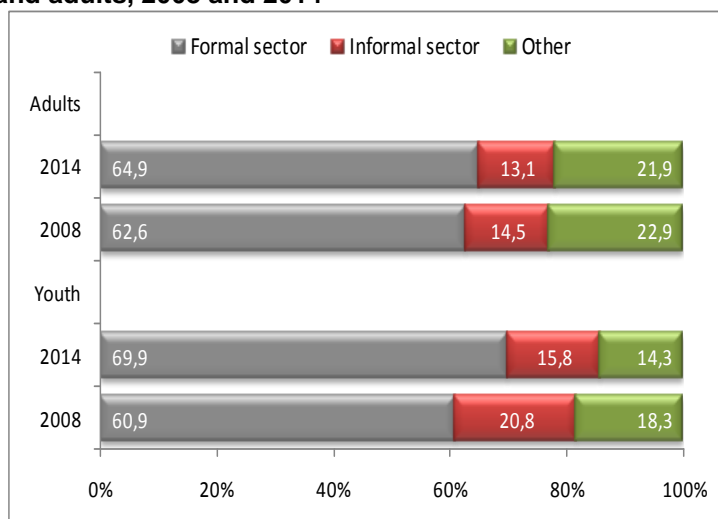
Figure 6: Education level of the labour force among youth, 2008 and 2014**Figure 7: Education level of the labour force among adults, 2008 and 2014**

As expected, compared to youth, a larger proportion of the adult labour force has tertiary qualifications. Over the period 2008 to 2014, the education profile of both the youth and adult labour force improved. The share of the adult labour force with tertiary qualifications rose by 4,2 percentage points as against an increase of only 1,8 percentage points among youth. Despite this improvement, one in every two of the youth labour force and as many as three out of every five of the adult labour force have education levels below matric.

Employment

Table 3: Employment by sector among youth and adults, 2008–2014

Year	Age group	Formal	Informal	Other
		Per cent		
2008	Youth	60,9	20,8	18,3
	Adults	62,6	14,5	22,9
2009	Youth	62,1	17,5	20,4
	Adults	61,2	14,3	24,5
2010	Youth	63,8	17,3	18,9
	Adults	63,4	13,9	22,7
2011	Youth	64,1	18,8	17,1
	Adults	62,2	16,1	21,7
2012	Youth	63,9	17,5	18,5
	Adults	64,4	11,2	24,5
2013	Youth	61,7	15,7	22,5
	Adults	62,8	13,5	23,8
2014	Youth	69,9	15,8	14,3
	Adults	64,9	13,1	21,9

Figure 8: Share of employment by sector among youth and adults, 2008 and 2014

Note: "Other" refers to Agriculture and Private households.

Among both youth and adults, formal sector employment accounted for more than 60% of total employment in 2008 and 2014. Over the period 2008 to 2014, the share of formal sector employment has risen among both youth and adults – and by a larger margin among youth (9,0 percentage points). A larger proportion of youth were employed in the informal sector compared with adults.

Table 3a: Employment by industry among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
Youth 15-34 years (Thousand)							
Agriculture	40	46	32	30	31	50	25
Mining	6	9	8	4	10	7	7
Manufacturing	50	37	28	24	21	30	27
Utilities	2	2	2	1	1	3	1
Construction	30	32	21	32	27	26	27
Trade	104	94	84	70	81	67	72
Transport	17	14	18	12	13	13	15
Finance	33	42	30	43	37	30	25
Community and social services	56	51	51	73	52	65	65
Private households	26	26	25	24	24	20	14
Total	363	354	300	314	296	309	277

Note: The sample size for the Mining industry is too small for reliable estimates.

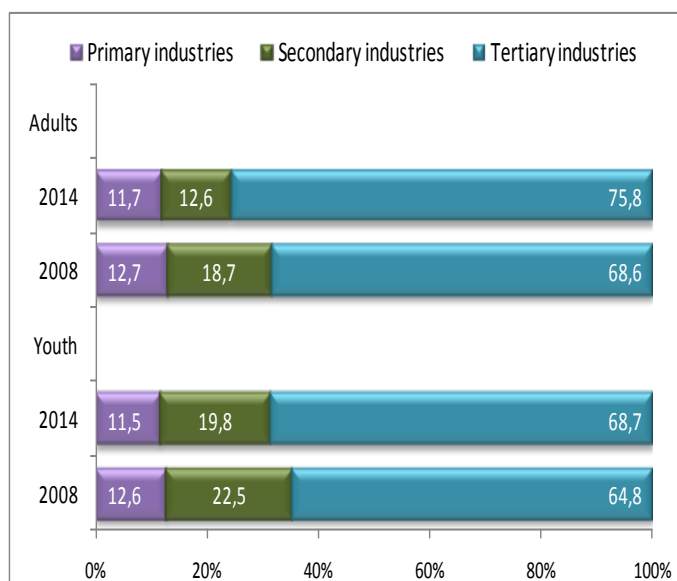
Table 3a above shows that the Trade and Community and social services industries were the largest contributors to employment among youth in Free State – accounting for 72 000 and 65 000 jobs respectively in 2014. In contrast, the Transport and Private households industries accounted for 15 000 and 14 000 jobs respectively.

Table 3b: Employment by industry among adults, 2008–2014

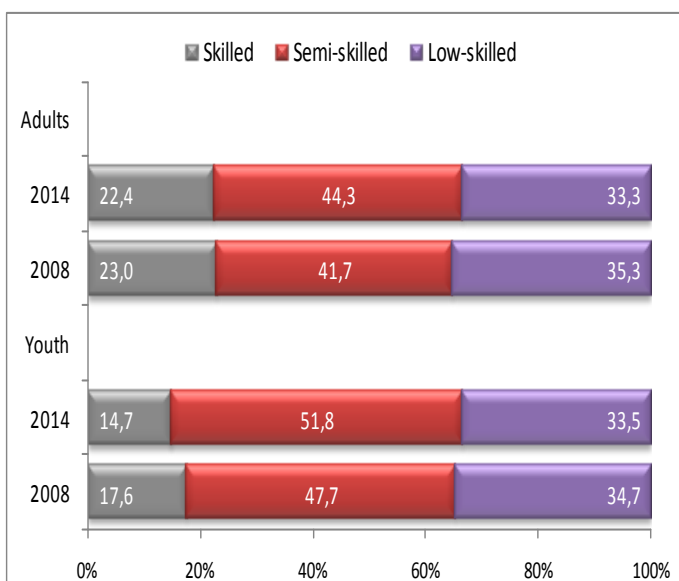
Industry	2008	2009	2010	2011	2012	2013	2014
Adults 35-64 years (Thousand)							
Agriculture	42	45	41	32	38	38	32
Mining	17	24	25	18	18	18	20
Manufacturing	52	44	42	38	32	39	29
Utilities	3	3	2	3	4	5	2
Construction	32	33	25	24	20	28	25
Trade	88	73	76	95	76	68	76
Transport	25	23	27	23	15	23	22
Finance	27	23	26	33	33	31	33
Community and social services	115	119	137	123	131	127	141
Private households	64	66	64	67	68	67	66
Total	466	453	465	454	435	444	447

Note: The sample size for the Utilities industry is too small for reliable estimates.

Similar to the pattern among youth, the Trade and Community and social services industries also accounted for the highest number of jobs among adults.

Figure 9: Share of employment by industry among youth and adults, 2008 and 2014

Note: "Primary" refers to Agriculture and Mining, "Secondary" to Manufacturing, Utilities and Construction. "Tertiary" refers to Trade, Transport, Finance, Services and Private households.

Figure 10: Share of employment by occupation among youth and adults, 2008 and 2014

Note: "Skilled" refers to Manager, Professional and Technician, "Semi-skilled" to Clerk, Sales, Skilled Agriculture, Craft and Operator. "Low-skilled" refers to Elementary occupations and domestic workers.

The tertiary industries account for the largest share of employment among both adults and youth. Trends over the period 2008 and 2014 show that the share of employment in the tertiary industries increased by 7,2 percentage points among adults and by 3,9 percentage points among youth. The employment opportunities in Free State were dominated by the semi-skilled and low-skilled occupations. In 2014, youth in semi-skilled positions accounted for 51,8% of youth employment while among adults, 44,3% held such positions. Among both youth and adults, one out of every three was employed in low-skilled occupations.

Table 4a: Employment by occupation among youth, 2008–2014

Occupation	2008	2009	2010	2011	2012	2013	2014
Youth 15-34 years (Thousand)							
Manager	15	22	12	16	6	14	11
Professional	16	14	11	12	12	13	8
Technician	33	27	22	24	18	25	22
Clerk	41	41	45	40	37	28	28
Sales and services	56	51	48	50	57	50	48
Skilled agriculture	1	1	1	1	1	1	
Craft and related trade	59	63	37	40	36	34	45
Plant and machine operator	16	20	14	19	25	31	23
Elementary	110	101	95	96	87	99	83
Domestic worker	16	15	14	15	16	15	10
Total	363	354	300	314	296	309	277

Note: The sample size for the Skilled agriculture occupation is too small for reliable estimates.

Table 4b: Employment by occupation among adults, 2008–2014

Occupation	2008	2009	2010	2011	2012	2013	2014
Adults 35-64 years (Thousand)							
Manager	31	30	40	37	32	32	33
Professional	21	23	24	17	18	23	21
Technician	55	50	58	52	52	50	46
Clerk	31	45	39	38	38	34	34
Sales and services	47	41	54	55	50	50	69
Skilled agriculture	5	4	4	2	4	4	3
Craft and related trade	64	65	53	51	44	52	48
Plant and machine operator	47	41	39	41	40	44	44
Elementary	112	104	105	108	104	98	93
Domestic worker	52	49	49	54	53	56	56
Total	466	453	465	454	436	444	447

Note: The sample size for the Skilled agriculture occupation is too small for reliable estimates.

Elementary occupations dominate the employment opportunities available to both youth and adults. Over the period 2008–2014, the number of youth employed in that occupation category declined from 110 000 to 83 000; among adults the decline was also noticeable, from 112 000 to 93 000.

Figure 11: Employment by industry, among youth and adults, 2014

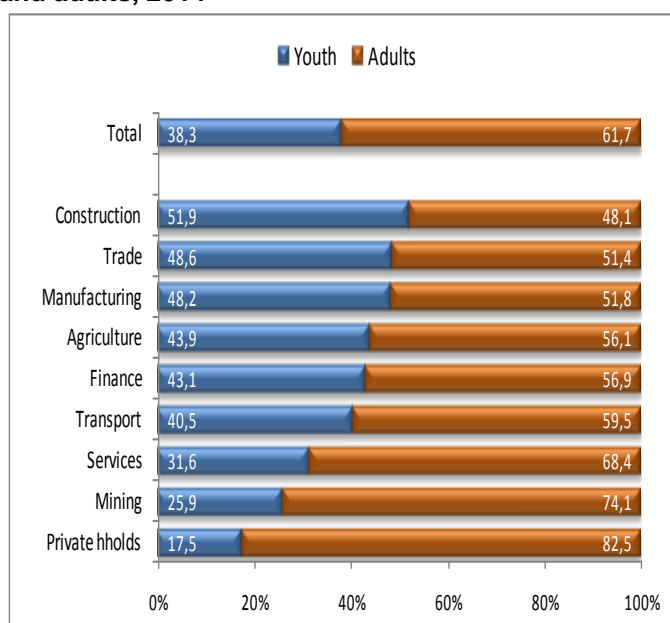
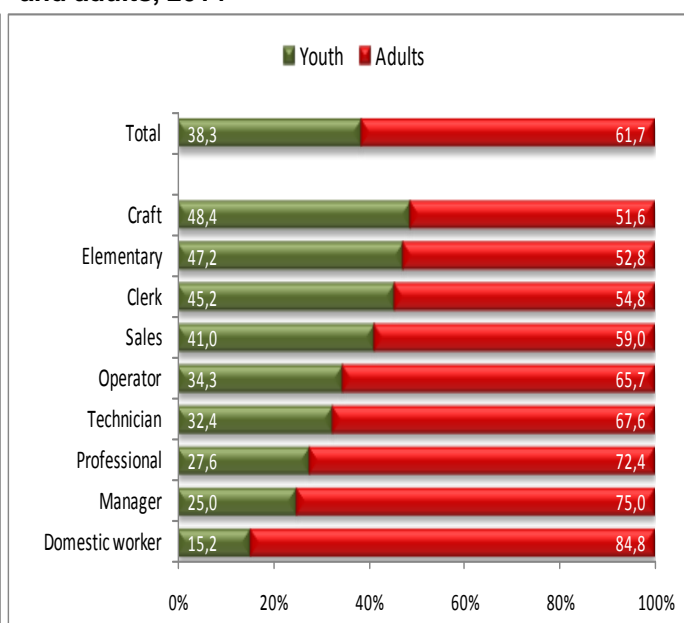


Figure 12: Employment by occupation, among youth and adults, 2014



Note: The sample sizes of the Utilities industry and the Skilled agriculture occupation are too small for reliable estimates.

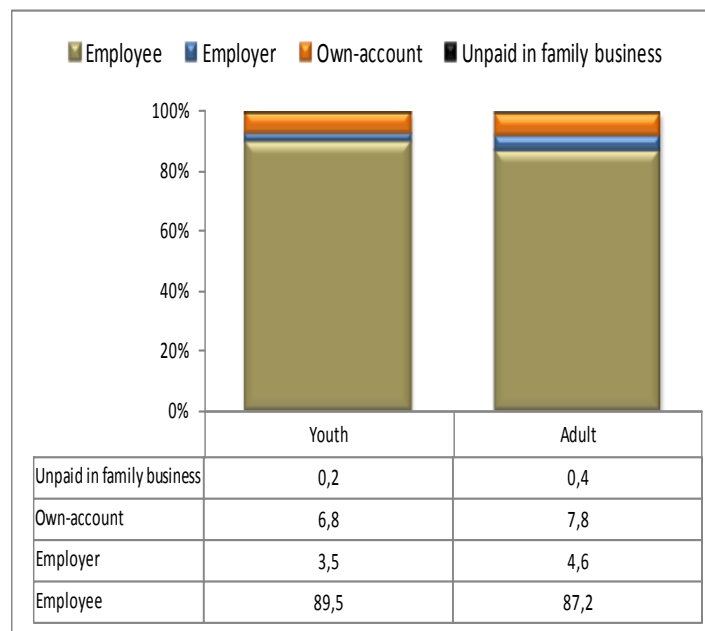
In 2014, except in Construction, more adults than youth were employed in every industry. The share of youth in the Transport, Finance, Agriculture, Manufacturing, Trade and Construction industries ranged between 40,0% and 52,0%. A relatively low percentage of those employed in Private households (17,5%) and Mining (25,9%) were youth. In terms of occupations, 45,0%–49,0% of those employed as Clerks, Elementary and Craft workers were youth.

Conditions of employment, status in employment and incidence of long-term unemployment

Table 5: Status in employment among youth and adults, 2008–2014

Year	Age group	Employee	Employer	Own-account	Unpaid in family business
		Per cent			
2008	Youth	86,0	3,7	8,9	1,4
	Adults	85,4	5,5	8,5	0,7
2009	Youth	85,7	3,6	9,4	1,3
	Adults	83,8	6,4	9,1	0,7
2010	Youth	87,7	3,2	8,0	1,1
	Adults	84,2	6,6	8,9	0,3
2011	Youth	88,4	4,1	6,5	1,0
	Adults	85,0	5,0	9,8	0,2
2012	Youth	88,0	2,5	8,5	1,0
	Adults	84,6	6,6	8,5	0,4
2013	Youth	89,1	3,7	6,5	0,6
	Adults	85,1	5,7	8,6	0,6
2014	Youth	89,5	3,5	6,8	0,2
	Adults	87,2	4,6	7,8	0,4

Figure 13: Status in employment among youth and adults, 2014

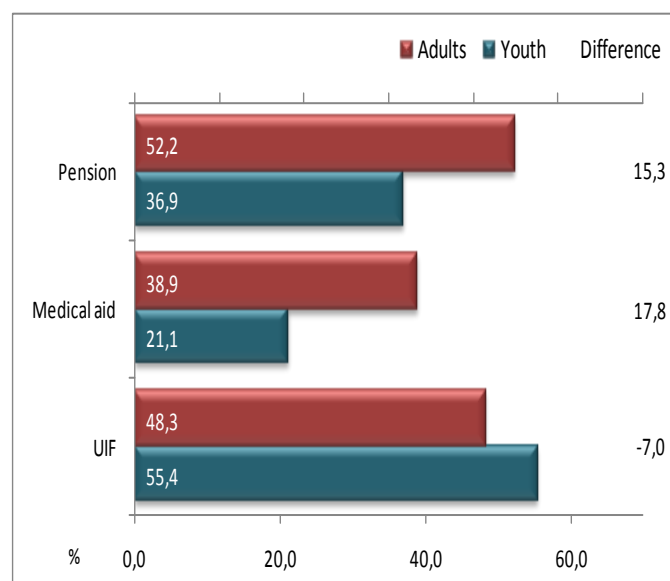


In 2014, nine out of every ten youth (89,5%) and adults (87,2%) were employees. Adults (7,8%) were more likely to be own-account workers than youth (6,8%). A larger proportion of adults were employers (4,6%) compared to youth (3,5%).

Table 6: Access to benefits among youth and adults, 2008–2014

Year	Age group	UIF	Medical aid	Pension
		Per cent		
2008	Youth	48,0	17,5	25,2
	Adults	47,2	31,4	46,3
2009	Youth	51,5	16,9	29,1
	Adults	49,3	30,9	46,6
2010	Youth	49,0	18,5	29,6
	Adults	47,6	37,7	50,0
2011	Youth	47,1	17,5	27,6
	Adults	50,0	36,5	49,9
2012	Youth	57,4	18,7	33,2
	Adults	47,1	36,5	49,8
2013	Youth	49,1	17,1	29,5
	Adults	50,7	36,0	49,1
2014	Youth	55,4	21,1	36,9
	Adults	48,3	38,9	52,2

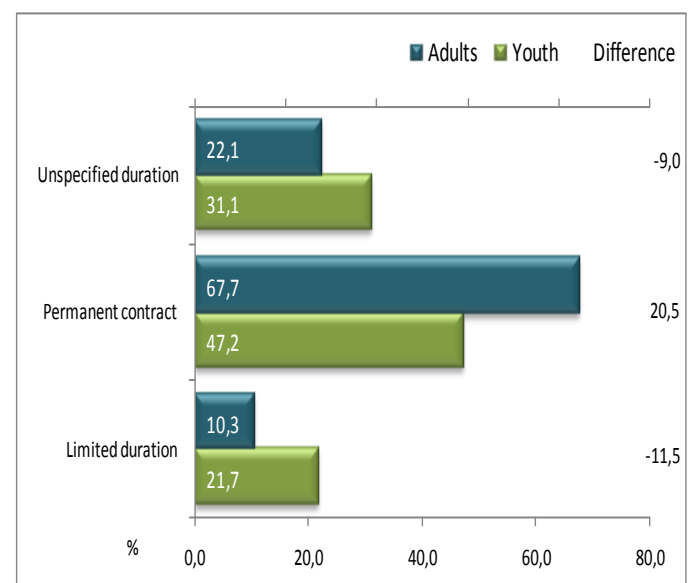
Figure 14: Access to benefits among youth and adults, 2014



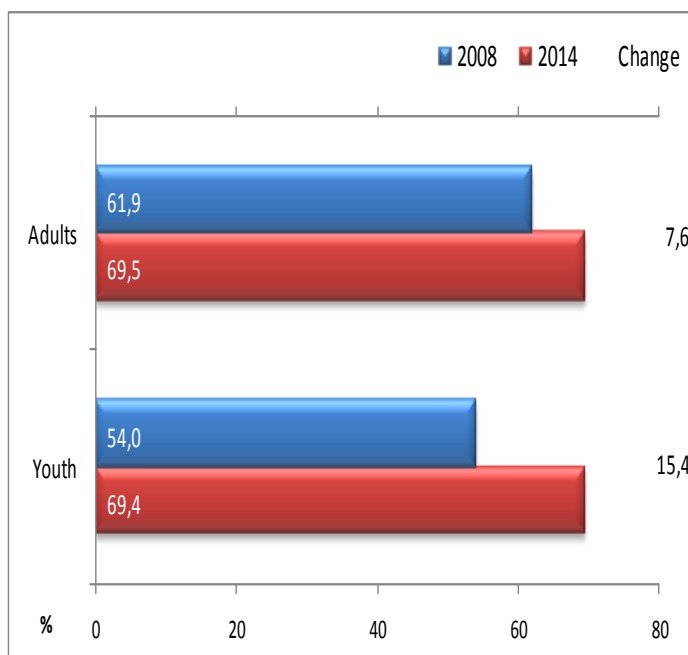
Adult employees were more likely to have access to pension/retirement funds and medical aid cover from their employer compared with youth. However, a smaller proportion of adult employees (48,3%) than youth (55,4%) benefited from unemployment insurance fund (UIF) contributions from their employer.

Table 7: Contract duration among youth and adults, 2008–2014

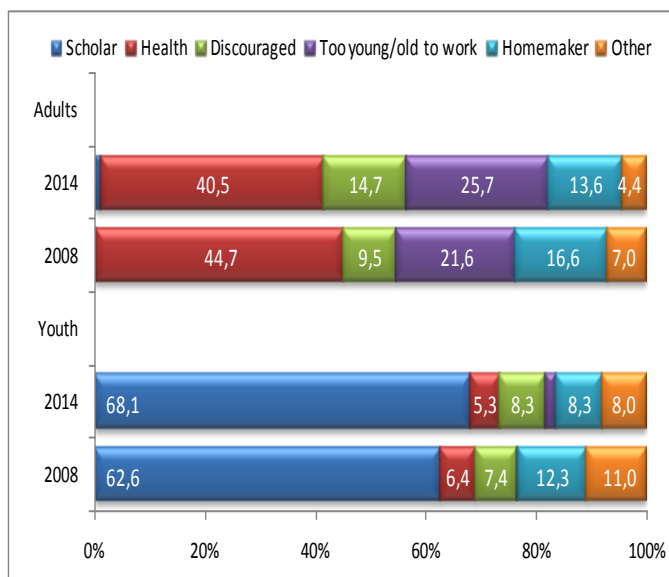
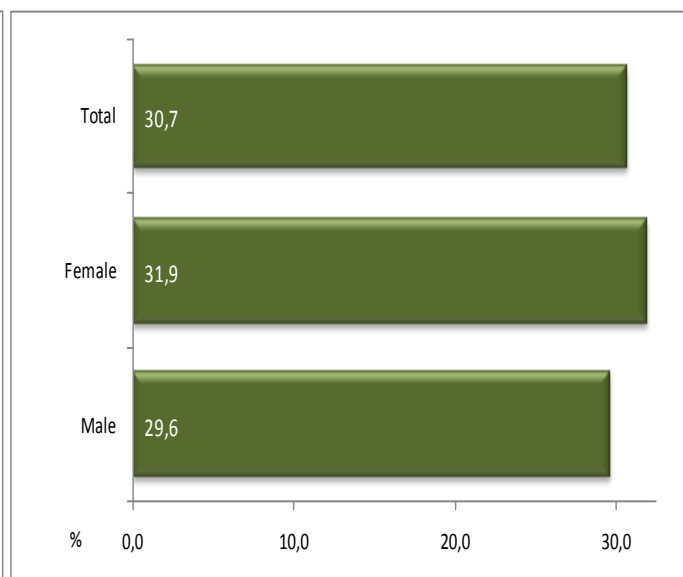
Contract	Age group	Limited	Permanent	Unspecified
		Per cent		
2008	Youth	17,8	49,3	33,0
	Adults	8,9	68,9	22,1
2009	Youth	17,8	51,4	30,8
	Adults	8,7	70,8	20,6
2010	Youth	14,1	52,5	33,4
	Adults	6,1	74,0	19,9
2011	Youth	13,9	50,9	35,2
	Adults	6,0	74,0	20,0
2012	Youth	17,7	50,9	31,4
	Adults	7,6	69,8	22,7
2013	Youth	25,8	45,6	28,6
	Adults	10,1	65,7	24,2
2014	Youth	21,7	47,2	31,1
	Adults	10,3	67,7	22,1

Figure 15: Contract duration among youth and adults, 2014

In 2014, two out of every three (67,7%) adult employees were employed on permanent contracts compared to 47,2% of youth. A larger proportion of youth (21,7%) compared to adults (10,3%) were employed on contracts of a limited duration.

Figure 16: Incidence of long-term unemployment among youth and adults, 2008 and 2014**Figure 17: Work experience among youth and adults, 2014**

Although the incidence of long-term unemployment has increased since 2008 among adults (by 7,6 percentage points) and youth (by 15,4 percentage points), the likelihood of being in long-term unemployment has been higher among adults than among youth. The gap narrowed substantially in 2014 when 69,5% of adults were in long-term unemployment compared to 69,4% of youth. Among unemployed people who have worked before, 51,3% are adults while 48,7% are youth. In 2014, nine out of every ten unemployed persons with no work experience (88,1%) were youth.

Figure 18: Reasons for inactivity among youth and adults, 2008 and 2014**Figure 19: Youth who are Not in Education, Employment or Training (NEET) by sex, 2014**

Note: NEET (15–24 years).

The reason most cited for inactivity among adults was ill health, while the majority of youth said they were still at school. In 2014, the second most cited reason among adults for inactivity was age-related, while among youth it was due to their responsibilities as homemakers and because they were discouraged. The NEET rate among young women aged 15–24 years was higher than that of young men.

Hard facts

- At 48,2%, the unemployment rate among youth was at its highest in 2014, while it was at its lowest in 2008 at 34,9%.
- The unemployment rate among the black African population group was substantially higher than that of the white group, irrespective of age.
- Irrespective of age, formal sector employment accounted for more than 60% of total employment in both 2008 and 2014. Over the period 2008 to 2014, the share of formal sector employment has risen among both youth and adults – and by a larger margin among youth (9,0 percentage points).
- A larger proportion of youth were employed in the informal sector compared with adults.
- In 2014, except in Construction, more adults than youth were employed in every industry. A relatively low percentage of those employed in Private households (17,5%) and Mining (25,9%) were youth.
- In terms of occupations, 45,0%–49,0% of those employed as Clerks, Elementary and Craft workers were youth.
- Adults were more likely to have access to pension/retirement funds and medical aid cover from their employer compared with youth.
- Although the incidence of long-term unemployment has decreased since 2008 among both adults (by 7,6 percentage points) and youth (by 15,4 percentage points), the likelihood of being in long-term unemployment has been higher among adults than among youth.
- The reason most cited for inactivity among adults was ill health while the majority of youth said they were still at school.

KwaZulu-Natal labour market: Youth

Q1: 2008–Q1: 2014

Introduction

In a global context, youth constitute an important group in the labour market because of the difficulties they face in gaining employment. A similar situation occurs in South Africa. To address this issue, the youth wage subsidy came into effect in January 2014 which is aimed at promoting employment of young people. This report is based on the first quarter results of the Quarterly Labour Force Survey (QLFS) of every year over the period 2008 to 2014. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Characteristics of the working-age population

Table 1: KwaZulu-Natal working-age population by age group, 2008–2014

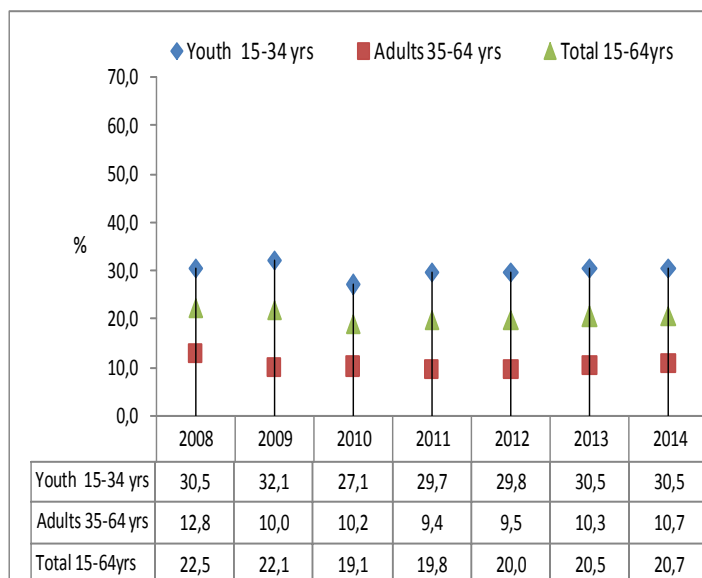
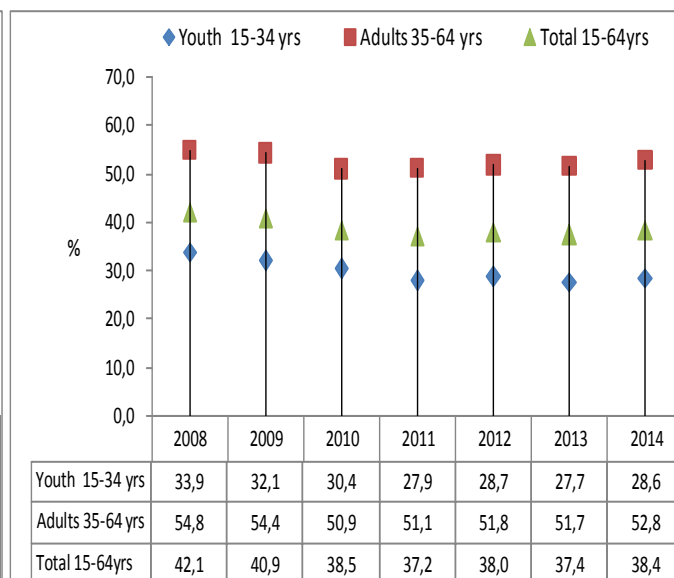
Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15-19 yrs	1 063	1 071	1 064	1 084	1 087	1 111	1 048
20-24 yrs	983	984	958	1 008	970	987	1 034
25-29 yrs	830	861	910	908	960	904	955
30-34 yrs	765	767	795	772	802	859	862
35-39 yrs	607	658	640	697	718	686	739
40-44 yrs	459	476	472	477	489	559	576
45-49 yrs	416	406	422	419	437	414	413
50-54 yrs	351	350	371	329	362	345	372
55-59 yrs	309	286	295	313	305	319	308
60-64 yrs	210	231	261	279	254	294	265
Total	5 993	6 090	6 188	6 286	6 384	6 479	6 572

Youth aged 15–19 years accounted for the highest number of the working-age population, but their proportion decreased from 17,7% in 2008 to 15,9% in 2014. The older age group (60–64 years) had the lowest number of working-age population (from 210 000 or 3,5% in 2008 to 265 000 or 4,0% in 2014).

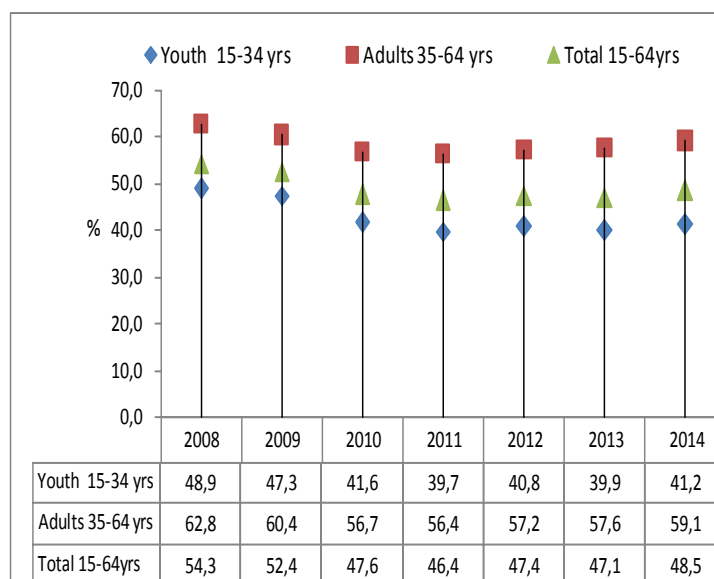
Table 2: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Youth 15-34 years (Thousand)						
Population	3 641	3 683	3 727	3 773	3 818	3 861	3 899
Labour force	1 779	1 740	1 552	1 496	1 559	1 540	1 605
Employed	1 236	1 181	1 131	1 052	1 095	1 070	1 115
Unemployed	543	559	421	444	464	470	490
Not economically active	1 862	1 942	2 175	2 276	2 260	2 321	2 294
Rates (%)							
Unemployment rate	30,5	32,1	27,1	29,7	29,8	30,5	30,5
Employed/population ratio (Absorption)	33,9	32,1	30,4	27,9	28,7	27,7	28,6
Labour force participation rate	48,9	47,3	41,6	39,7	40,8	39,9	41,2
	Adults 35-64 years (Thousand)						
Population	2 352	2 407	2 462	2 514	2 566	2 618	2 673
Labour force	1 478	1 454	1 396	1 419	1 468	1 509	1 581
Employed	1 289	1 308	1 254	1 285	1 329	1 354	1 412
Unemployed	188	145	142	134	140	155	169
Not economically active	874	953	1 066	1 095	1 098	1 109	1 092
Rates (%)							
Unemployment rate	12,8	10,0	10,2	9,4	9,5	10,3	10,7
Employed/population ratio (Absorption)	54,8	54,4	50,9	51,1	51,8	51,7	52,8
Labour force participation rate	62,8	60,4	56,7	56,4	57,2	57,6	59,1

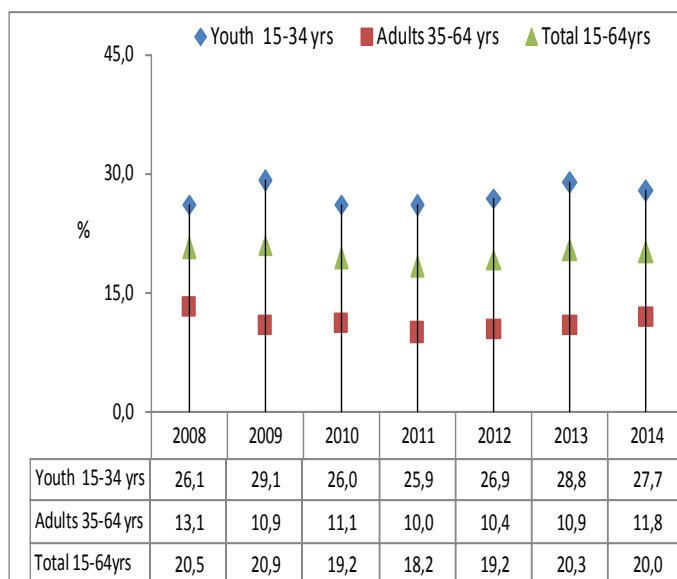
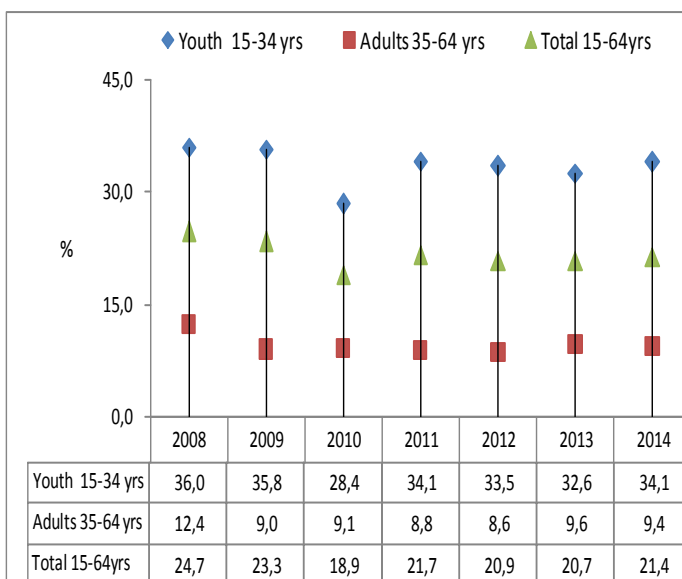
Youth aged 15–34 years accounted for a higher number of the working-age population than adults, ranging from 3,6 million in 2008 and increasing every year to a high of 3,9 million in 2014. However, the employment-to-population ratio for adults was higher compared to that for youth. Between 2008 and 2014, 123 000 more adults were employed while job losses were observed among youth (121 000). The number of inactive youth increased from 1,9 million in 2008 to 2,3 million in 2014. Youth were two times more likely to be unemployed than adults.

Figure 1: Unemployment rate among youth and adults, 2008–2014**Figure 2: Absorption rate among youth and adults, 2008–2014**

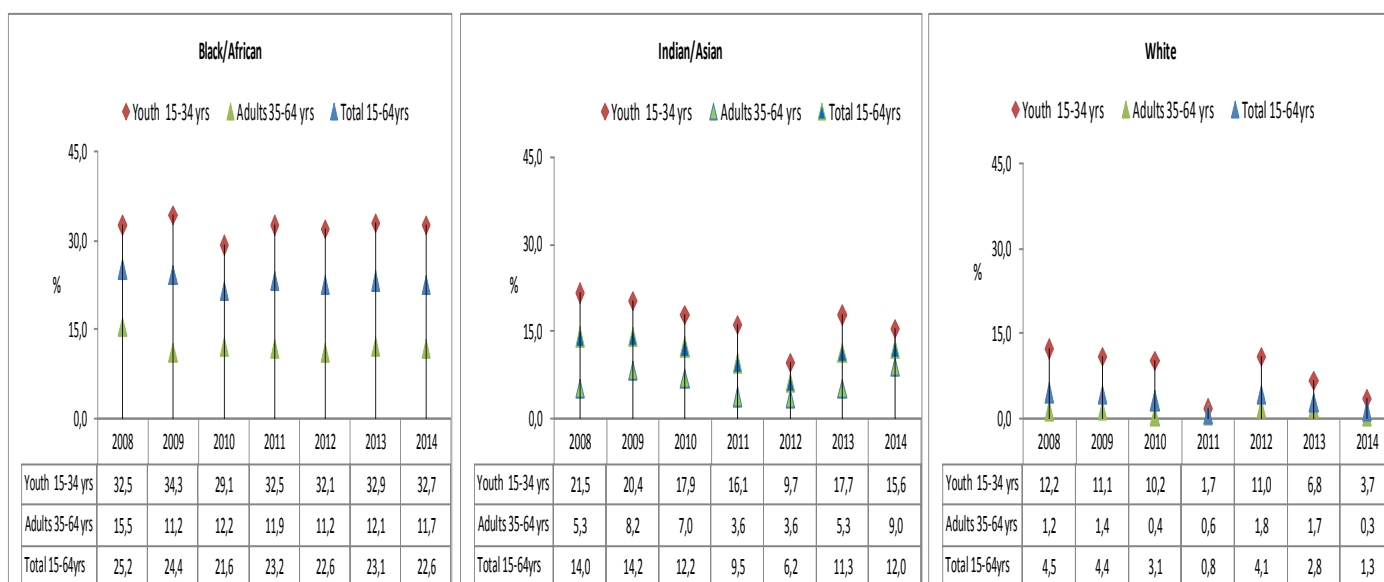
The youth unemployment rate was higher than the provincial unemployment rate, while the unemployment rate among adults was lower than the provincial average. The unemployment rate among youth was also more than two times higher than that of adults during the period 2008–2014. The absorption rate was higher among adults than among youth throughout the period under review.

Figure 3: Labour force participation rate among youth and adults, 2008–2014

Adults had a higher labour force participation rate than youth. This was driven by the fact that the majority of youth were not economically active – probably because most of them were still in school. The rate for adults was higher than the provincial labour force participation rate.

Figure 4a: Male unemployment rate among youth and adults, 2008–2014**Figure 4b: Female unemployment rate among youth and adults, 2008–2014**

Young men (15–34 years) were more than twice as likely to be unemployed than older males (35–64 years). In 2014, their unemployment rate was 7,7 percentage points higher than the provincial rate among men and this pattern has been observed over time. The unemployment rate among young women (15–34 years) was more than three times that of older women (35–64 years) as shown in Figure 4b. The unemployment rate among women was higher than among men in the province. The unemployment rate was lower among older women than among older men throughout the years. However, the opposite was true among the youth in KwaZulu-Natal.

Figure 5: Unemployment rate among youth and adults by population group, 2008–2014

Note: Coloured population unemployment rates were removed because of the small sample size.

The unemployment rate was higher among black African youth and adults than among other population groups over the period 2008–2014. The black African youth unemployment rate was 32,5% in 2008 and increased by 0,2 of a percentage point to 32,7% in 2014, while the rate among black African adults was 15,5% in 2008 and decreased to 11,7% in 2014. The unemployment rate was higher among youth than among adults for all population groups. Among the Indian/Asian population group, youth were more than four times as likely to be unemployed than adults in 2008, but this decreased to 1,7 times in 2014. The white population (both youth and adults) had lower unemployment rates than other population groups, and the rate was much lower for adults than for youth.

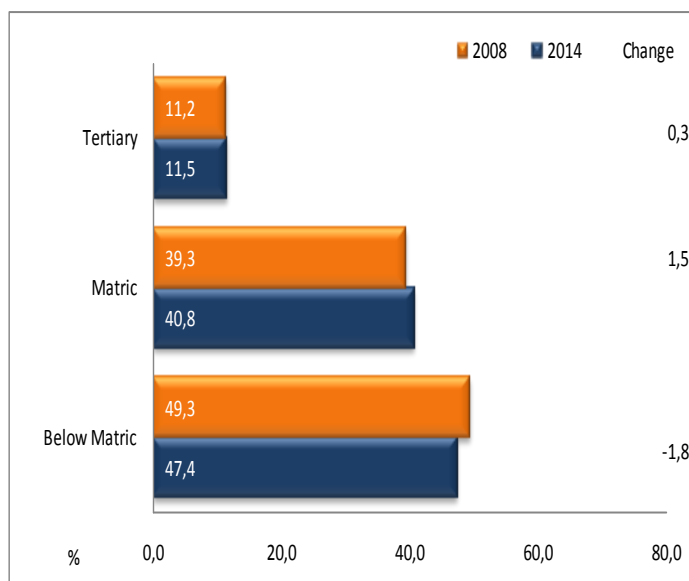
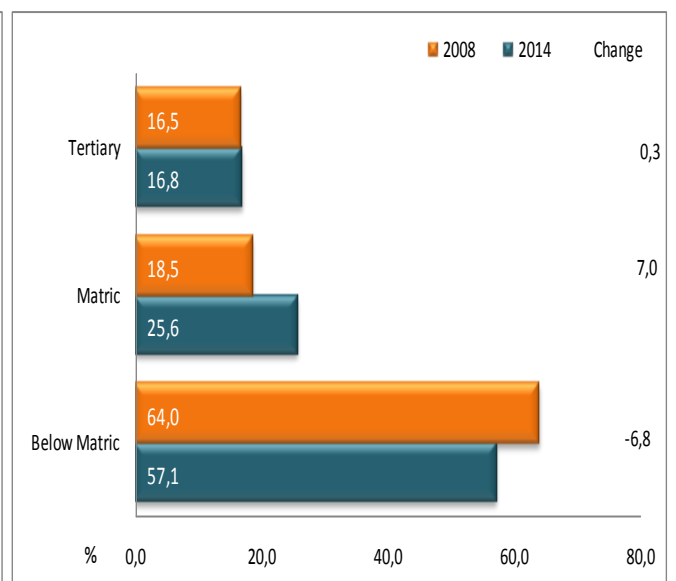
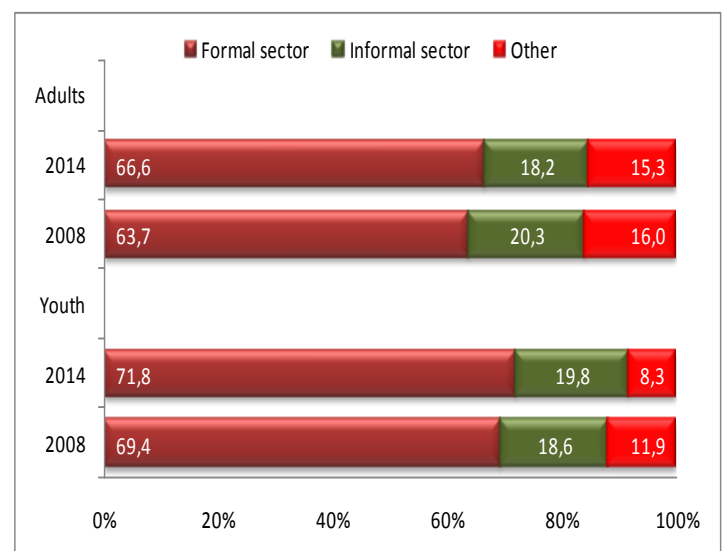
Figure 6: Education level of the labour force among youth, 2008 and 2014**Figure 7: Education level of the labour force among adults, 2008 and 2014**

Figure 6 shows that the proportion of the youth labour force with education levels below matric declined by 1,8 percentage points between 2008 and 2014. The youth labour force that had a matric qualification increased by 1,5 percentage points while that of adults increased by 7,0 percentage points over the same period. The proportion of both youth and adults that had a tertiary qualification increased marginally by 0,3 of a percentage point. Despite this improvement in the education profile of the labour force over the period 2008 to 2014, in 2014 as many as 47,4% of youth and 57,1% of adults still had education levels below matric.

Employment

Table 3: Employment by sector among youth and adults, 2008–2014

Year	Age group	Formal	Informal	Other
		Percent		
2008	Youth	69,4	18,6	11,9
	Adults	63,7	20,3	16,0
2009	Youth	65,8	18,2	15,9
	Adults	63,5	18,9	17,6
2010	Youth	69,8	17,8	12,4
	Adults	68,0	16,1	15,9
2011	Youth	69,4	19,0	11,6
	Adults	67,9	19,1	13,0
2012	Youth	66,7	19,9	13,4
	Adults	69,3	17,4	13,3
2013	Youth	72,6	14,6	12,8
	Adults	69,4	16,8	13,8
2014	Youth	71,8	19,8	8,3
	Adults	66,6	18,2	15,3

Figure 8: Share of employment by sector among youth and adults, 2014

Note: "Other" refers to Agriculture and Private household.

Table 3 shows that except in 2012, over the period 2008–2014, youth accounted for a bigger share of formal sector employment than adults. The difference in the percentage share of formal sector employment between youth and adults was highest in 2008 and 2014 (5,7 and 5,3 percentage points respectively). In 2014, youth had a bigger share of formal and informal sector employment than adults, as shown in Figure 8.

Table 3a: Employment by industry among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	53	66	49	49	33	49	35
Mining	2	3	1	10	5	8	3
Manufacturing	228	182	192	162	162	163	161
Utilities	8	6	3	11	1	5	9
Construction	107	107	128	106	92	87	126
Trade	321	277	264	257	299	220	322
Transport	80	91	67	84	83	100	92
Finance	166	147	147	121	134	151	121
Community and social services	176	180	188	179	171	200	190
Private households	94	122	92	73	113	88	58
Total	1 236	1 181	1 131	1 052	1 095	1 070	1 115

Note: The sample sizes for Mining and Utilities are too small for reliable estimates.

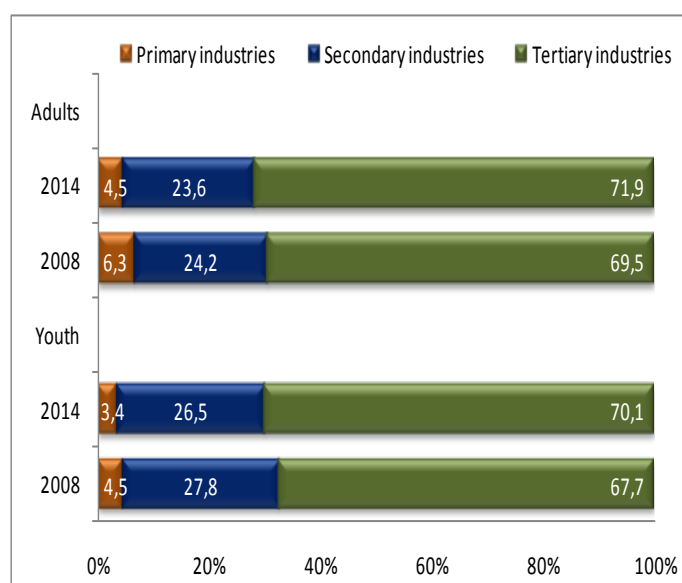
About 1,2 million youth were employed in 2008 and that number decreased to 1,1 million in 2014. The main employers for youth were in the Trade, Manufacturing, and Community and social services industries.

Table 3b: Employment by industry among adults, 2008–2014

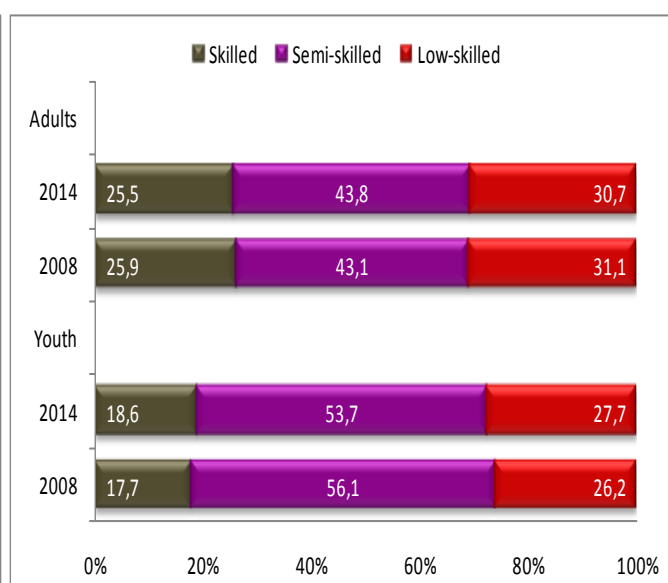
Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	77	70	67	53	58	46	61
Mining	5	6	7	4	12	17	3
Manufacturing	208	202	211	212	207	185	200
Utilities	5	7	2	6	7	5	13
Construction	98	112	103	119	111	121	121
Trade	257	225	237	256	239	256	249
Transport	86	94	85	83	92	88	86
Finance	117	124	117	124	126	150	152
Community and social services	307	309	292	313	358	345	372
Private households	130	160	133	114	119	141	155
Total	1 289	1 308	1 254	1 285	1 329	1 354	1 412

Note: The sample sizes for Mining and Utilities are too small for reliable estimates.

A total of 1,3 million adults were employed in 2008 and the number increased to 1,4 million in 2014. The Community and social services industry was the main employer for adults, followed by the Trade and Manufacturing industries.

Figure 9: Share of employment by industry among youth and adults, 2014

Note: "Primary" refers to Agriculture and Mining, "Secondary" to Manufacturing, Utilities and Construction, "Tertiary" refers to Trade, Transport, Finance, Community and Private household.

Figure 10: Share of employment by occupation among youth and adults, 2014

Note: "Skilled" refers to Manager, Professional and Technician, "Semi-skilled" to Clerk, Sales, Skilled Agriculture, Trade, and Operator, "Low-skilled" refers to Elementary and domestic workers.

Figure 9 shows that employment in the tertiary industries dominated the employment opportunities available to both youth and adults. Over the period 2008–2014 the share of the tertiary industries in total employment increased while there was a decline in both the secondary and primary industries. According to Figure 10, five in every ten youth were employed in semi-skilled occupations compared to four in every ten adults. The share of employment in the skilled and low-skilled occupations was higher for adults than it was for youth. In 2014, the share of skilled occupations for adults was 6,8 percentage points higher than that of youth.

Table 4a: Employment by occupation among youth, 2008–2014

Occupation	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	50	49	37	42	40	44	68
Professional	57	50	36	46	33	54	50
Technician	111	101	121	94	109	115	90
Clerk	146	126	112	119	114	119	135
Sales and services	201	196	189	184	198	163	217
Skilled agriculture	8	5	6	5	2	2	0
Craft and related trades	196	156	192	160	141	134	139
Plant and machine operator	142	134	117	104	111	119	108
Elementary	262	273	250	251	260	244	266
Domestic worker	62	89	71	49	87	75	42
Total	1 236	1 181	1 131	1 052	1 095	1 070	1 115

Note: The sample sizes for Mining and Utilities are too small for reliable estimates.

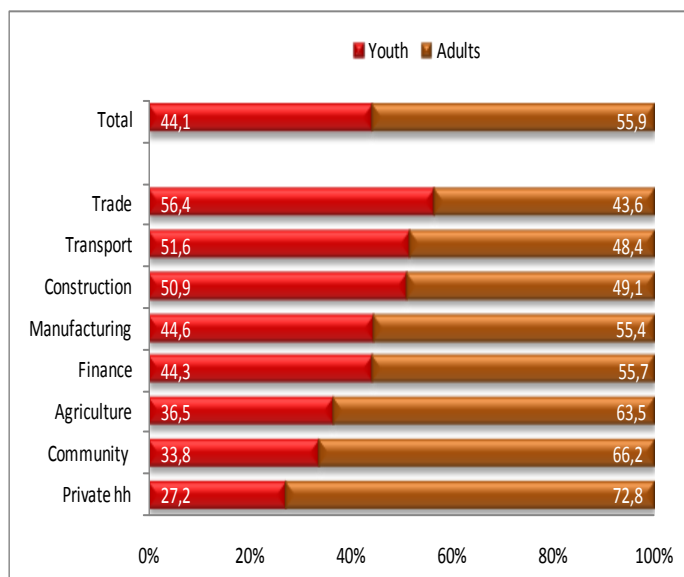
Table 4a shows that occupations held by youth were mostly Elementary and Sales and services. Between 2008 and 2014, most job losses were among youth who were employed in Craft and related trades and as Plant and machinery operators (57 000 and 34 000 respectively). The job losses in these two occupations were the major contributors to the 121 000 jobs lost by youth in the same period.

Table 4b: Employment by occupation among adults, 2008–2014

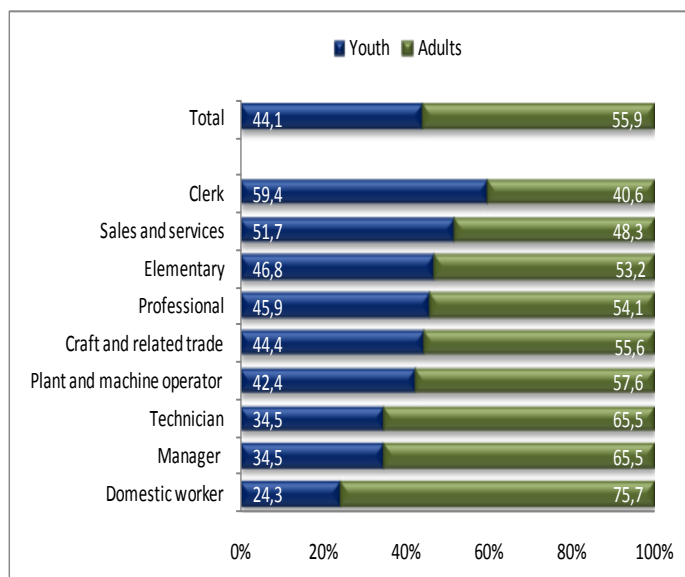
Occupation	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	98	98	121	117	104	119	129
Professional	71	61	63	66	61	69	59
Technician	165	168	169	178	188	165	172
Clerk	93	87	95	98	104	103	92
Sales and services	136	142	138	156	149	169	202
Skilled agriculture	22	18	11	12	9	11	3
Craft and related trades	177	166	129	144	168	115	174
Plant and machine operator	127	146	147	140	147	157	147
Elementary	284	276	278	275	302	325	302
Domestic worker	117	146	101	99	98	122	132
Total	1 289	1 308	1 254	1 285	1 329	1 354	1 412

Note: The sample size for the Skilled agriculture occupation is too small for reliable estimates.

Table 4b shows employment for adults has been steadily increasing since 2011. In 2014, the majority of adults were employed in the Elementary and Sales and services occupations. There were 123 000 job gains among adults between 2008 and 2014, mainly in the Sales and services occupations (66 000) and Managerial occupations (31 000).

Figure 11: Employment by industry among youth and adults, 2014

Note: Mining and Utilities industries omitted due to small sample sizes.

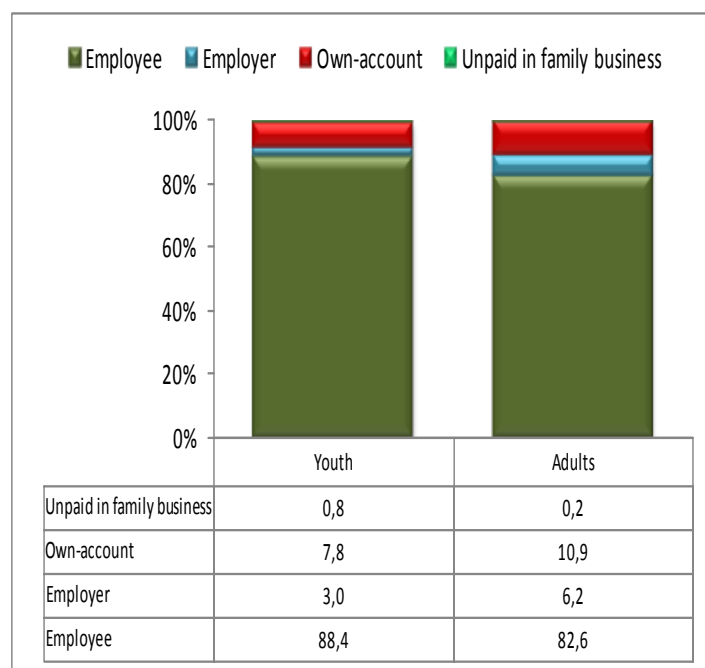
Figure 12: Employment by occupation among youth and adults, 2014

Note: Skilled agriculture occupation omitted due to small sample size.

In 2014, youth accounted for 44,1% of total employment and adults for more than half (55,9%). More than five in every ten of those employed in the Trade (56,4%), Transport (51,6%) and Construction (50,9%) industries were youth as shown in Figure 11, while more than seven in every ten of those employed in Private households (72,8%) were adults. According to Figure 12, three in every five of those employed in the Clerical positions were youth, while more than 60% of those employed as Domestic workers, Managers and Technicians were adults.

Table 5: Status in employment among youth and adults, 2008 to 2014

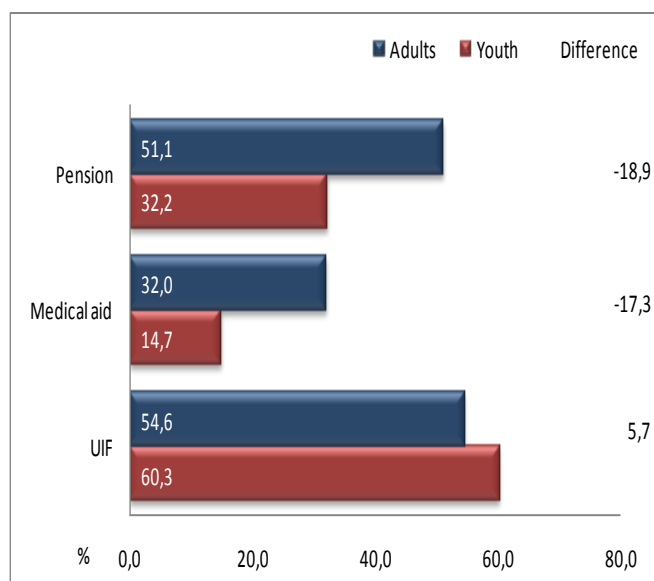
Year	Age group	Employee	Employer	Own-account	Unpaid in family business
		Percent			
2008	Youth	88,6	2,9	7,3	1,2
	Adults	78,0	8,0	13,3	0,7
2009	Youth	88,5	3,3	7,0	1,2
	Adults	80,7	6,7	12,2	0,5
2010	Youth	87,9	2,7	8,9	0,5
	Adults	80,7	7,0	11,6	0,7
2011	Youth	88,5	2,1	7,8	1,6
	Adults	78,5	8,0	12,9	0,5
2012	Youth	87,3	2,3	9,2	1,2
	Adults	81,7	6,6	11,3	0,4
2013	Youth	91,0	2,2	6,2	0,6
	Adults	81,5	7,7	10,3	0,5
2014	Youth	88,4	3,0	7,8	0,8
	Adults	82,6	6,2	10,9	0,2

Figure 13: Status in employment among youth and adults, 2014

Over the period 2008–2014, each year as many as 80%–90% of youth were employees. The majority of adults were also employees over the same period, but their proportion was lower than that of youth. In 2014, the share of employees among employed youth was 5,8 percentage points higher than among employed adults. Although employers and own-account workers accounted for a smaller share of total employment, adults were more likely to be entrepreneurs compared with youth. The share of own-account workers among adults was 3,1 percentage points higher than among youth in the same period.

Table 6: Access to benefits among youth and adults, 2008 to 2014

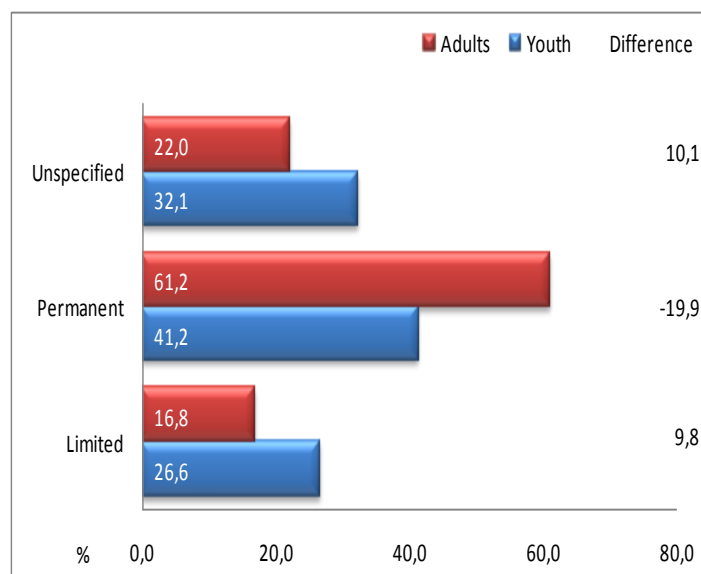
Year	Age group	UIF	Medical aid	Pension
		Per cent		
2008	Youth	53,2	16,8	35,1
	Adults	47,1	28,7	52,8
2009	Youth	51,0	16,9	30,6
	Adults	48,0	31,2	47,9
2010	Youth	52,6	17,4	32,8
	Adults	54,2	33,3	51,1
2011	Youth	57,4	19,5	34,9
	Adults	51,9	33,7	50,7
2012	Youth	56,5	16,0	32,8
	Adults	50,1	34,7	53,5
2013	Youth	60,4	17,9	38,5
	Adults	59,8	29,2	49,4
2014	Youth	60,3	14,7	32,2
	Adults	54,6	32,0	51,1

Figure 14: Access to benefits among youth and adults, 2014

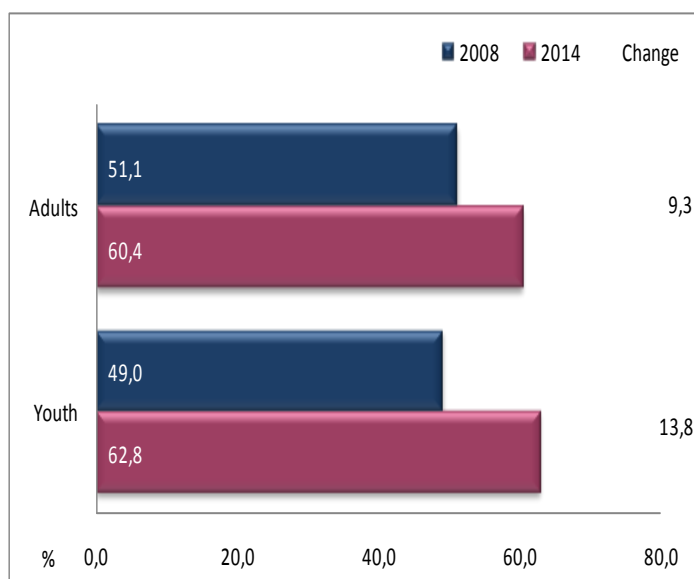
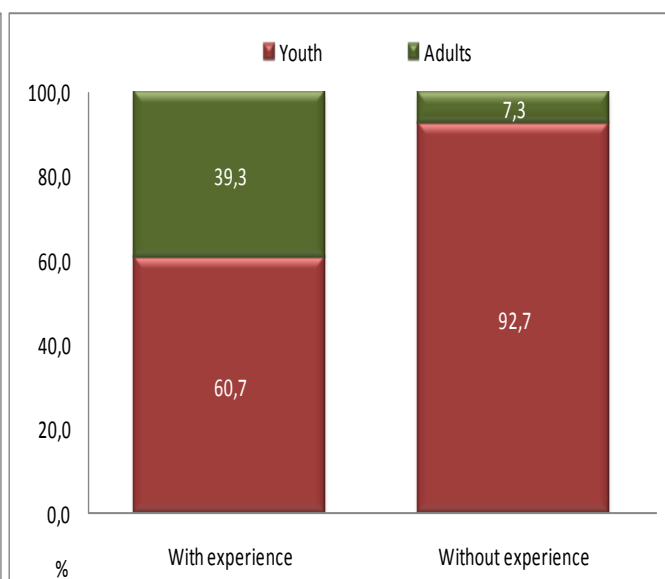
Over the period 2008–2014, a larger proportion of adults were entitled to medical aid benefits and pension contributions from their employers compared to youth. Except in 2010, more youth than adults had their employers contributing towards UIF for them.

Table 7: Contract duration among youth and adults, 2008 to 2014

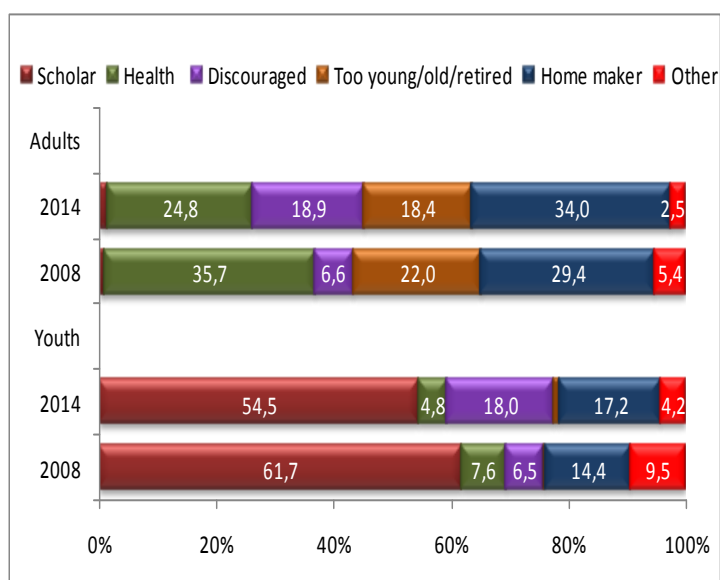
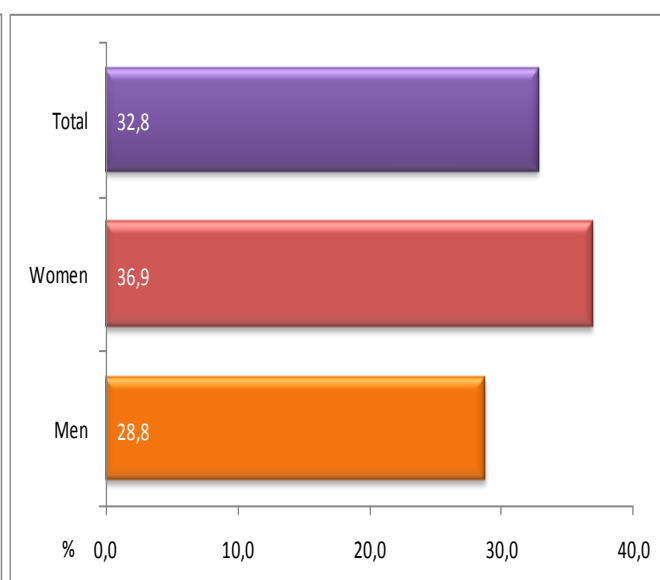
Contract	Age group	Limited	Permanent	Unspecified
		Percent		
2008	Youth	15,9	45,7	38,5
	Adults	9,2	62,1	28,7
2009	Youth	21,9	41,8	36,4
	Adults	11,8	62,5	25,7
2010	Youth	23,4	46,1	30,5
	Adults	10,7	67,3	22,0
2011	Youth	21,6	48,4	30,0
	Adults	11,6	66,3	22,1
2012	Youth	25,6	42,0	32,5
	Adults	13,2	64,5	22,3
2013	Youth	22,0	46,9	31,1
	Adults	13,4	65,0	21,6
2014	Youth	26,6	41,2	32,1
	Adults	16,8	61,2	22,0

Figure 15: Contract duration among youth and adults, 2014

Youth were less likely to have a permanent contract than adults, and were more likely to be employed on contracts of limited and unspecified duration over the period 2008–2014. In 2014, three in every five adults had contracts of a permanent nature compared to two in every five young people, as shown in Figure 15. The differences among youth and adults were more pronounced with regards contracts of limited and unspecified duration, where the youth's proportion was higher than that of adults.

Figure 16: Incidence of long-term unemployment among youth and adults, 2008 and 2014**Figure 17: Work experience among youth and adults, 2014**

In 2008, a larger proportion of adults than youth reported that they had been unemployed for a period of a year or longer (long-term unemployment). However, in 2014 a larger proportion of youth than adults were in long-term unemployment. Between 2008 and 2014, the incidence of long-term unemployment increased by 13,8 percentage points among youth and by 9,3 percentage points among adults. Among unemployed people who had work experience, 60,7% were young people and 39,3% were adults. Nine out of every ten unemployed young people have never worked before compared to just over 7,0% of adults in the same situation. A high proportion of unemployed youth without work experience means that it is likely to be more difficult for them to enter into the job market.

Figure 18: Reasons for inactivity among youth and adults, 2008 and 2014**Figure 19: Youth who are Not in Employment, Education or Training (NEET) by sex, 2014**

Note: NEET (15–24 years).

In 2008, one in every three inactive adults reported that their inactivity was due to health reasons (35,7%); an additional 29,4% reported that they were homemakers, while the smallest proportion were students. However, in 2014, a higher proportion of inactive adults were homemakers (34,0%). More than half of the inactive youth were students in 2008 and 2014 (61,7% and 54,5% respectively), while a smaller proportion indicated that they were too young/old/retired to work. Between 2008 and 2014, an increase in discouraged work-seekers was observed for both adults and youth (12,3 and 11,5 percentage points respectively). More than three in every ten young people aged 15–

24 years were not in employment, education or training (NEET) in 2014. Young women were 1,3 times more likely to be NEET than young men. The NEET rate for young women was even higher than the provincial NEET rate.

Hard facts

- Youth were more than two times more likely to be unemployed than adults. Although the female unemployment rate was higher than the male unemployment rate, female adults' rate was lower than their male counterparts.
- Black African youth and adults' unemployment rate was higher than that of other population groups.
- The majority of the youth and adult labour force had below matric qualifications, while the proportion of adults with tertiary education was higher than that of youth.
- In 2014, youth had a bigger share of formal and informal sector employment, while adults' share was higher in Agriculture and Private households.
- Youth employment was mostly concentrated in the Trade and Transport industries, while adults were more likely to be employed in the Private households and Community and social services industries.
- More than half of employed youth worked in Clerical and Sales and services occupations, while a majority of adults were employed as Domestic workers and Managers.
- More than 80% of youth and adults were employees and more adults than youth had access to pension and medical aid benefits. Youth's access to UIF was higher than that of adults.
- Employed youth got limited and unspecified duration contracts as opposed to adults, who got contracts of a permanent nature.
- Nine out of every ten unemployed youth didn't have work experience and three out of five of the youth had been unemployed for more than a year.
- In 2014, more than half of inactive youth specified that they were still at school, while the adults' main reason for being inactive was mainly because they were homemakers.
- More than three in every ten youth aged 15–24 years were not in employment, education or training in 2014. The NEET rate for women was higher than that of men.

North West labour market: Youth

Q1: 2008–Q1: 2014

Introduction

The South African government in 2013 implemented a policy on Youth Wage subsidy with the aim of addressing the challenge of high youth unemployment. The report analysis compares the profiles of youth against that of adults in the labour market and it is based on first quarter results of the Quarterly Labour Force Survey (QLFS) of every year over the period 2008 to 2014. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Characteristics of the working-age population

Table 1: North West working-age population by age group, 2008–2014

Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15-19 yrs	302	316	334	329	362	357	371
20-24 yrs	297	299	315	320	356	332	362
25-29 yrs	333	301	306	301	276	315	295
30-34 yrs	273	301	277	297	270	276	269
35-39 yrs	238	251	256	237	243	264	226
40-44 yrs	191	183	189	220	222	216	247
45-49 yrs	168	166	174	181	167	176	198
50-54 yrs	146	145	137	145	171	165	154
55-59 yrs	98	110	114	119	121	126	136
60-64 yrs	85	93	101	91	92	96	109
Total	2 130	2 165	2 202	2 240	2 281	2 324	2 367

Between 2008 and 2014, the working-age population increased from 2,1 million in 2008 to 2,4 million – an increase of about 237 000. Youth made up 54,8% of the working-age population in North West. The population has increased steadily from 2008 to 2014. Compared to 2008, in 2014 the biggest increase in the working-age population was observed in the 15–19 and 20–24 age groups compared to other age groups.

Table 2: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Youth 15-34 years (Thousand)						
Population	1 204	1 217	1 231	1 247	1 264	1 281	1 297
Labour force	576	621	529	514	487	516	554
Employed	398	383	332	318	287	320	341
Unemployed	178	238	197	196	200	196	213
Not economically active	628	596	702	734	777	764	743
Rates (%)							
Unemployment rate	30,9	38,2	37,3	38,2	41,1	38,0	38,4
Employed/population ratio (Absorption)	33,0	31,5	26,9	25,5	22,7	25,0	26,3
Labour force participation rate	47,8	51,0	43,0	41,2	38,5	40,3	42,7
	Adults 35-64 years (Thousand)						
Population	926	948	970	993	1 018	1 043	1 070
Labour force	592	609	557	566	580	606	649
Employed	514	517	471	492	501	508	529
Unemployed	78	92	86	74	79	98	120
Not economically active	334	339	413	428	437	437	422
Rates (%)							
Unemployment rate	13,2	15,2	15,4	13,1	13,6	16,2	18,5
Employed/population ratio (Absorption)	55,5	54,5	48,6	49,5	49,3	48,7	49,4
Labour force participation rate	64,0	64,3	57,4	56,9	57,0	58,1	60,6

According to Table 2, youth (15–34 years) accounted for a higher proportion of the working-age population than adults (35–64 years). However, more adults than youth were in the labour force. Compared to 2008, there were 57 000 fewer people employed among youth while there were 15 000 more adults employed in 2014. The number of unemployed people and those who were not economically active increased among both youth and adults. The unemployment rate among youth was more than double that of adults in 2014 (38,4% compared to 18,5%). Both the employment-to-population ratio and labour force participation rates were higher among adults than among youth.

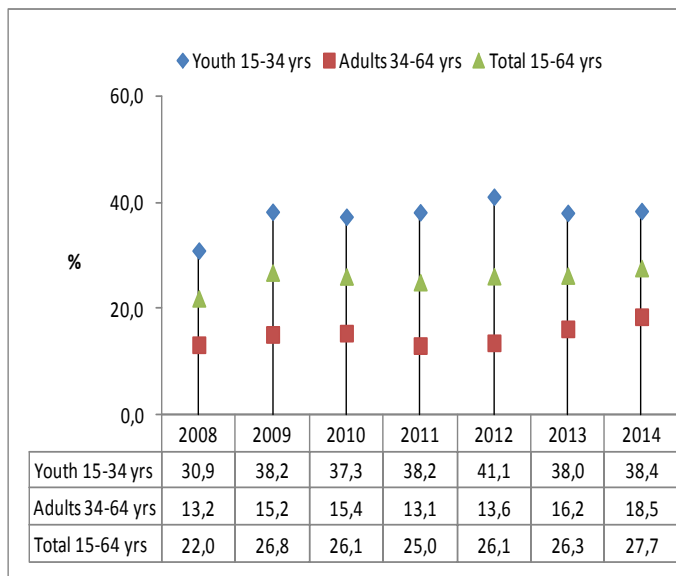
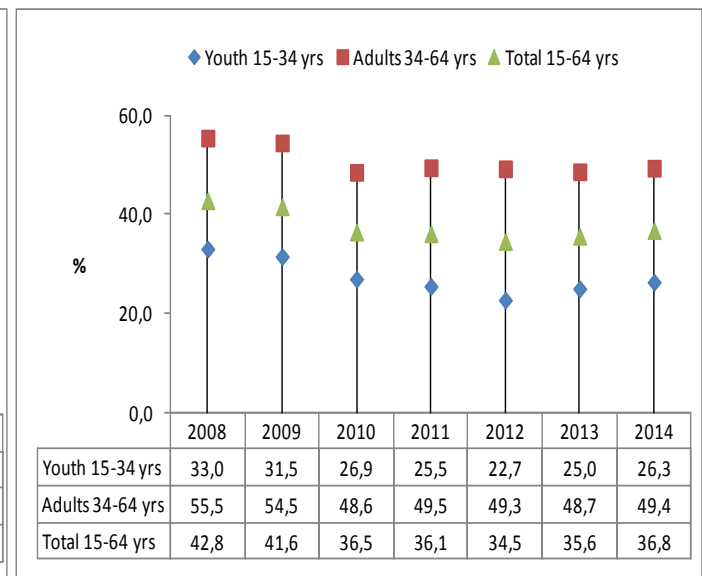
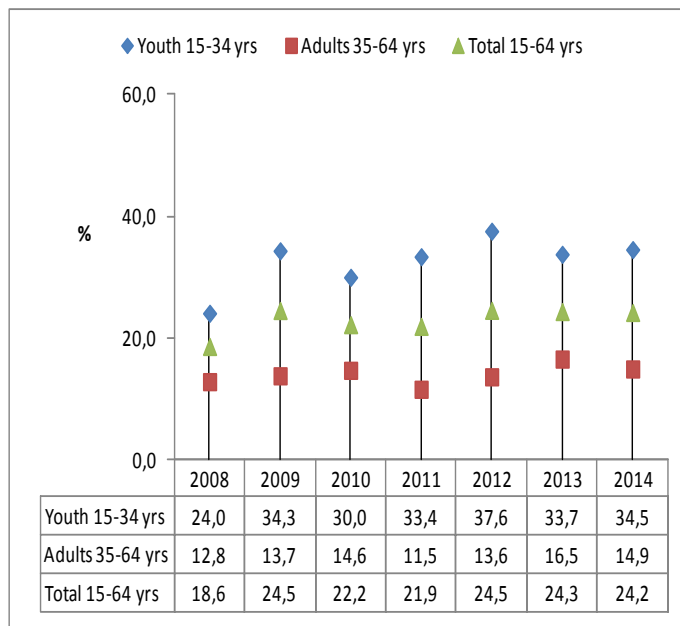
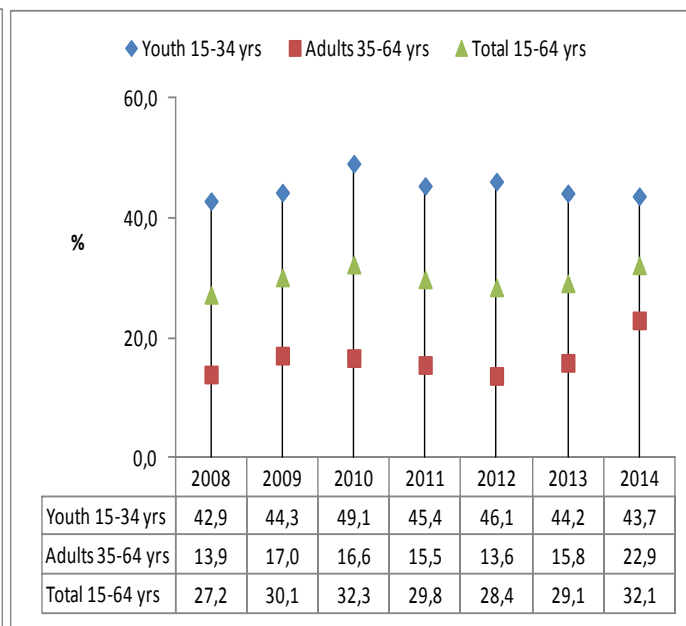
Figure 1: Unemployment rate among youth and adults, 2008–2014**Figure 2: Absorption rate among youth and adults, 2008–2014**

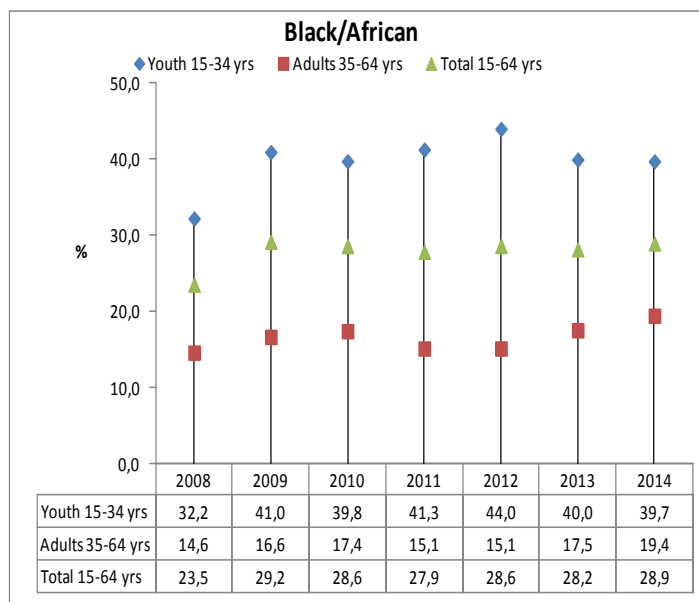
Figure 1 shows that in 2014, the provincial unemployment rate was 5,7 percentage points higher than in 2007 increased from 22,0% in 2008 to 27,7% in 2014. As expected, the unemployment rate was higher among youth than among adults as most of them could still be at school or studying. The unemployment rate among youth ranged from a low of 30,9% in 2008 to a high of 41,1% in 2012, while among adults it was lowest in 2011 at 13,1% and highest in 2014 at 18,5%. As depicted in Figure 2, the employment-to-population ratio was higher among adults than among youth over the period 2008 to 2014. For both groups, the ratio was higher in 2008 than in 2014 – lower by more than 6,0 percentage points for both youth and adults.

Figure 3: Labour force participation rate among youth and adults, 2008–2014

As indicated earlier, the labour force participation rate was higher among adults than among youth. Figure 3 shows that the labour force participation rate was highest in 2009 among both youth and adults (51,0% and 64,3% respectively). Compared to 2008, the rate declined by 5,1 percentage points among youth compared to a decline of 3,4 percentage points among adults in 2014. Between 2008 and 2014 the gap in the labour force participation rate between youth and adults widened – from 16,2 percentage points in 2008 to 17,9 percentage points in 2014.

Figure 4a: Male unemployment rate among youth and adults, 2008–2014**Figure 4b: Female unemployment rate among youth and adults, 2008–2014**

Figures 4a and 4b show that the unemployment rate is higher among youth than among adults, irrespective of sex. In 2008, the unemployment rate among young men was 24,0% compared to 12,8% among older men and 42,9% among young women compared to 13,9% among older women. In 2014, the unemployment rate was higher among women (32,1%) than among men (24,2%) – a difference of 7,9 percentage points compared to 8,6 percentage points observed in 2008.

Figure 5: Unemployment rate for youth and adults by population group, 2008–2014

Note: Sample size for whites, coloureds and Indians/Asian populations too small for reliable estimates.

Figure 5 shows that young black Africans were more likely to be unemployed than adults in North West province. In the period 2008 to 2014, the unemployment rate among the black Africans youth was more than double that of Adults in the province. In 2014, the rate among young black Africans was 20, 3 percentage points higher than black African adults, and compared to the Total (15-64 yrs) it was 10, 8 percentage points higher. In general, the unemployment rate among the black African population increased for both youth and adults between 2008 and 2014, and the Total unemployment rate increased from 23,5% in 2008 to 28,9% in 2014.

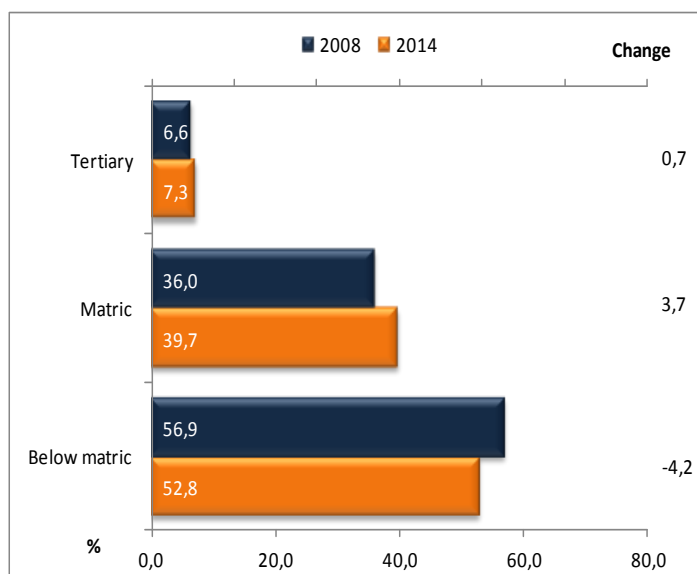
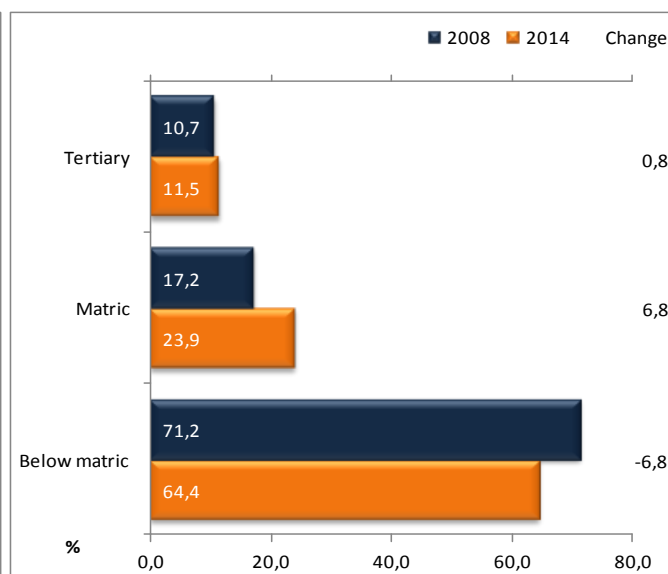
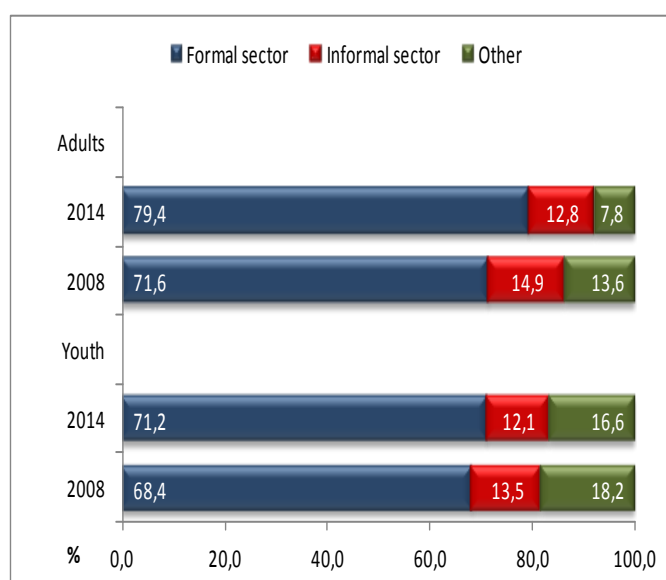
Figure 6: Education level of the labour force among youth, 2008 and 2014**Figure 7: Education level of the labour force among adults, 2008 and 2014**

Figure 6 and Figure 7 show that the levels of education have improved since 2008 among youth and adults in the labour force. For instance, in 2008 those with education level below matric among youth accounted for 56,9% of the labour force, and by 2014 this had declined to 52,8%; among adults the proportion declined from 71,2% to 64,4%. An improvement is also reflected among the labour force with matric and tertiary education where increases were observed among both youth and adults. Although there have been improvements, the majority of the labour force in North West still had education levels below matric.

Employment

Table 3: Employment by sector, youth and adults, 2008–2014

Year	Age group	Per cent		
		Formal	Informal	Other
2008	Youth	71,6	14,9	13,6
	Adults	68,4	13,5	18,2
2009	Youth	76,4	14,0	9,6
	Adults	66,2	13,1	20,8
2010	Youth	77,2	11,9	10,8
	Adults	70,5	12,6	16,9
2011	Youth	76,5	12,9	10,6
	Adults	72,4	11,9	15,8
2012	Youth	78,2	10,4	11,5
	Adults	69,4	14,6	16,0
2013	Youth	76,1	16,4	7,5
	Adults	71,4	13,4	15,2
2014	Youth	79,4	12,8	7,8
	Adults	71,2	12,1	16,6

Figure 8: Share of employment by sector among youth and adults, 2008–2014

Note: "Other" refers to Agriculture and Private households.

The formal sector accounted for the biggest share of total employment among both youth and adults throughout the period 2008 to 2014. However, more adults than youth had jobs in the formal sector. Among adults, 71,6% were employed in the formal sector in 2008 and by 2014 this had increased by 7,8% to 79,4%. On the other hand, 68,4% of youth were employed in the formal sector in 2008 and this increased to 71,2% in 2014 – an increase of 2,8 percentage points. Adults were also more likely to have informal sector jobs than youth.

Table 3a: Employment by industry among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	29	19	17	16	21	15	15
Mining	84	70	57	54	46	58	59
Manufacturing	34	39	32	30	27	31	26
Utilities	1	2			1	4	1
Construction	32	34	36	17	19	12	26
Trade	95	115	78	86	73	88	89
Transport	9	9	10	7	8	12	11
Finance	43	37	39	39	30	26	23
Community and social services	45	42	44	52	49	66	81
Private households	25	18	18	17	12	9	12
Total	398	383	332	318	287	320	341

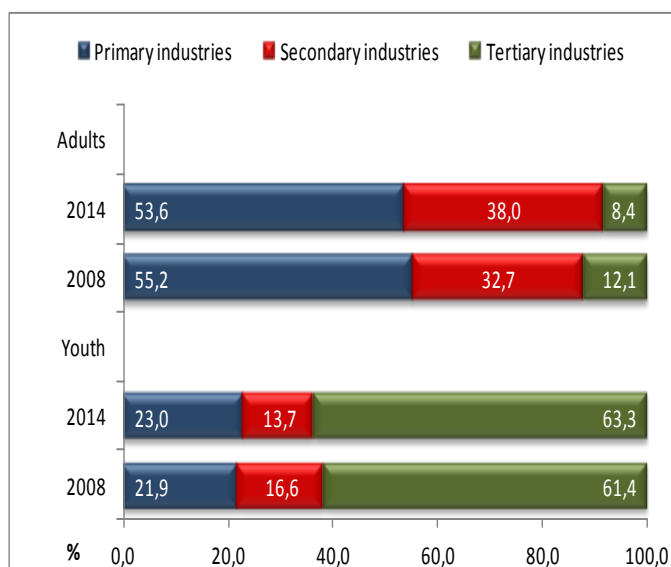
Note: The sample size for Utilities is too small for reliable estimates.

Table 3b: Employment by industry among adults, 2008–2014

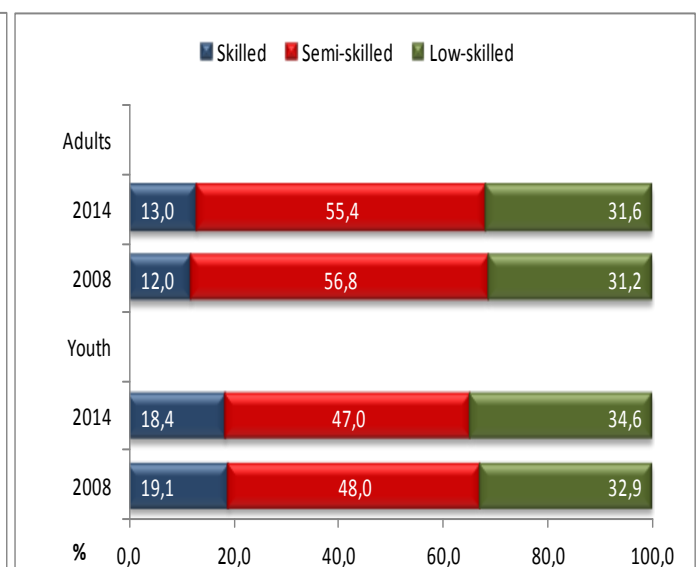
Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	32	31	24	25	21	23	28
Mining	81	80	79	93	78	90	94
Manufacturing	58	43	40	41	35	38	39
Utilities	3	2	3	2	2	3	3
Construction	25	18	22	33	32	30	30
Trade	93	92	82	82	93	65	83
Transport	22	17	17	16	22	21	19
Finance	35	37	33	27	28	44	37
Community and social services	104	120	115	119	131	139	135
Private households	62	76	56	53	59	54	60
Total	514	517	471	492	501	508	529

Note: The sample size for Utilities is too small for reliable estimates.

Table 3a shows that in 2008, there were 398 000 employed youth in North West. Trade was the biggest employer among youth employing 95 000, followed by Mining and Community and social services with 84 000 and 45 000 employed youth respectively. By 2014, Community and social services was the second biggest employer of youth, accounting for 23,8% of total employment, following Trade which accounted for 26,1% of total employment among youth. According to Table 3b, the biggest employer among adults was Community and social services which employed 135 000 of all employed adults in 2014, followed by Mining and Trade industries.

Figure 9: Share of employment by industry among youth and adults, 2008 and 2014

Note: "Primary" refers to Agriculture and Mining, "Secondary" to Manufacturing, Utilities and Construction, "Tertiary" refer to

Figure 10: Share of employment by occupation among youth and adults, 2008 and 2014

Note: "Skilled" refers to Manager, Professional and Technician, "Semi-skilled" to Clerk, Sales, Skilled Agriculture, Trade and Operator, "Low-

Trade, Transport, Finance, Community and Private households.

skilled" refers to Elementary and Domestic workers.

Figure 9 shows that adults were more likely to be employed in primary and secondary industries than youth while youth worked mainly in tertiary industries – just over half of adults were in primary industries while over 60,0% of youth were in tertiary industries both in 2008 and in 2014. As depicted in Figure 10, both youth and adults were mostly in semi-skilled occupations but the share was higher among adults than among youth. Youth were more likely to be in skilled occupations than adults in North West. The difference was less pronounced for those in low-skilled occupations between youth and adults.

Table 4a: Employment by occupation among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	12	10	11	18	7	5	11
Professional	12	15	13	12	7	14	11
Technician	23	21	27	24	29	22	22
Clerk	42	48	37	28	38	44	53
Sales and services	67	63	55	64	46	67	51
Skilled agriculture	3	2	4	1	1		
Craft and related trades	70	72	70	46	44	47	40
Plant and machine operator	44	53	28	35	33	34	45
Elementary	110	87	77	81	72	82	101
Domestic worker	14	14	10	9	8	5	7
Total	398	383	332	318	287	320	341

Note: The sample size for Skilled agriculture is too small for reliable estimates.

The youth are more likely to be working in Elementary, Craft and related trade, and Sales and services, and less likely to be working in Domestic work. The decline and improvement in the period 2008 to 2014 show the effects of the recession which resulted in less people being employed in the different occupations among the youth and adults. Clerical and Plant and machine operators are the only positions which showed an increase in the number of youth employed when compared to the years 2008 and 2014; they increased from 42 000 and 44 000 in 2008 to 53 000 and 45 000 in 2014 respectively.

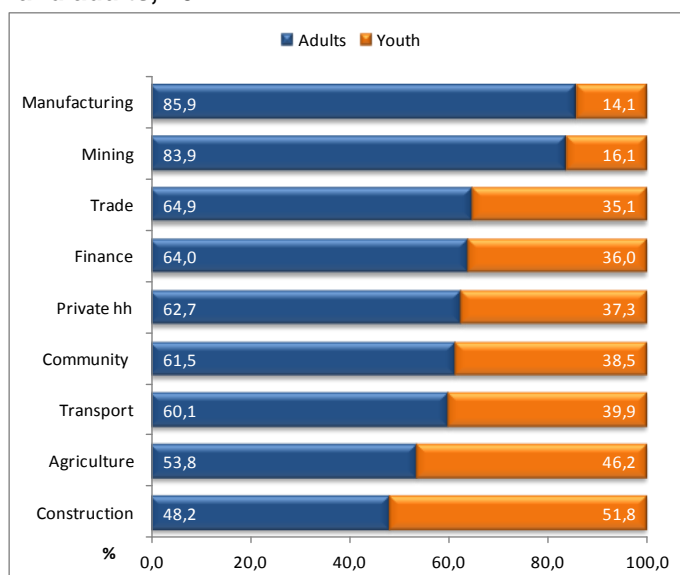
Table 4b: Employment by occupation among adults, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	32	31	35	43	38	32	24
Professional	14	26	18	26	18	17	22
Technician	52	52	45	53	60	56	51
Clerk	44	38	38	33	43	42	44
Sales and services	54	70	63	55	63	64	66
Skilled agriculture	8	5	6	2	2	5	3
Craft and related trades	79	68	70	72	69	57	82
Plant and machine operator	61	60	62	64	42	71	54
Elementary	122	116	93	105	122	121	136
Domestic worker	47	50	41	39	43	42	47
Total	514	517	471	492	501	508	529

Note: The sample size for Skilled agriculture is too small for reliable estimates.

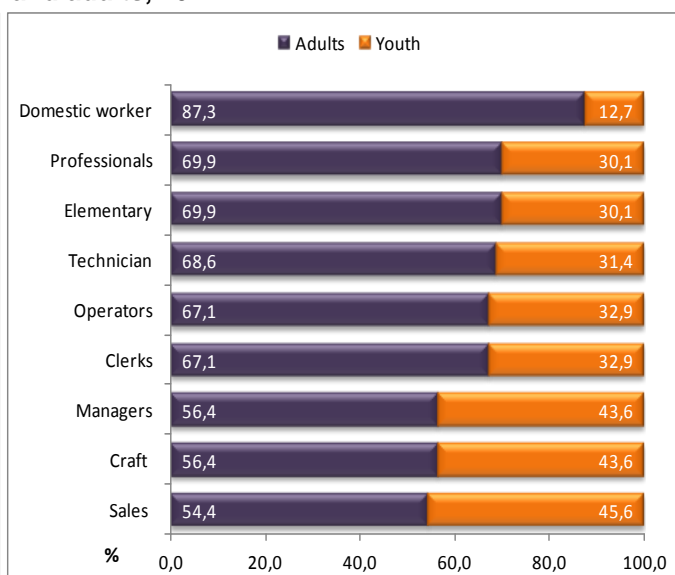
Table 4b shows that adults are more likely to be employed in the Elementary, Craft and related trade, and Plant and machine operators, and less likely to be employed in Skilled agriculture. The number of adults in Management positions declined from 32 000 in 2008 to 24 000 in 2014, even though the majority of the other occupations started to improve after 2011. Domestic work among adults was stable when comparing the period 2008 to 2014.

Figure 11: Employment by industry among youth and adults, 2014



Note: The sample size for Utilities and Skilled agriculture is too small for reliable estimates.

Figure 12: Employment by occupation among youth and adults, 2014



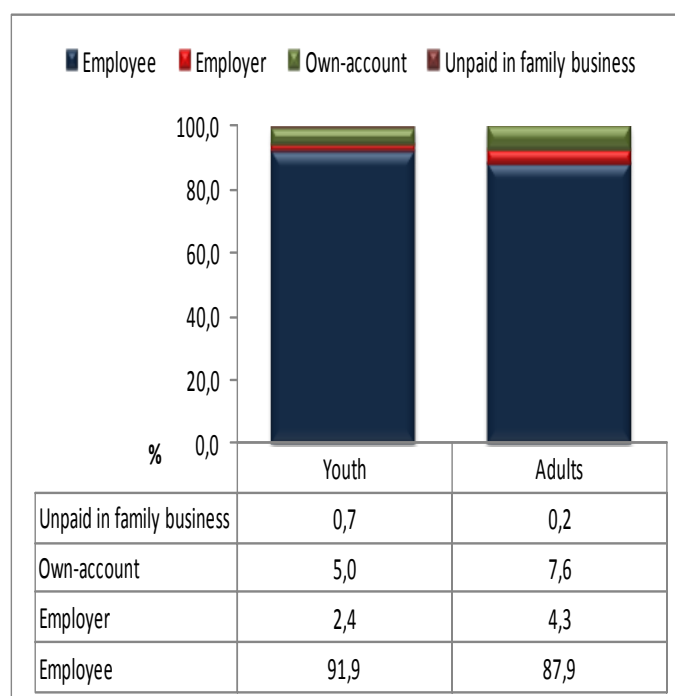
All industries, except Construction, employed more adults than youth in 2014. Manufacturing and Mining were leading with 85,9% and 83,9% respectively. Youth occupied 51,8% of jobs in the Construction industry. Figure 12 shows that youth constituted only 12,7% of those employed as domestic workers and the rest were adults, while 45,6% of those in Sales occupations were youth.

Conditions of employment, status in employment and incidence of long-term unemployment

Table 5: Status in employment, youth and adults, 2008–2014

Year	Age group	Employee	Employer	Own-account	Unpaid in family business
		Per cent			
2008	Youth	89,0	1,6	7,9	1,5
	Adults	85,9	3,8	9,7	0,6
2009	Youth	90,3	2,1	7,0	0,6
	Adults	85,7	4,9	8,9	0,5
2010	Youth	91,4	2,4	4,6	1,6
	Adults	85,1	6,1	8,1	0,6
2011	Youth	87,7	4,2	6,1	2,0
	Adults	84,5	6,9	8,4	0,2
2012	Youth	91,2	1,4	6,7	0,7
	Adults	84,3	5,7	9,7	0,2
2013	Youth	90,6	1,8	6,9	0,6
	Adults	87,1	4,7	7,8	0,4
2014	Youth	91,9	2,4	5,0	0,7
	Adults	87,9	4,3	7,6	0,2

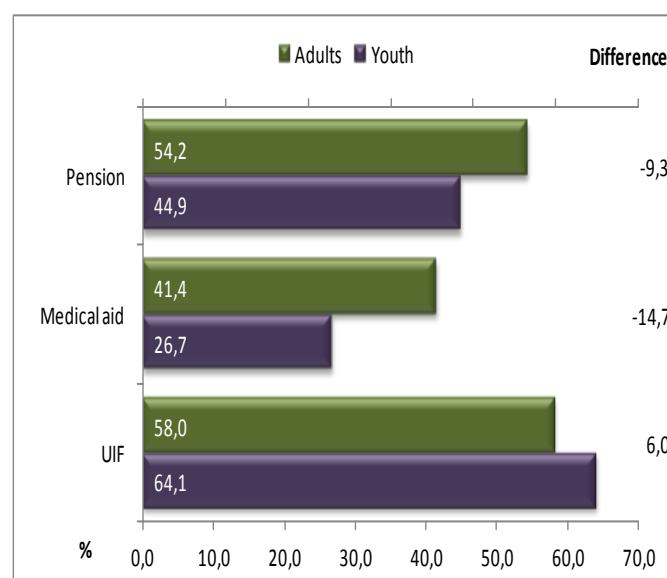
Figure 13: Status in employment among youth and adults, 2014



Among both youth and adults, the majority were employees, 91,9% and 87,9% respectively in 2014. More than 90% of youth were employees over the period 2008–2014. Adults were more likely to be entrepreneurs (employers and own account workers) and both youth and adults in North West were less likely to help unpaid in a household business.

Table 6: Access to benefits among youth and adults, 2008–2014

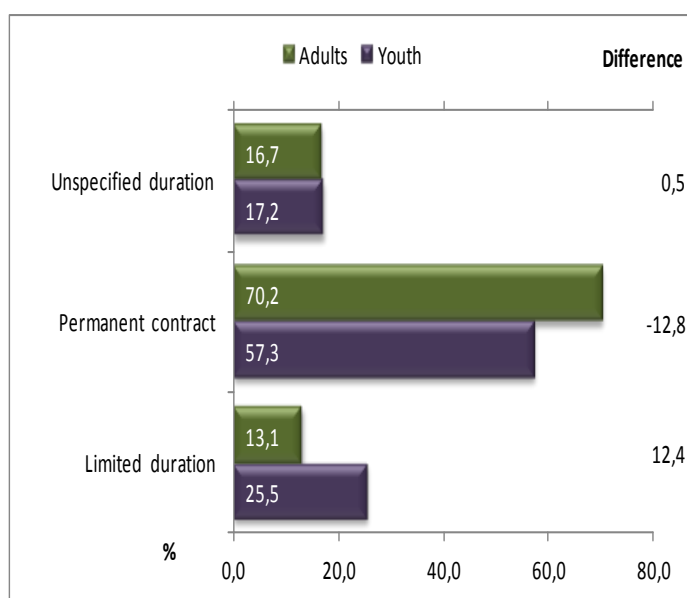
Year	Age group	UIF	Medical aid	Pension
		Per cent		
2008	Youth	56,7	22,7	36,6
	Adults	53,0	35,3	54,1
2009	Youth	60,0	31,0	44,1
	Adults	49,6	44,0	54,1
2010	Youth	56,2	29,5	42,7
	Adults	52,7	43,7	57,6
2011	Youth	51,0	42,4	57,3
	Adults	55,9	27,9	39,7
2012	Youth	60,5	32,6	48,3
	Adults	52,7	47,5	58,3
2013	Youth	59,5	31,9	46,1
	Adults	56,1	48,6	61,1
2014	Youth	64,1	26,7	44,9
	Adults	58,0	41,4	54,2

Figure 14: Access to benefits among youth and adults, 2014

Over the period 2008 to 2014, the proportion of youth entitled to UIF from their employers increased from 56,7% in 2008 to 64,1% in 2014. There was also an increase in the proportion of youth who were entitled to medical aid benefits from their employer (from 22,7% to 26,7%) and those whose employer contributed towards their pension/retirement fund (from 36,6% to 44,9%) in the same period. Although there were improvements between 2008 and 2014 among youth, adults were more likely to get medical aid and pension benefits compared to youth, while youth were more likely to get UIF benefit than adults in 2014.

Table 7: Contract duration among youth and adults, 2008–2014

Contract	Age group	Limited	Permanent	Unspecified
		Per cent		
2008	Youth	14,2	54,3	31,5
	Adults	7,0	69,1	23,9
2009	Youth	22,8	58,1	19,1
	Adults	8,9	69,0	22,1
2010	Youth	21,6	58,0	20,4
	Adults	10,2	72,3	17,5
2011	Youth	19,8	58,7	21,5
	Adults	8,7	73,3	17,9
2012	Youth	19,8	59,8	20,4
	Adults	7,2	71,7	21,1
2013	Youth	17,4	57,5	25,1
	Adults	11,2	73,4	15,4
2014	Youth	25,5	57,3	17,2
	Adults	13,1	70,2	16,7

Figure 15: Contract duration among youth and adults, 2014

As indicated in Table 7, the majority of employed youth and adults had contracts of a permanent nature over the period 2008 to 2014. However, more adults than youth had contracts of such a nature, while contracts of a limited duration or unspecified duration were more common among youth than among adults. The proportion of youth with permanent employment contracts increased from 54,3% in 2008 to 57,3% in 2014, and among adults this increased

from 69,1% in 2008 to 70,2% in 2014. Compared to adults, the proportion of youth with permanent employment contracts was 12,8 percentage points lower.

Figure 16: Incidence of long-term unemployment among youth and adults, 2008 and 2014

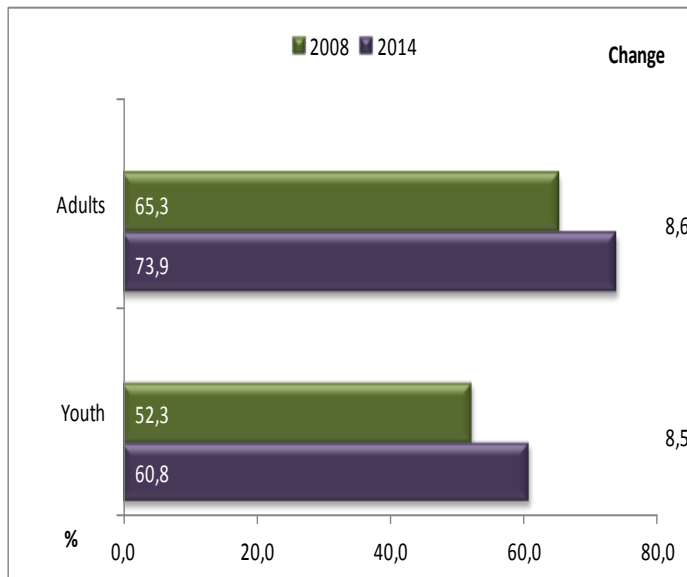


Figure 17: Work experience among youth and adults, 2014

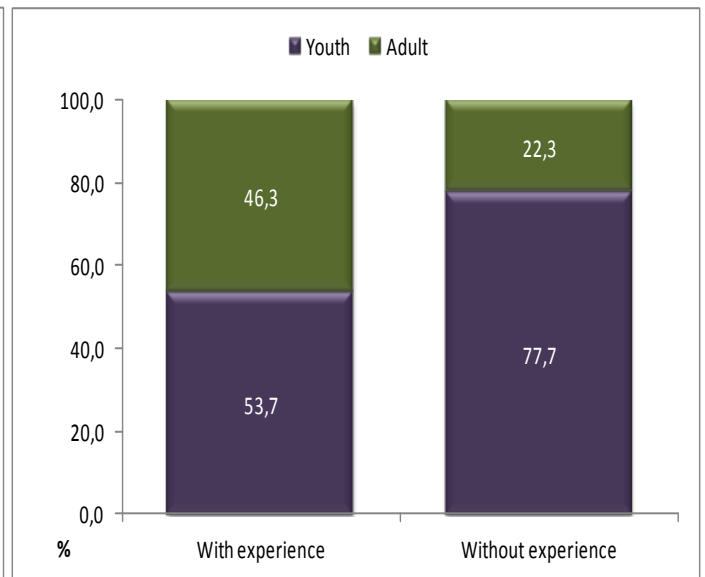


Figure 16 shows that the incidence of long-term unemployment was higher among adults than among youth, both in 2008 and in 2014. Just over half of the unemployed youth had been unemployed for a period of a year or longer in 2008 compared to almost every two in three adults and the situation had worsened in 2014 for both groups. Compared to 2008, the proportion of those in long-term unemployment increased among youth and adults in 2014 – up by 8,5 and 8,6 percentage points respectively. Figure 17 shows that among the unemployed without work experience in 2014, the majority were youth accounting for 77,7%. Among those with work experience, youth also accounted for a bigger share than adults (53,7%).

Figure 18: Reasons for inactivity among youth and adults, 2008 and 2014

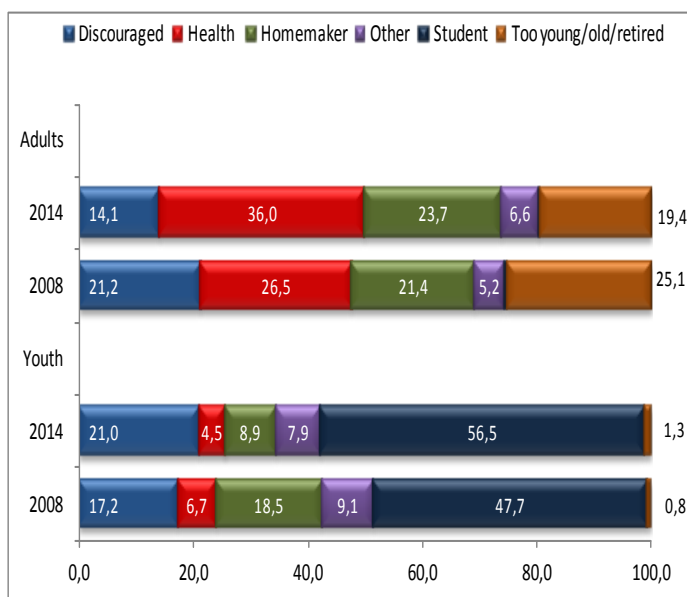
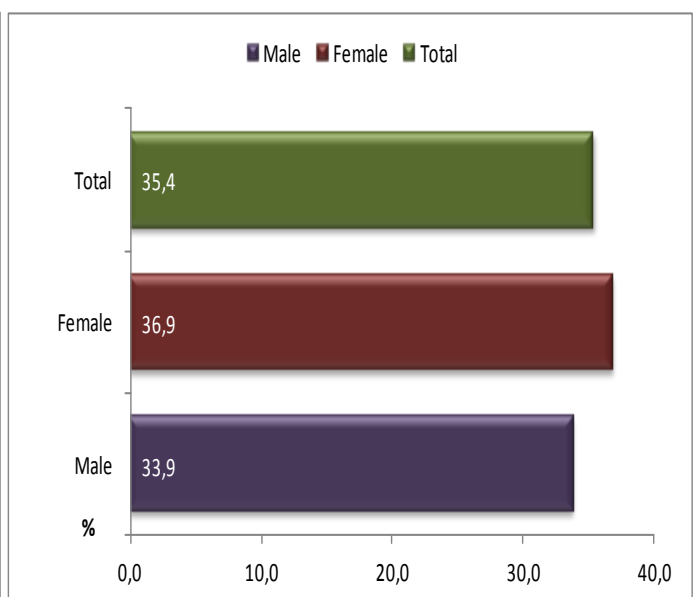


Figure 19: Youth who are Not in Education, Employment or Training (NEET) by sex, 2014



Note: NEET (15–24 years)

The majority of youth indicated being students as the main reason for inactivity, both in 2008 and 2014. The second main reason in 2014 was being discouraged from looking for work. Among adults, the main reason for inactivity was health reasons, followed by being a homemaker. More adults than youth also indicated being too old to work as the main reason for being inactive. Figure 19 shows that the province had one in every three young people aged 15–24

(35,4%) who were not in employment and not in education/training (NEET). The NEET rate among young women (36,9%) was higher than among young men (33,9%).

Hard facts

- The working-age population increased between 2008 and 2014.
- In 2014 there were more adults in the labour force than the youth.
- Domestic work among adults remained stable when comparing 2008 and 2014.
- There was a higher percentage of employers among adults when compared with youth.
- A higher percentage of youth (64,1%) were entitled to UIF compared to adults (58,0%).
- Incidence of long-term unemployment is higher among adults compared to the youth.
- Among the unemployed the youth are more likely to have no work experience.
- Youth are inactive because they are still at school, and adults' inactivity is mainly due to health reason or being homemakers.
- The NEET rate of females was higher than that of males.

Gauteng labour market: Youth

Q1: 2008–Q1: 2014

Introduction

There is widespread recognition of the difficulties faced by youth in labour markets across the globe. The focus of this report is the labour market outcomes of youth (15–34 years) in Gauteng with a view to providing insight regarding the scale of the problem. The analysis covers the first quarter of every year over the period 2008–2014. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Characteristics of the working-age population

Table 1: Gauteng working-age population by age group, 2008–2014

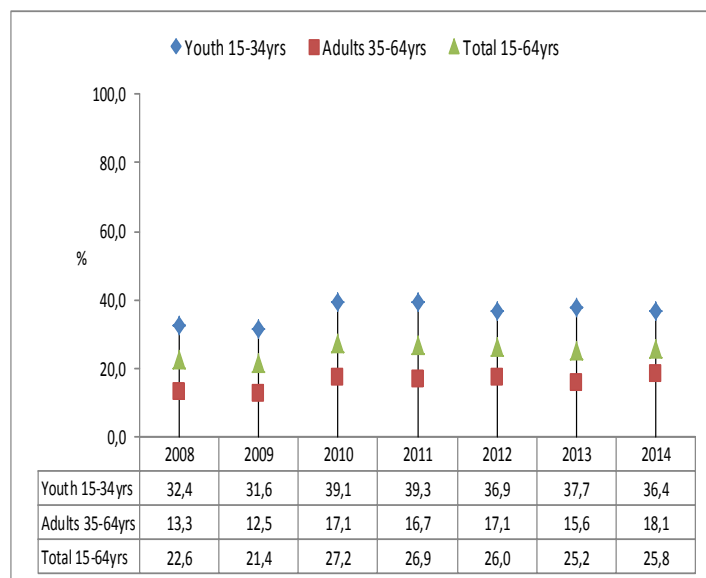
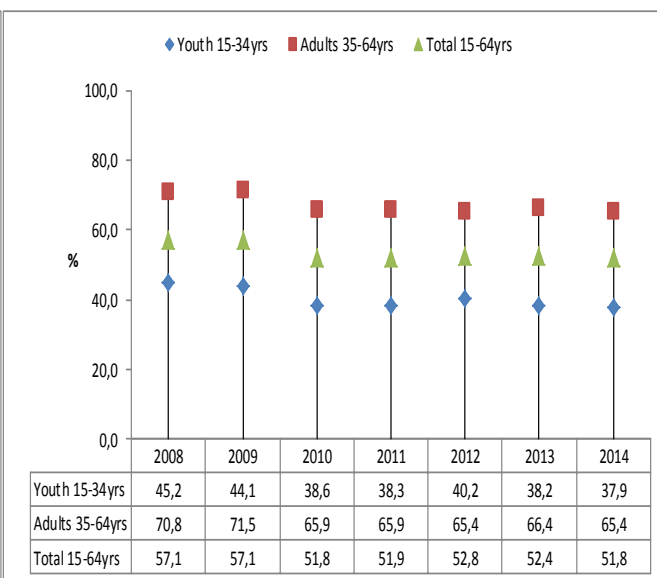
Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15–19 yrs	880	905	896	885	903	959	1 013
20–24 yrs	1 082	1 035	1 091	1 071	1 108	1 139	1 175
25–29 yrs	1 209	1 227	1 204	1 261	1 235	1 213	1 191
30–34 yrs	1 137	1 160	1 159	1 168	1 186	1 180	1 180
35–39 yrs	1 060	1 070	1 134	1 183	1 148	1 265	1 312
40–44 yrs	801	814	924	940	1 010	955	1 038
45–49 yrs	685	702	732	721	781	809	793
50–54 yrs	515	598	583	610	647	653	643
55–59 yrs	394	435	423	454	496	506	522
60–64 yrs	307	305	291	337	314	354	382
Total	8 070	8 251	8 437	8 630	8 827	9 034	9 249

Table 1 shows that the working-age population in Gauteng increased from 8,1 million in 2008 to 9,2 million in 2014. The structure of the working-age in the population reflects a youthful profile, with the largest number of individuals in the age groups 20–39 years. Over the period 2008–2014, the working-age population increased for all age groups except for the 25–29-year-olds, which declined by 18 000 persons. The 35–39-year age group was the main contributor to the overall increase in the working-age population between 2008 and 2014, increasing by 252 000 persons.

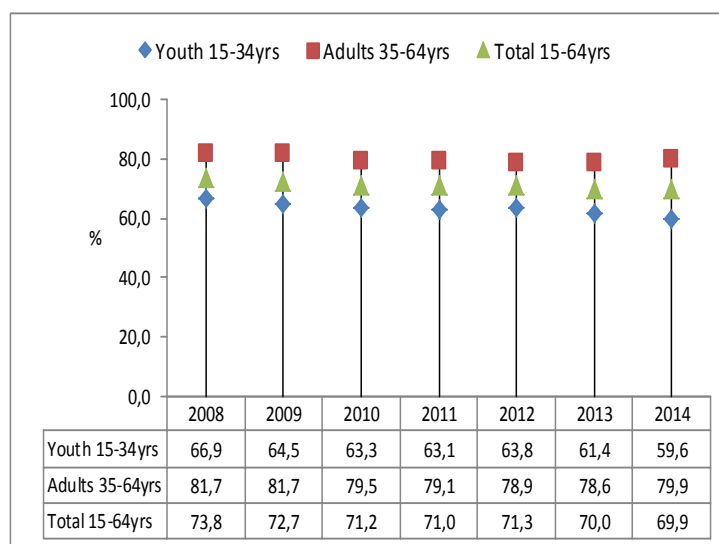
Table 2: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Youths 15–34 years (Thousand)						
Population	4 309	4 326	4 350	4 385	4 432	4 491	4 559
Labour force	2 883	2 789	2 756	2 767	2 827	2 755	2 718
Employed	1 947	1 909	1 679	1 680	1 783	1 717	1 728
Unemployed	935	880	1 077	1 088	1 044	1 039	991
Not economically active	1 426	1 537	1 595	1 618	1 605	1 736	1 841
Rates (%)							
Unemployment rate	32,4	31,6	39,1	39,3	36,9	37,7	36,4
Employment/population ratio (Absorption)	45,2	44,1	38,6	38,3	40,2	38,2	37,9
Labour force participation rate	66,9	64,5	63,3	63,1	63,8	61,4	59,6
	Adults 35–64 years (Thousand)						
Population	3 761	3 925	4 087	4 245	4 395	4 542	4 690
Labour force	3 074	3 206	3 248	3 357	3 470	3 571	3 745
Employed	2 664	2 806	2 692	2 795	2 876	3 016	3 067
Unemployed	410	401	555	561	594	555	678
Not economically active	687	719	839	888	925	971	945
Rates (%)							
Unemployment rate	13,3	12,5	17,1	16,7	17,1	15,6	18,1
Employment/population ratio (Absorption)	70,8	71,5	65,9	65,9	65,4	66,4	65,4
Labour force participation rate	81,7	81,7	79,5	79,1	78,9	78,6	79,9

Despite the increase in the working-age population in Gauteng, employment declined and unemployment rates increased over the period 2008–2014. The unemployment rate for both youth and adults increased from 32,4% to 36,4% and 13,3% to 18,1% respectively, while the absorption and labour force participation rates decreased. The highest unemployment rate for youth was recorded in 2011 at 39,3%, while for adults a peak was reached in 2014 at 18,1%.

Figure 1: Unemployment rate among youth and adults, 2008–2014**Figure 2: Absorption rate among youth and adults, 2008–2014**

The unemployment rate for both youth and adults increased over the period while the absorption rate declined. The unemployment rate of youth is more than twice the rate for adults – a finding consistent over the period 2008–2014. The lowest unemployment rates were observed in 2009 at 31,6% and 12,5% for youth and adults respectively. The unemployment rate for both age groups is above the pre-recessionary levels observed in 2008. While absorption rates for youth and adults declined between 2008 and 2014, the rates are above the national average for both age categories. Absorption rates among adults are double that of youth in the province; the highest absorption rate for youth was observed in 2008 at 45,2%, and for adults in 2009 at 71,5%.

Figure 3: Labour force participation rate among youth and adults, 2008–2014

The labour force participation rate over the period 2008–2014 was highest among adults as compared to youth, even during the years where the working-age population of youth was higher than that of adults. Between 2008 and 2009, labour force participation rates were high for both youth and adults; however, the impact of the economic crises was more pronounced on youth, as their labour force participation rate declined by 7,3 percentage points between 2008 and 2013, while for adults the decline was only 1,8 percentage points over the period.

Figure 4a: Male unemployment rate among youth and adults, 2008–2014

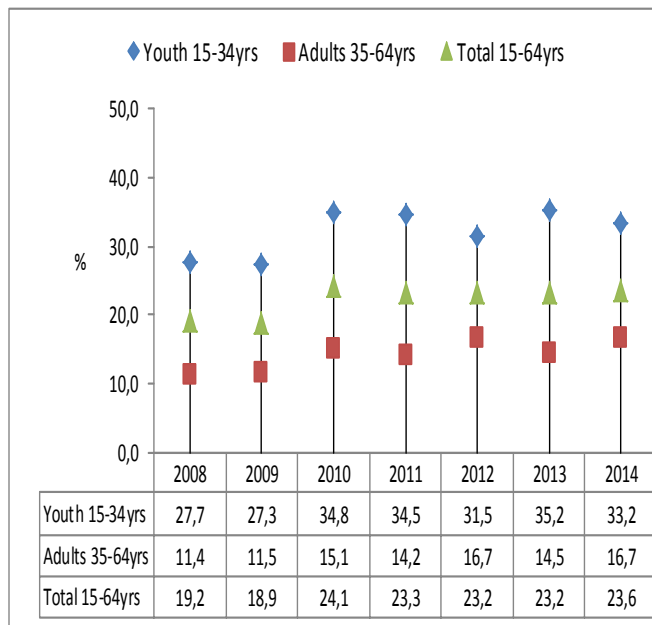
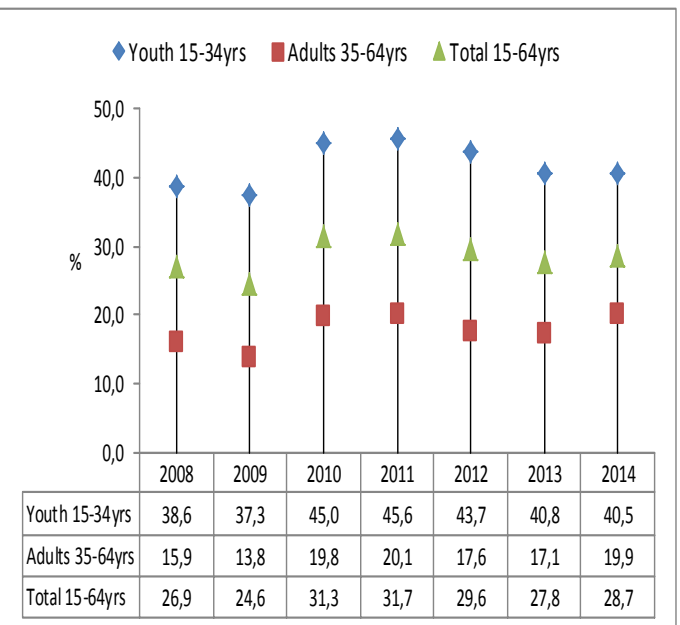


Figure 4b: Female unemployment rate among youth and adults, 2008–2014



The unemployment rate increased substantially for both males and females over the period 2008–2014. Young women in Gauteng are most vulnerable, seeing that their unemployment rate is higher than that of their male counterparts and more than double that of adult females. The unemployment rate for male youth is almost twice that of male adults, with a similar pattern observed among women.

Figure 5: Unemployment rate among youth and adults, by population group, 2008–2014

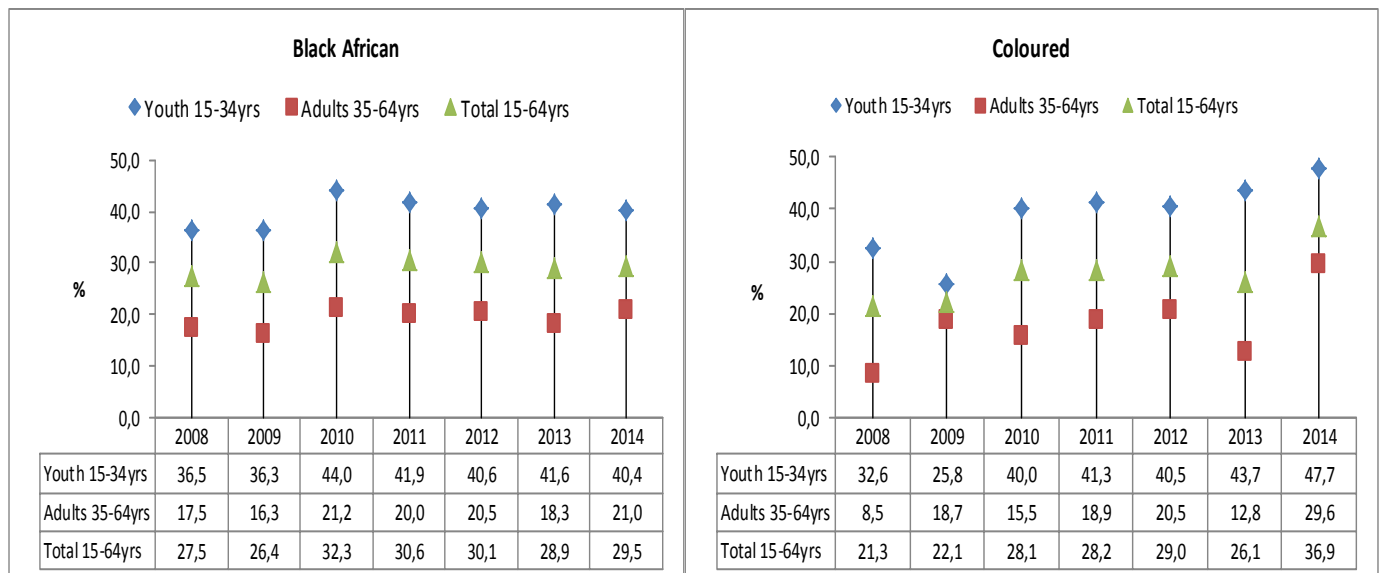
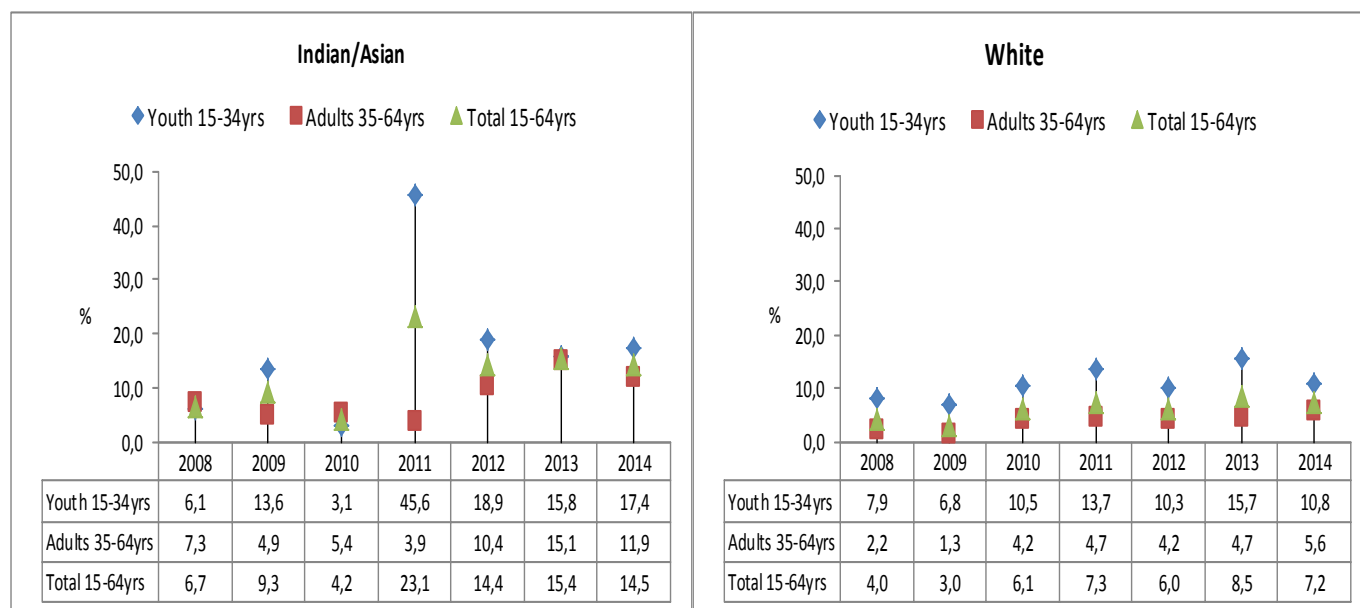
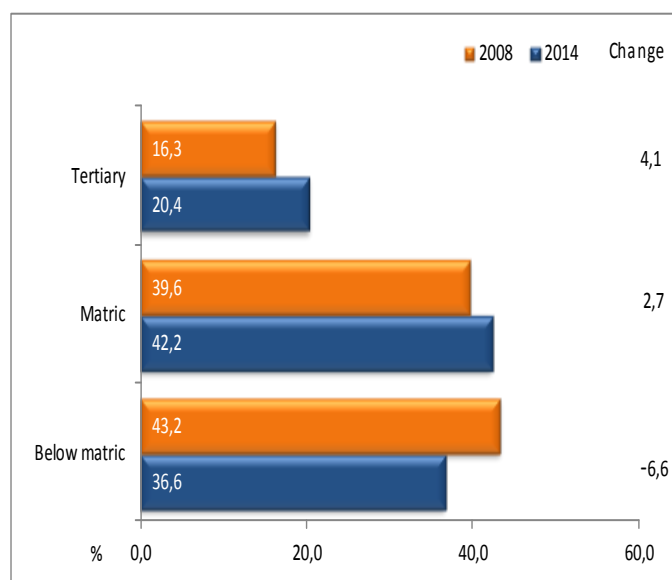
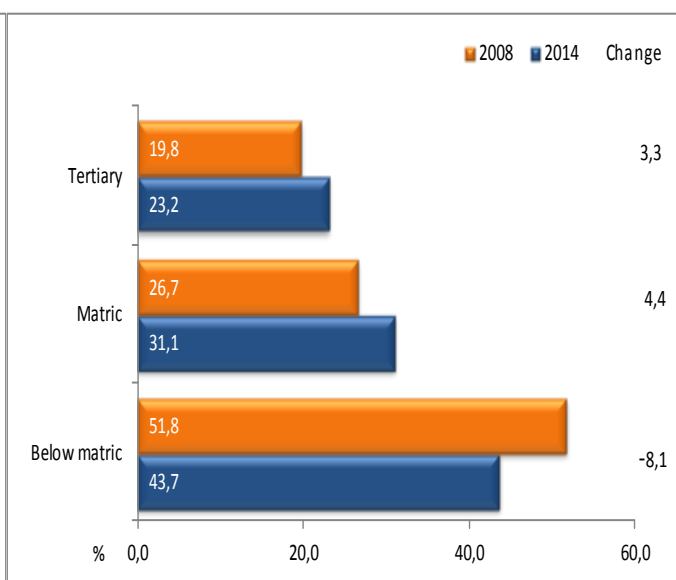


Figure 5: Unemployment rate among youth and adults, by population group, 2008–2014 (contd.)

In Gauteng, the highest unemployment rates are observed among the coloured and black African population groups, and the lowest among the white and Indian/Asian population groups. Between 2008 and 2014, the youth unemployment rate increased among all population groups; the most pronounced of which was for the coloured population group (from 32,6% to 47,7%) and the Indian/Asian population group (from 6,1% to 17,4%), followed by the black African population group (from 36,5% to 40,4%).

Figure 6: Education level of the labour force among youth, 2008 and 2014**Figure 7: Education level of the labour force among adults, 2008 and 2014**

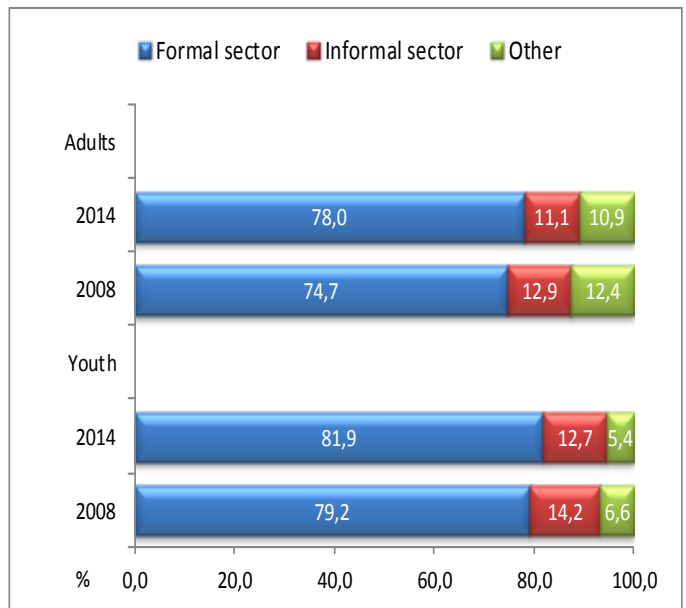
The education level of the labour force improved between 2008 and 2014. The proportion of those with an educational attainment lower than matric decreased by 6,6 and 8,1 percentage points for youth and adults respectively. The proportion of the labour force who had completed matric increased by 2,7 percentage points among youth and by 4,4 percentage points among adults. More than 20% of the youth had at least a tertiary qualification in 2014 as compared to 16,3% in 2008. Despite the improvement in the education profile of the labour force among both youth and adults, in 2014 as many as 36,6% of youth and 43,7% of adults still had education levels below matric.

Employment

Table 3: Employment by sector among youth and adults, 2008–2014

Year	Age group	Formal	Informal	Other
		Per cent		
2008	Youth	79,2	14,2	6,6
	Adults	74,7	12,9	12,4
2009	Youth	81,6	11,6	6,8
	Adults	75,8	12,0	12,1
2010	Youth	80,6	12,7	6,7
	Adults	76,1	12,1	11,8
2011	Youth	79,0	14,3	6,7
	Adults	75,7	13,1	11,2
2012	Youth	78,9	12,4	8,8
	Adults	76,8	11,5	11,6
2013	Youth	81,0	14,1	4,9
	Adults	75,8	13,3	10,9
2014	Youth	81,9	12,7	5,4
	Adults	78,0	11,1	10,9

Figure 8: Share of employment by sector among youth and adults, 2014



A larger share of youth compared to adults were employed in the formal sector (Figure 8). Between 2008 and 2014, the proportion of youth and adults employed in the formal sector increased while the share of those employed in the informal sector declined. The share of youth employed in the formal sector increased from 79,2% to 81,9%, while for adults the proportion rose from 74,7% to 78,0%.

Table 3a: Employment by industry among youth, 2008–2014

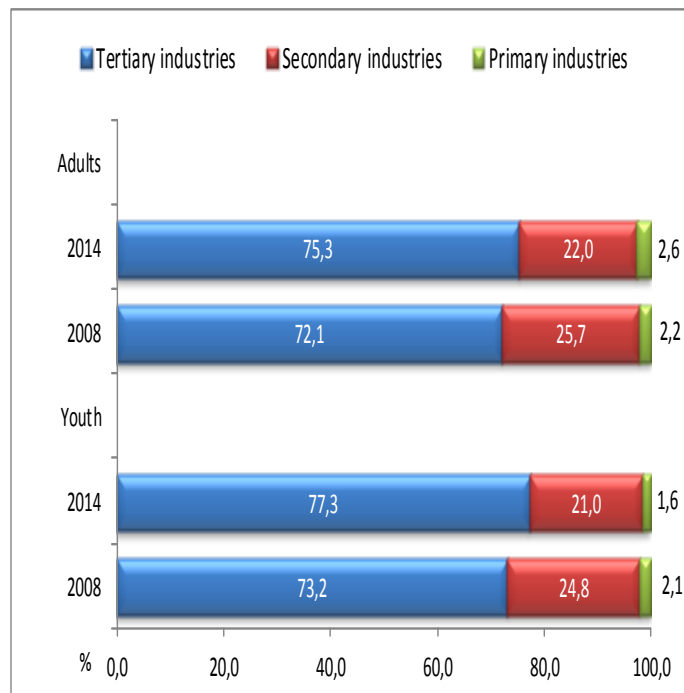
	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	28	23	15	14	25	5	16
Mining	12	18	5	2	13	6	12
Manufacturing	280	295	247	271	246	256	187
Utilities	17	8	12	10	10	15	9
Construction	185	173	139	166	123	121	168
Trade	528	492	437	443	479	459	416
Transport	132	137	127	95	102	118	116
Finance	399	414	369	315	391	352	418
Community and social services	264	238	230	260	262	306	307
Private households	101	107	97	99	131	79	78
Total	1 947	1 909	1 679	1 680	1 783	1 717	1 728

Trade and Finance employed the largest number of youth in Gauteng. The number of youth employed declined in all industries except for Community and social services and Finance between 2008 and 2014. The largest decline was observed in the Trade industry (112 000), followed by Manufacturing (93 000).

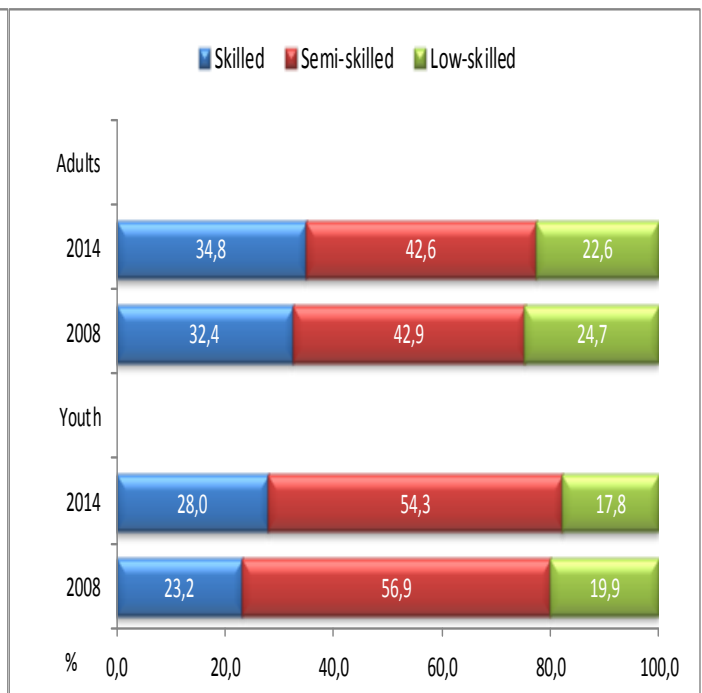
Table 3b: Employment by industry among adults, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Agriculture	40	42	23	26	47	45	48
Mining	18	24	18	21	18	14	33
Manufacturing	509	490	461	475	439	430	457
Utilities	22	41	20	17	19	34	27
Construction	153	195	170	155	175	194	190
Trade	517	522	493	590	573	595	572
Transport	179	158	213	179	192	212	202
Finance	426	443	455	463	445	492	554
Community and social services	508	591	540	582	674	716	695
Private households	291	298	294	286	287	283	286
Total	2 664	2 806	2 692	2 795	2 876	3 016	3 067

Employment levels for adults in Gauteng are highest for the Community and social services, Trade, and Finance industries. Between 2008 and 2014, the number of adults employed increased in all industries with the exception of Manufacturing and Private households. The Community and social services (187 000) industry and Finance (128 000) recorded the largest gain in employment over the period.

Figure 9: Share of employment by industry among youth and adults, 2014

Note: 'Primary' refers to Agriculture and Mining, 'Secondary' to Manufacturing, Utilities and Construction, 'Tertiary' refers to Trade, Transport, Finance, Community and Private households

Figure 10: Share of employment by occupation among youth and adults, 2014

Note: 'Skilled' refers to Manager, Professional and Technician, 'Semi-skilled' to Clerk, Sales, Skilled Agriculture, Trade and Operator, 'Low-skilled' refers to Elementary and domestic workers

In 2014, over 70% youth and adults in Gauteng were employed in tertiary industries, and just over 20% were in secondary industries while the remainder were employed in the primary industries (Figure 9). The proportion of youth employed in tertiary industries increased from 73,2% to 77,3% between 2008 and 2014, while the proportions employed in primary and secondary industries decreased during the period 2008–2014. Figure 10 shows that 54,3% of the youth were employed in semi-skilled occupations as compared to only 42,6% of the adults in 2014. The proportion of youth employed in skilled occupations increased from 23,2% in 2008 to 28,0% in 2014. A higher proportion of adults compared to youth were employed in skilled and low-skilled occupations.

Table 4a: Employment by occupation among youth, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	110	139	104	96	137	151	138
Professional	137	158	128	104	164	163	149
Technician	205	203	204	149	191	181	196
Clerk	341	275	251	267	284	275	317
Sales and services	330	319	305	327	271	287	281
Skilled agriculture	1	7	6	0	1	3	3
Craft and related trade	297	265	201	229	208	202	220
Plant and machine operator	140	197	125	152	121	124	117
Elementary	314	270	286	280	316	276	249
Domestic worker	74	76	69	75	89	55	58
Total	1 947	1 909	1 679	1 680	1 783	1 717	1 728

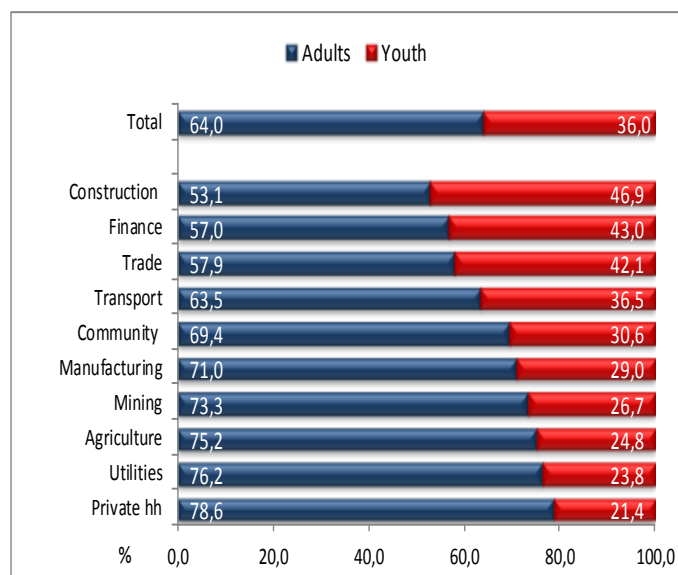
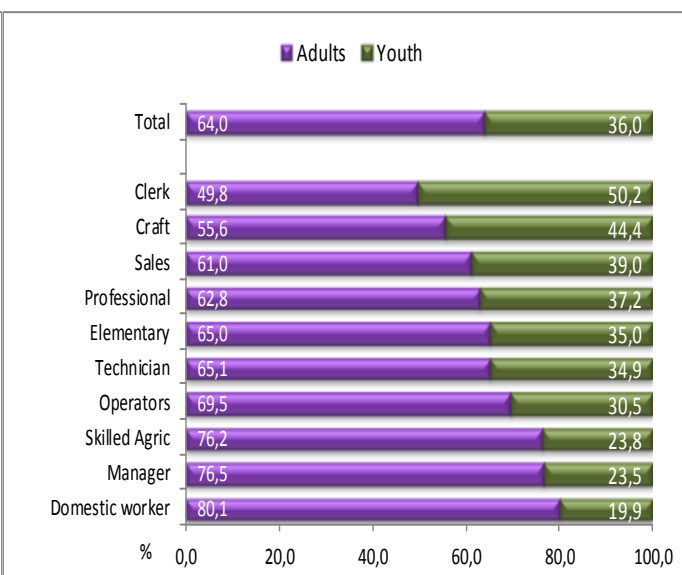
Note: The sample size for Skilled agriculture is too small for reliable estimates

Employment levels for youth declined in seven of the ten occupations. The largest decline was observed in the Craft and related trade occupations, followed by Elementary occupations. Young people in the province were most likely to be employed in the Clerical, Sales and services, and Elementary occupations. Over the period 2008–2014, employment levels for young people increased in the occupational categories Managers and Professionals.

Table 4b: Employment by occupation among adults, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	335	389	312	375	377	358	451
Professional	196	218	186	252	216	307	251
Technician	332	327	319	318	361	382	366
Clerk	277	299	338	274	293	308	314
Sales and services	242	271	333	359	361	376	440
Skilled agriculture	15	12	12	6	14	12	11
Craft and related trade	355	382	319	299	307	350	275
Plant and machine operator	256	246	232	264	224	240	266
Elementary	412	407	421	413	482	457	463
Domestic worker	245	255	220	236	243	226	231
Total	2 664	2 806	2 692	2 795	2 876	3 016	3 067

Employment levels increased in seven of the ten occupational categories for adults, while declining for the Craft and related trade, Domestic workers, and Skilled agriculture occupations over the period 2008–2014. The highest increase was observed in the Sales and services occupations, followed by Manager occupations. In Gauteng, the Elementary, Manager, and Sales and services occupations employed the highest number of adults.

Figure 11: Employment by industry among youth and adults, 2014**Figure 12: Employment by occupation among youth and adults, 2014**

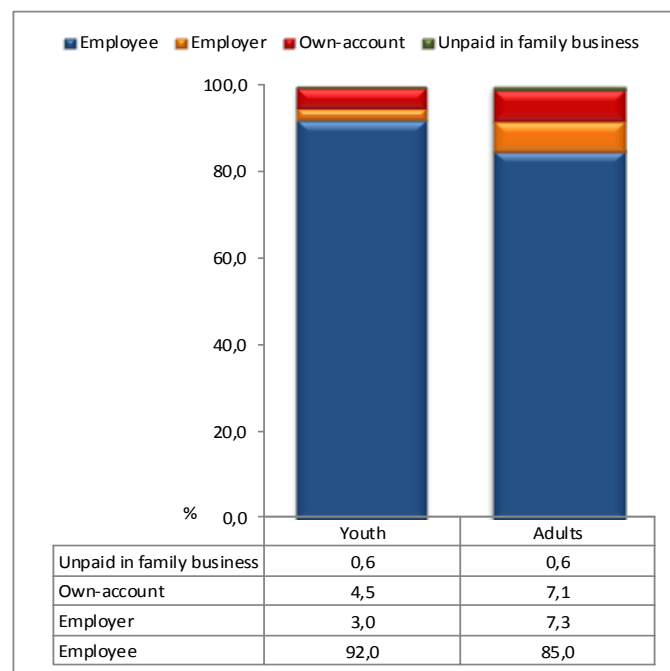
In 2014, adults accounted for a larger share of employment compared to youth in all industries; the proportion of adults employed ranged from a high of 78,6% in Private households to 53,1% in Construction. Adults also dominated employment in most of the other occupations, with the exception of Clerical occupations (50,2%). Over 80% of adults were employed in Domestic worker occupations.

Conditions of employment, status in employment and incidence of long-term unemployment

Table 5: Status in employment among youth and adults, 2008–2014

Year	Age group	Employee	Employer	Own-account	Unpaid in family business
Per cent					
2008	Youth	88,7	3,6	7,0	0,6
	Adults	82,0	8,3	9,1	0,6
2009	Youth	88,2	4,1	6,9	0,8
	Adults	80,9	8,8	9,8	0,4
2010	Youth	89,4	3,4	5,8	1,3
	Adults	82,0	7,4	10,1	0,5
2011	Youth	88,6	2,5	7,8	1,1
	Adults	81,2	7,9	10,6	0,3
2012	Youth	88,7	3,0	7,7	0,7
	Adults	82,1	7,8	9,7	0,4
2013	Youth	87,0	3,5	9,1	0,4
	Adults	80,2	8,3	11,0	0,5
2014	Youth	92,0	3,0	4,5	0,6
	Adults	85,0	7,3	7,1	0,6

Figure 13: Status in employment among youth and adults, 2014

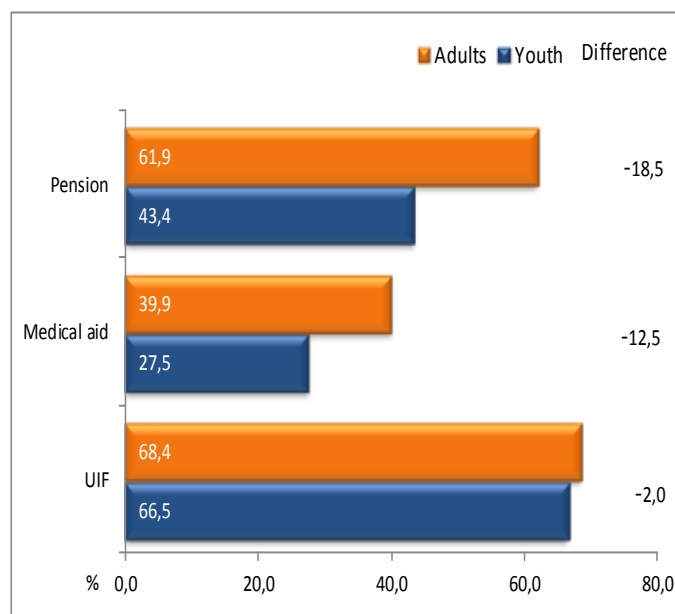


A higher proportion of youth compared to adults were employed as employees between 2008 and 2014, while adults were more likely to be employers (Table 5). Between 2008 and 2014, the share of youth employees increased from 88,7% to 92,0%, while the share of adults increased from 82,0% to 85,0% over the same period.

Table 6: Access to benefits among youth and adults, 2008–2014

Year	Age group	UIF	Medical aid	Pension
Per cent				
2008	Youth	61,5	28,0	45,3
	Adults	61,5	38,6	59,6
2009	Youth	67,1	29,0	47,3
	Adults	61,3	40,1	60,3
2010	Youth	63,3	30,7	44,5
	Adults	63,4	38,9	55,1
2011	Youth	65,4	29,5	43,9
	Adults	64,4	41,9	59,7
2012	Youth	63,2	28,9	44,1
	Adults	61,9	43,6	60,5
2013	Youth	67,2	30,2	45,8
	Adults	66,1	42,6	61,0
2014	Youth	66,5	27,5	43,4
	Adults	68,4	39,9	61,9

Figure 14: Access to benefits among youth and adults, 2014

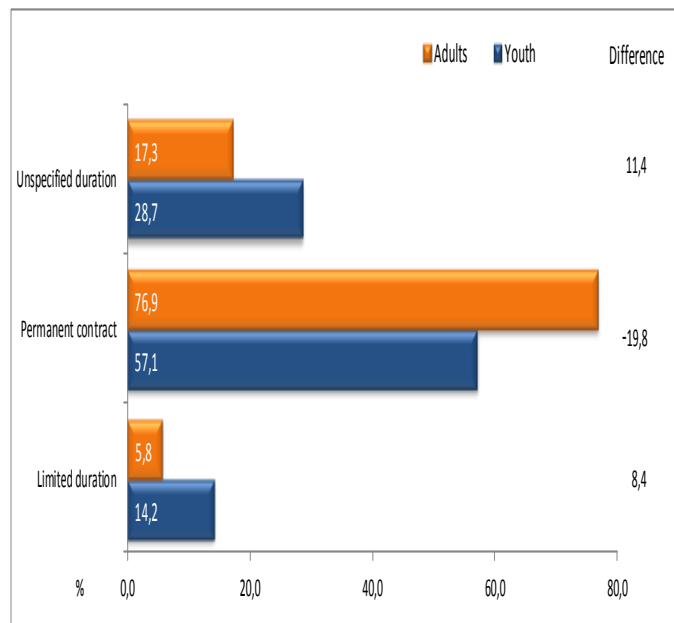


Over the period 2008–2014, access to benefits such as UIF, medical aid and pension was higher for adults compared to youth (Table 6). Figure 14 shows that in 2014, while the access gap in pension (18,5 percentage points) and medical aid (12,5 percentage points) between youth and adults is particularly large, with regard to access to UIF, the gap is only two percentage points.

Table7: Contract duration among youth and adults, 2008–2014

Figure 15: Contract duration among youth and adults, 2014

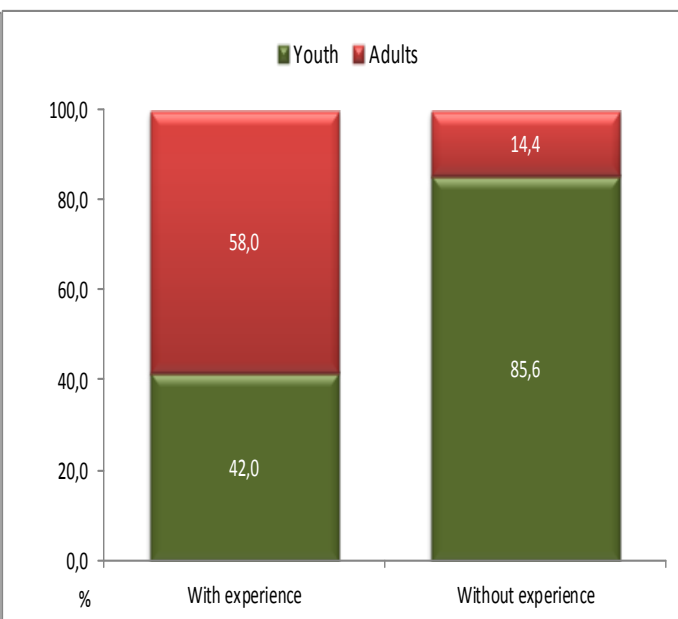
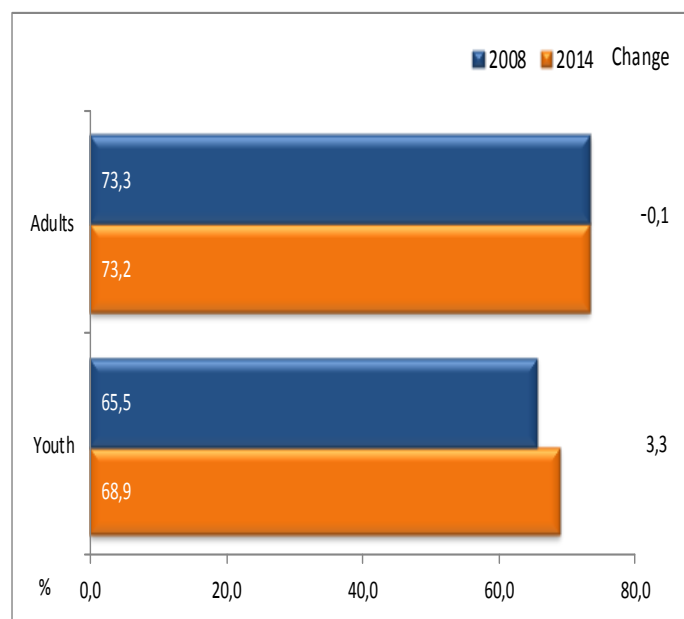
Year	Age group	Limited	Permanent	Unspecified
		Per cent		
2008	Youth	11,1	62,0	26,9
	Adults	5,8	76,3	17,9
2009	Youth	10,0	64,6	25,4
	Adults	5,1	76,4	18,6
2010	Youth	11,6	64,2	24,2
	Adults	6,6	74,9	18,6
2011	Youth	8,7	64,3	27,1
	Adults	4,4	79,1	16,5
2012	Youth	11,6	63,5	25,0
	Adults	5,3	80,3	14,4
2013	Youth	12,2	64,6	23,2
	Adults	5,8	77,2	17,0
2014	Youth	14,2	57,1	28,7
	Adults	5,8	76,9	17,3



Between 2008 and 2014, youth were mostly employed on contracts of limited and unspecified duration, while adults were mostly employed on contracts of a permanent nature (Table 7). In 2014, 76,9% of adults were employed on contracts of permanent nature compared to only 57,1% of youth. The proportion of youth employed on a permanent contract also declined over the period from 62,0% in 2008 to 57,1% in 2014, with the share of youth employed on contracts of limited and unspecified duration also increasing over this period.

Figure 16: Incidence of long-term unemployment among youth and adults, 2008 and 2014

Figure 17: Work experience among youth and adults, 2014



The incidence of long-term unemployment among youth increased between 2008 and 2014, rising by 3,3 percentage points, while for adults the incidence declined by 0,1 percentage points. Figure 17 shows that, of the unemployed population, 85,6% of those without experience were youth, compared to only 14,4% of the adults. Only 42,0% of the unemployed with experience were young people between the ages of 15 to 34 years.

Figure 18: Reasons for inactivity among youth and adults, 2008 and 2014

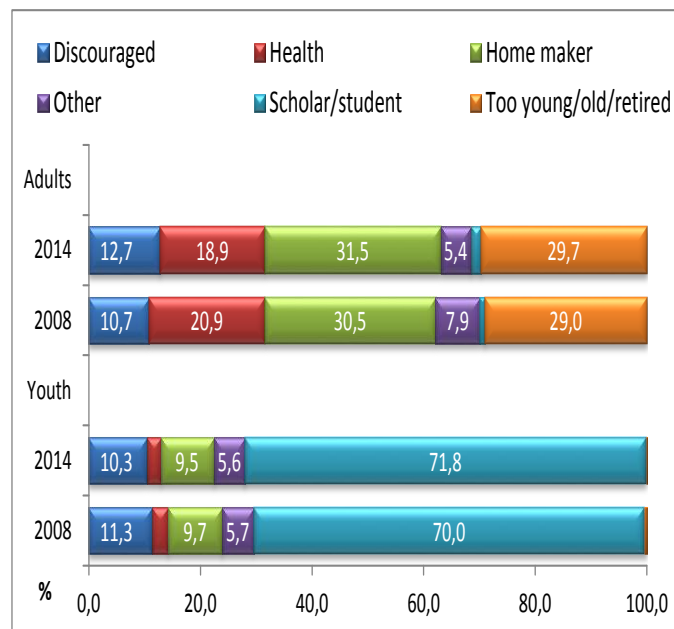
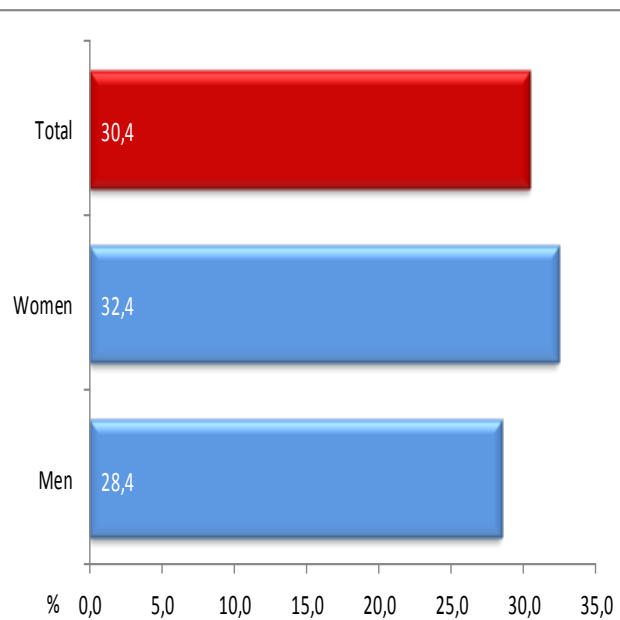


Figure 19: Youth who are Not in Education, Employment or Training (NEET) by sex, 2014



Note: NEET (15–24 years)

More than 70% of inactive youth were students compared to less than 2% among inactive adults. Around 30% of adults indicated they were inactive due to being either too old/retired. Inactivity due to being a homemaker or for health reasons was second and third most cited reasons for adults. Figure 19 shows that the NEET rate for young women (32,4%) in Gauteng was higher than that for young men (28,4%).

Hard facts

- The working-age population in Gauteng increased from 8,1 million to 9,2 million between 2008 and 2014.
- The unemployment rate for both youth and adults increased over the period 2008–2014 from 32,4% to 36,4% for youth and from 13,3% to 18,1% for adults, while the absorption and labour force participation rates declined.
- The education level of the labour force in Gauteng improved between 2008 and 2014. The proportion of those in the labour force with an educational attainment lower than matric decreased by 6,6 and 8,1 percentage points for youth and adults respectively, while it increased for those with matric and tertiary education.
- A larger share of the youth compared to adults is employed in the formal sector.
- Youth accounted for a higher proportion of employment in Construction and Clerical occupations. Adults accounted for close to 80% of employment in Private households and in Domestic worker occupations.
- Access to benefits such as medical aid and pension was higher among adults, while a smaller gap between adults and youth was observed with regard to UIF.
- Adults were more likely to be employed on contracts of a permanent nature compared to the youth.
- A high proportion of the unemployed without work experience were youth.
- Among the inactive population, a larger proportion of youth were students, while adults indicated that their reason for inactivity was being a homemaker or being too old/retired to work.
- The NEET rate for young women in Gauteng was higher than that of young men.

Mpumalanga labour market: Youth

Q1: 2008–Q1:2014

Introduction

The focus of this report is the situation of young people aged 15–34 years in Mpumalanga. This group faces particular challenges in the labour market and as such it is important to get a better understanding of the factors that impact on their labour market outcomes. This report is based on first quarter results of the Quarterly Labour Force Survey (QLFS) of every year over the period 2008 to 2014. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Characteristics of the working-age population

Table 1: Mpumalanga working-age population by age group, 2008–2014

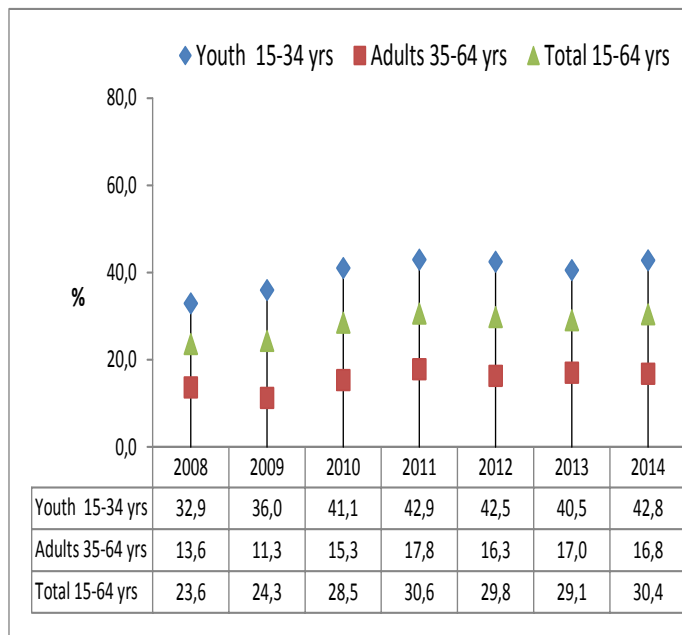
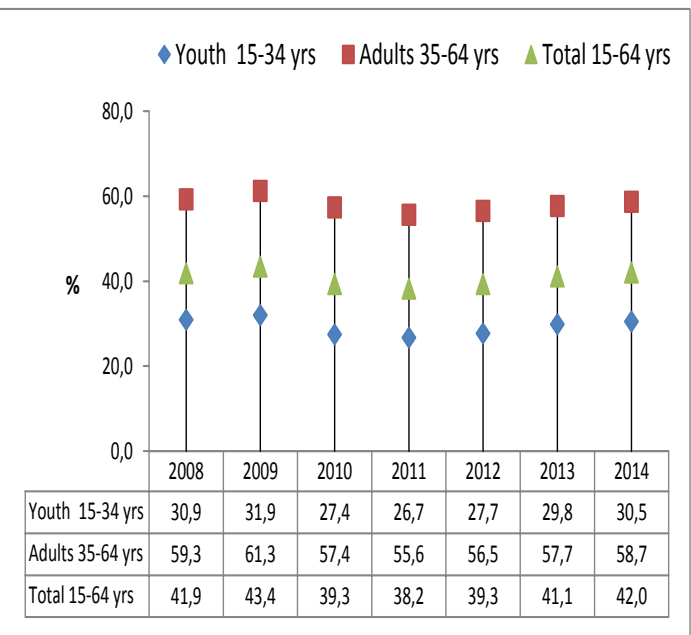
Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15-19 yrs	449	412	445	444	451	416	411
20-24 yrs	376	407	403	427	406	404	391
25-29 yrs	341	342	346	344	361	386	402
30-34 yrs	287	313	303	305	324	361	386
35-39 yrs	240	247	261	245	282	290	287
40-44 yrs	186	204	190	205	218	242	245
45-49 yrs	164	174	172	193	179	177	171
50-54 yrs	132	132	143	159	145	161	160
55-59 yrs	120	115	128	115	117	112	140
60-64 yrs	77	77	83	88	94	81	91
Total	2 372	2 423	2 474	2 524	2 576	2 629	2 683

In Mpumalanga, the working-age population increased from 2,4 million in 2008 to 2,7 million in 2014. The structure of the working-age population for the province reflects a youthful profile, with the largest number of individuals in the province between the age groups 15–29 years.

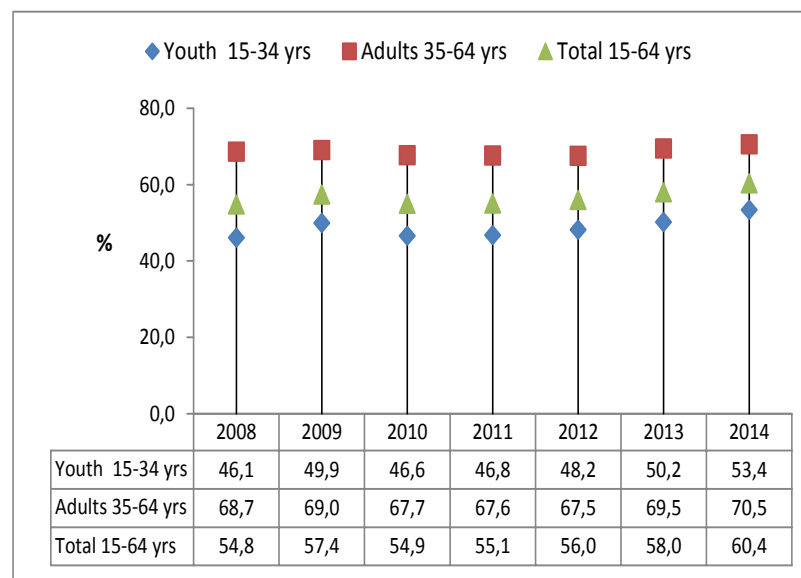
Table 2: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Youth 15-34 years (Thousand)						
Population	1 453	1 475	1 497	1 519	1 542	1 566	1 590
Labour force	669	736	697	710	743	786	849
Employed	449	471	411	405	427	468	485
Unemployed	220	265	286	305	316	319	363
Not economically active	784	739	799	809	799	780	741
Rates (%)							
Unemployment rate	32,9	36,0	41,1	42,9	42,5	40,5	42,8
Employed/population ratio (Absorption)	30,9	31,9	27,4	26,7	27,7	29,8	30,5
Labour force participation rate	46,1	49,9	46,6	46,8	48,2	50,2	53,4
	Adults 35-64 years (Thousand)						
Population	919	948	977	1 006	1 034	1 063	1 093
Labour force	631	655	662	680	698	738	770
Employed	545	581	561	559	584	613	641
Unemployed	86	74	101	121	114	126	129
Not economically active	288	294	315	325	336	324	323
Rates (%)							
Unemployment rate	13,6	11,3	15,3	17,8	16,3	17,0	16,8
Employed/population ratio (Absorption)	59,3	61,3	57,4	55,6	56,5	57,7	58,7
Labour force participation rate	68,7	69,0	67,7	67,6	67,5	69,5	70,5

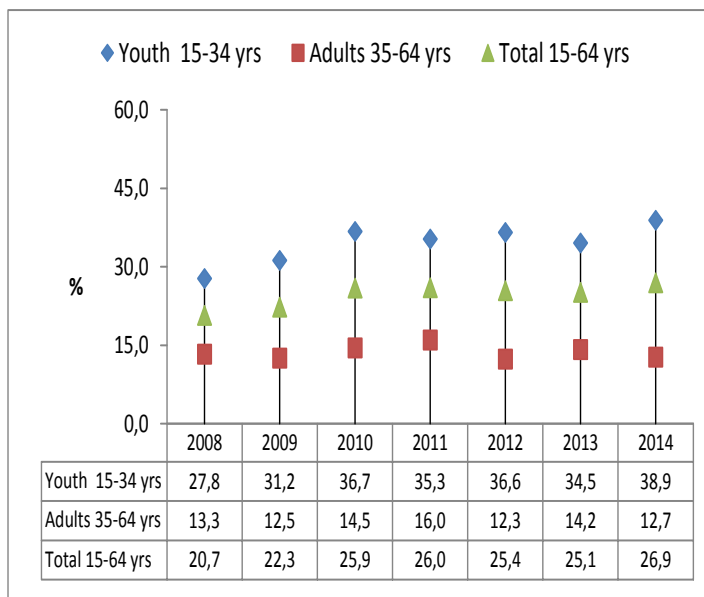
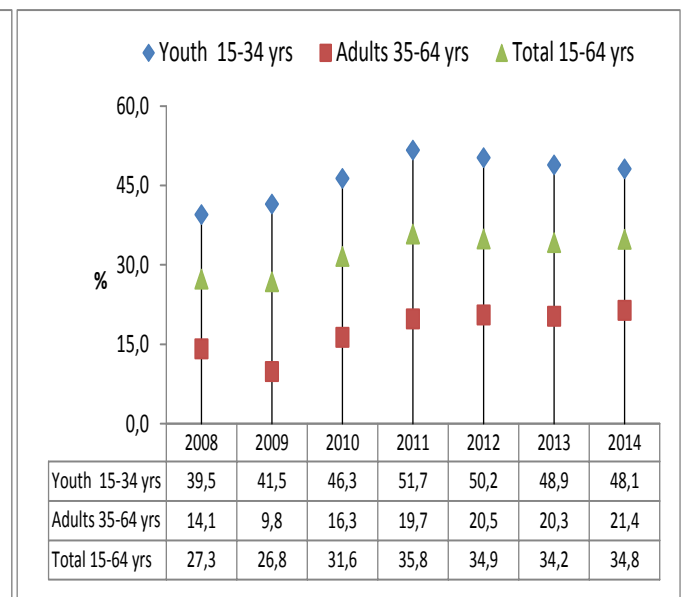
The increase in employment over the period 2008–2014 was not sufficient to counter the rise in the working-age population, such that the absorption rate remained virtually unchanged over the period (30,9% in 2008 and 30,5% in 2014). The number of unemployed youth in the province increased from 220 000 to 363 000 over the period, resulting in an increase in the unemployment rate, from 32,9% to 42,8%.

Figure 1: Unemployment rate among youth and adults, 2008–2014**Figure 2: Absorption rate among youth and adults, 2008–2014**

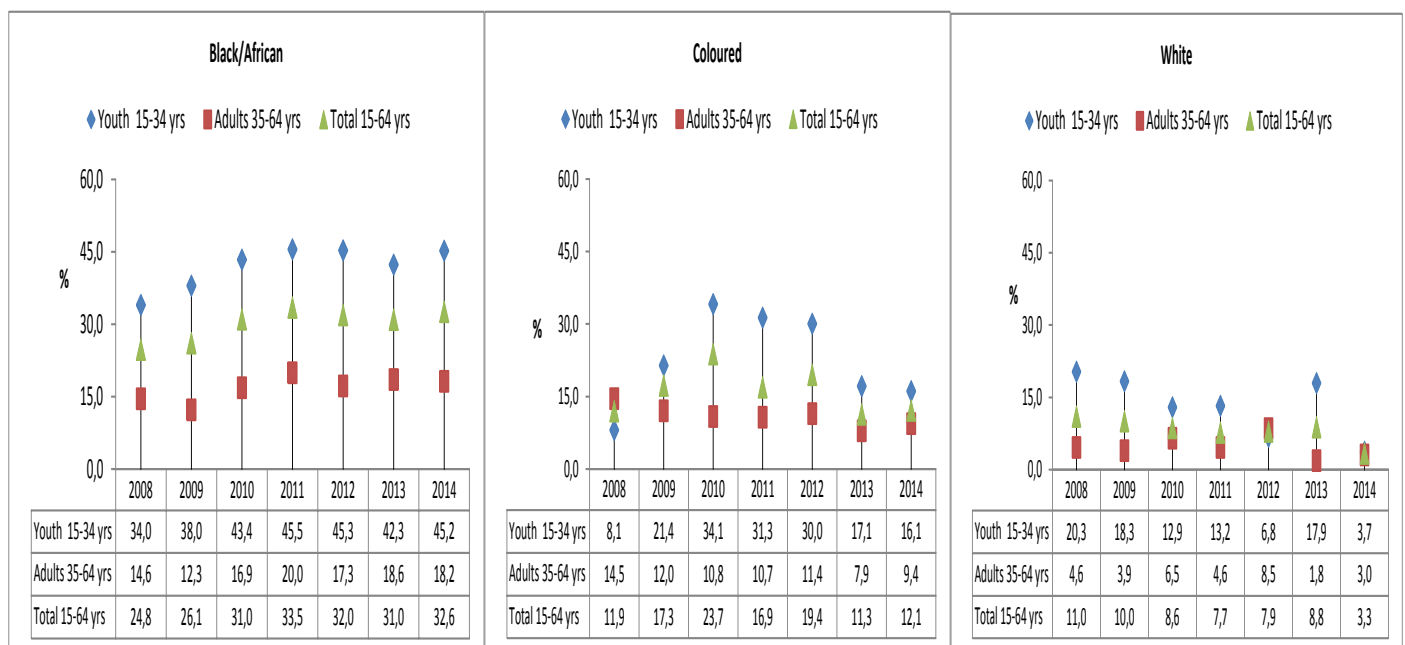
The unemployment rate for young people in Mpumalanga is more than double the rate of adults in the province, a finding consistent over the period 2008 to 2014. The youth unemployment rate reached a high of 42,9% in 2011 and remained at this rate in 2012. By 2014 the unemployment rate for youth was 42,8% compared 16,8% for adults. The absorption rate or employment to population ratio of young people is close to half that of adults, indicating that very few young people in Mpumalanga are employed. The absorption rate among youth declined from 30,9% in 2008 to 30,5% in 2014, reaching a low of 26,7% in 2011.

Figure 3: Labour force participation rate among youth and adults, 2008–2014

Despite the youth labour force participation rate increasing by 7,3 percentage points between 2008 and 2014, only around half of young people in the working-age population in the province was employed or actively looking for work. This is in contrast to close to seven out of ten adults who were participating.

Figure 4a: Male unemployment rate among youth and adults, 2008–2014**Figure 4b: Female unemployment rate among youth and adults, 2008–2014**

Nationally, young women are particularly vulnerable in the labour market. This is also the case in Mpumalanga. Despite the gender gap declining over the period 2008 to 2014, the impact of the economic recession was most pronounced for young women. The unemployment rate for young women in 2014 was close to 50% compared to only 38,9% for young men. Between 2008 and 2014, the unemployment rate for young women had declined to 48,1%, while that of young men had increased to 38,9%.

Figure 5: Unemployment rate among youth and adults by population group, 2008–2014

Note: The sample size for the Indian/Asian population group is too small for reliable estimates.

In Mpumalanga, the unemployment rate among black African youth was the highest each year over the period 2008–2014. In addition, their unemployment rate increased by 11,2 percentage points since 2008 to reach 45,2% in 2014. For the coloured population group, unemployment rates increased for young people over the period, while the opposite was true for the white group.

Figure 6: Education level of the labour force among youth, 2008 and 2014

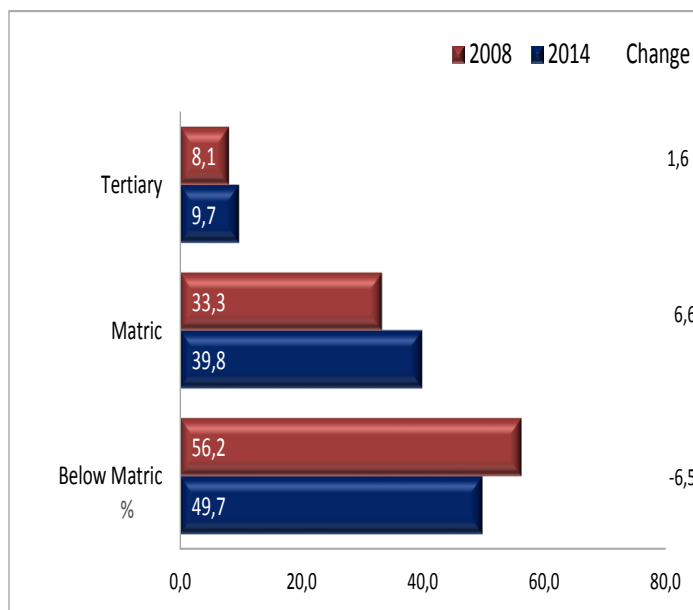
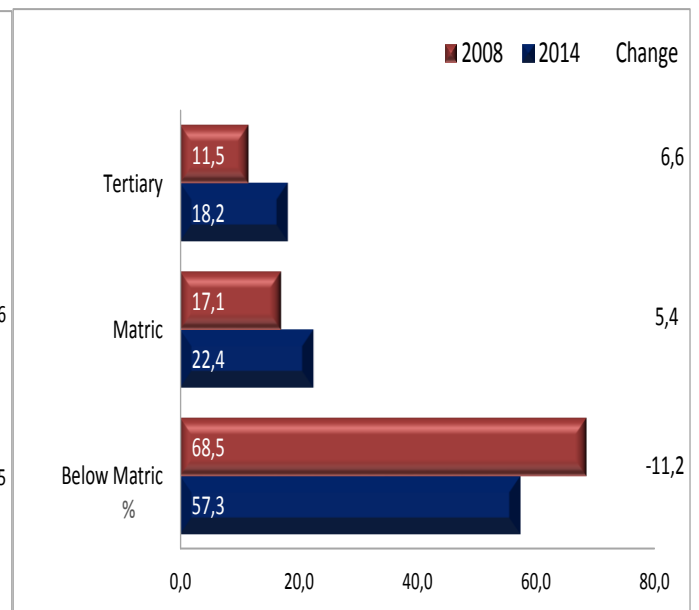


Figure 7: Education level of the labour force among adults, 2008 and 2014



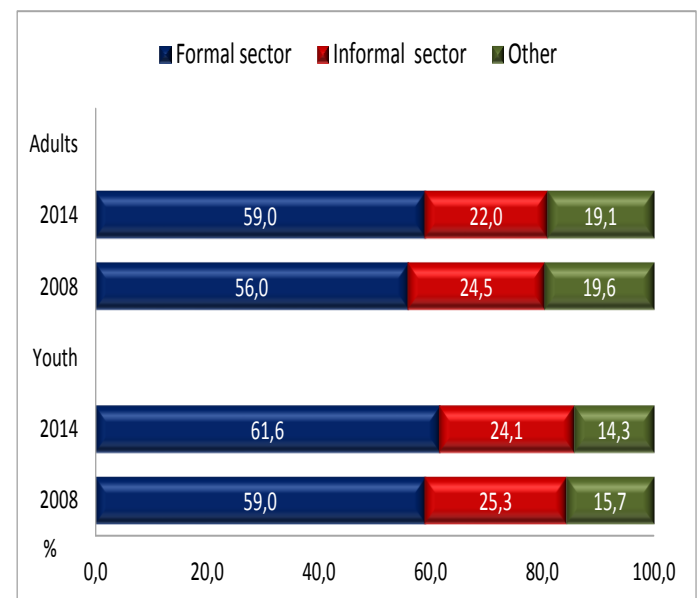
Both young people and adults in Mpumalanga improved their levels of education between 2008 and 2014. The share of youth in the labour force who obtained a matric qualification increased from 33,3% to 39,8%, while those with a tertiary qualification also increased (8,1% to 9,7%). Despite this, in 2014 more than one in every two young people in the province and two thirds of adults had education levels below matric.

Employment

Table 3: Employment by sector among youth and adults, 2008–2014

Year	Age group	Formal	Informal	Other
		Per cent		
2008	Youth	59,0	25,3	15,7
	Adults	56,0	24,5	19,6
2009	Youth	62,8	21,1	16,2
	Adults	58,2	21,6	20,2
2010	Youth	61,7	22,0	16,3
	Adults	60,6	20,9	18,4
2011	Youth	61,4	24,7	14,0
	Adults	60,2	19,7	20,1
2012	Youth	62,9	22,1	15,0
	Adults	57,0	19,9	23,1
2013	Youth	58,9	23,6	17,5
	Adults	56,4	22,6	21,1
2014	Youth	61,6	24,1	14,3
	Adults	59,0	22,0	19,1

Figure 8: Share of employment by sector among youth and adults, 2008 and 2014



Note: "Other" refers to Agriculture and Private households.

The formal sector provides employment for three in every five young people in Mpumalanga, a similar finding to that of adults. Over the period 2008 to 2014, the proportion remained relatively stable, increasing from 59,0% in 2008 to 61,6% in 2014.

Table 3a: Employment by industry among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
Thousand							
Agriculture	36	45	33	35	36	56	37
Mining	24	28	26	27	31	28	30
Manufacturing	33	41	30	38	33	52	43
Utilities	8	7	4	8	13	5	18
Construction	53	54	34	37	31	35	41
Trade	149	119	112	113	131	118	114
Transport	16	26	19	19	21	18	25
Finance	43	63	48	45	44	48	69
Community and social services	54	58	71	60	60	81	75
Private households	34	31	34	21	28	26	32
Total	449	471	411	405	427	468	485

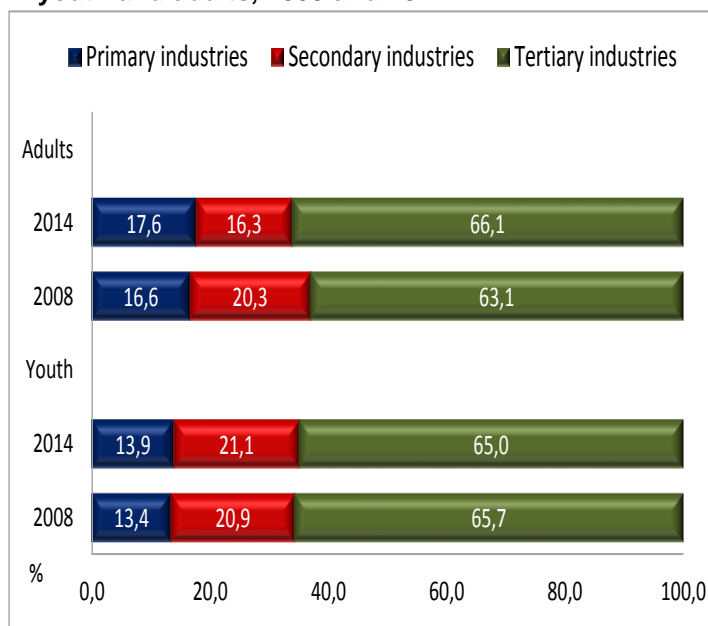
Note: The sample size for Utilities is too small for reliable estimates.

In 2008, as many as 149 000 of the 449 000 employed young people in Mpumalanga worked in Trade; by 2014 this had declined to 114 000. Youth employment in Community, Finance, Manufacturing and Mining increased over the same period.

Table 3b: Employment by industry among adults, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
Thousand							
Agriculture	49	45	39	42	58	48	45
Mining	42	38	35	28	40	52	68
Manufacturing	48	52	45	44	56	55	52
Utilities	12	10	10	15	13	14	13
Construction	51	48	36	38	38	41	39
Trade	133	133	124	127	118	113	129
Transport	26	25	27	18	34	28	28
Finance	27	39	47	43	43	43	53
Community and social services	99	119	133	133	108	136	138
Private households	58	73	64	70	77	81	77
Total	545	581	561	559	584	613	641

In Mpumalanga, a fifth of adults are employed in the Trade industry, a finding consistent over the period 2008 to 2014. Community, Finance and Mining were the three industries for which employment among adults increased between 2008 and 2014, and were the main contributors to the increase in total adult employment of 96 000 over the period.

Figure 9: Share of employment by industry among youth and adults, 2008 and 2014

Note: "Primary" refers to Agriculture and Mining, "Secondary" to Manufacturing, Utilities and Construction, "Tertiary" refers to Trade, Transport, Finance, Community and Private households.

Figure 10: Share of employment by occupation among youth and adults, 2008 and 2014

Note: "Skilled" refers to Manager, Professional and Technician, "Semi-skilled" to Clerk, Sales, Skilled Agriculture, Trade and Operator, "Low-skilled" refers to Elementary and domestic workers.

In 2008, two out of every three (65,7%) young people in the province were employed in tertiary industries, similar to the proportions among adults; by 2014 the share of youth in tertiary industries had declined to 65,0%. One in five young people were employed in the secondary industries, a finding consistent over the period. As with the national results, a higher proportion among adults was employed in the primary industries in the province. In Mpumalanga, close to half of all young people were employed in semi-skilled occupations in both 2008 and 2014, a quarter were employed in low-skilled occupations and the share employed in skilled occupations increased from 11,6% to 14,6% between 2008 and 2014.

Table 4a: Employment by occupation among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	14	16	14	16	19	28	15
Professional	14	16	13	14	11	12	13
Technician	24	36	30	26	26	27	44
Clerk	46	51	45	42	45	53	43
Sales and services	70	80	76	70	80	84	75
Skilled agriculture	2	7	3	5	3	2	1
Craft and related trades	85	74	63	77	67	63	83
Plant and machine operator	28	31	29	35	36	40	40
Elementary	143	141	118	105	122	138	148
Domestic worker	23	19	20	15	18	19	24
Total	449	471	411	405	427	468	485

Note: The sample size for Skilled agriculture is too small for reliable estimates.

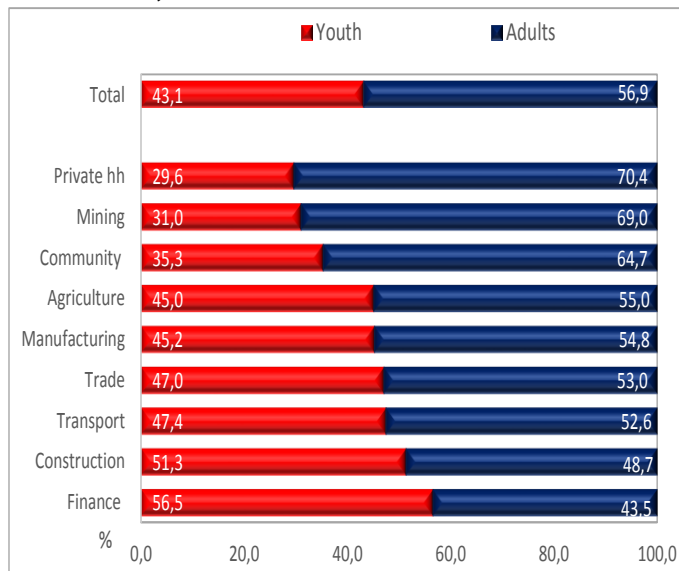
Of the 449 000 young people employed in Mpumalanga in 2008, 143 000 were employed in Elementary occupations; by 2014 this number had increased to 148 000. The second largest employment category for youth was Craft and related trade occupations, followed by Sales and services.

Table 4b: Employment by occupation among adults, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
	Thousand						
Manager	33	47	31	46	38	45	63
Professional	11	14	21	15	13	18	20
Technician	63	72	74	70	52	54	67
Clerk	28	31	47	34	33	38	41
Sales and services	55	54	67	66	64	71	71
Skilled agriculture	12	8	6	5	4	5	7
Craft and related trades	89	94	73	78	88	95	86
Plant and machine operator	63	58	60	49	65	67	69
Elementary	142	138	127	138	164	155	150
Domestic worker	48	64	54	57	63	64	66
Total	545	581	561	559	584	613	641

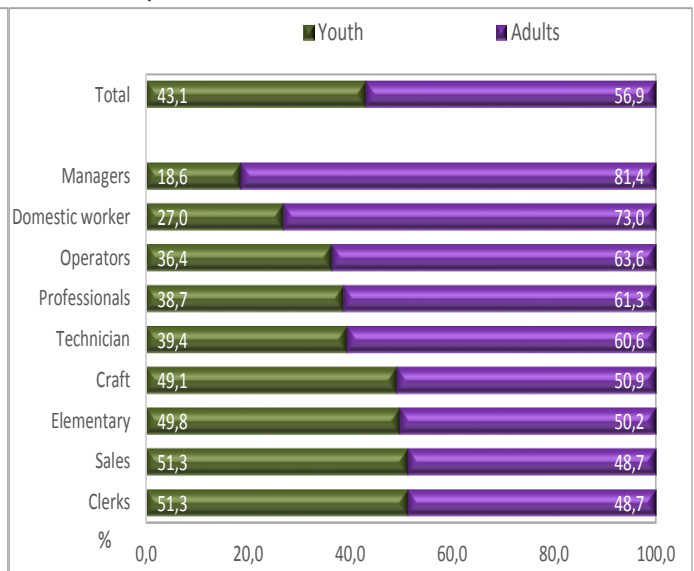
Note: The sample size for Skilled agriculture is too small for reliable estimates.

Figure 11: Employment by industry, among youth and adults, 2014



Note: Utilities omitted due to small sample size.

Figure 12: Employment by occupation, among youth and adults, 2014



Note: Skilled agriculture omitted due to small sample size.

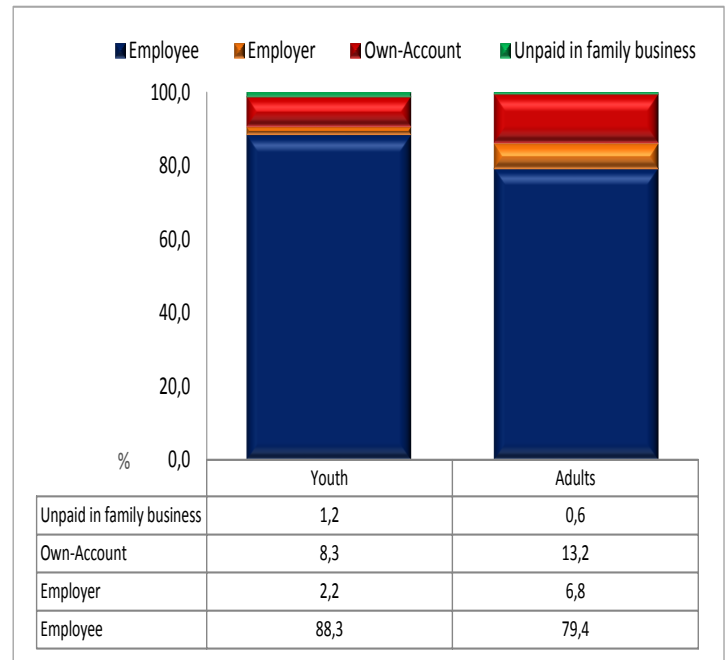
The share of youth in each industry varies from a low of 29,6% in Private households to 56,5% in Finance. In industries such as Finance (56,5%) and Construction (51,3%), more than half of those employed are young people. In terms of occupations, young people account for over 50% of employment in Sales (51,3%) and Clerical occupations (51,3%), but as few as 18,6% of Managers.

Conditions of employment, status in employment and incidence of long-term unemployment

Table 5: Status in employment among youth and adults, 2008–2014

Year	Age group	Employee	Employer	Own-account	Unpaid in family business
Per cent					
2008	Youth	83,2	2,7	10,6	3,5
	Adults	75,5	5,6	17,6	1,2
2009	Youth	84,8	4,0	9,8	1,3
	Adults	77,9	6,4	15,4	0,4
2010	Youth	87,6	2,8	7,9	1,7
	Adults	78,3	7,8	13,2	0,7
2011	Youth	85,6	2,5	10,1	1,7
	Adults	78,4	7,8	13,0	0,8
2012	Youth	87,8	2,0	7,8	2,4
	Adults	81,8	5,5	12,6	0,1
2013	Youth	87,9	2,6	8,4	1,0
	Adults	80,2	6,2	13,2	0,4
2014	Youth	88,3	2,2	8,3	1,2
	Adults	79,4	6,8	13,2	0,6

Figure 13: Status in employment among youth and adults, 2014

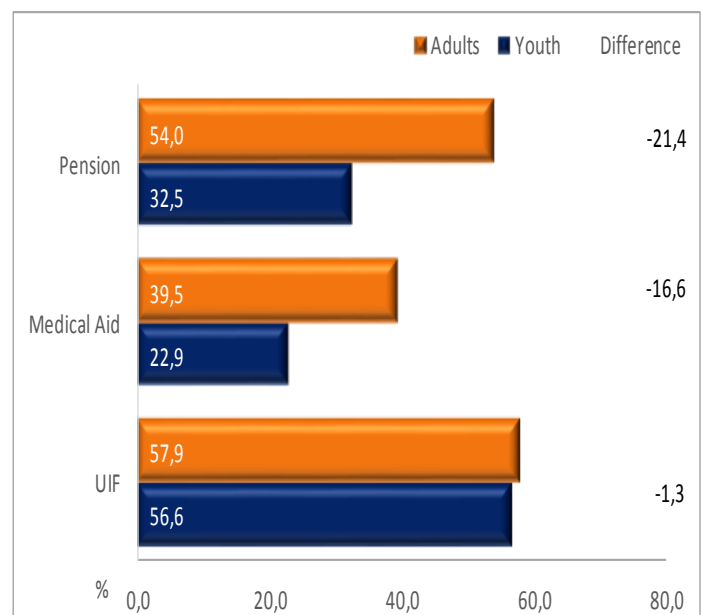


In 2014, nine out of ten young people (88,3%) in Mpumalanga were employed as an employee. Over the period 2008 and 2014 the share of young employees increased from 83,2% to 88,3%. Compared to adults, fewer young people in the province are employed as own-account workers.

Table6: Access to benefits among youth and adults, 2008–2014

Year	Age group	UIF	Medical aid	Pension
Per cent				
2008	Youth	52,0	16,8	27,3
	Adults	52,1	31,5	44,9
2009	Youth	55,9	20,7	31,3
	Adults	52,7	32,4	47,5
2010	Youth	56,2	22,2	36,2
	Adults	55,3	37,9	50,3
2011	Youth	57,5	22,1	33,2
	Adults	50,9	37,3	49,7
2012	Youth	55,4	24,4	34,2
	Adults	56,1	29,4	42,8
2013	Youth	60,9	23,2	34,1
	Adults	57,2	39,6	53,4
2014	Youth	56,6	22,9	32,5
	Adults	57,9	39,5	54,0

Figure 14: Access to benefits among youth and adults, 2014

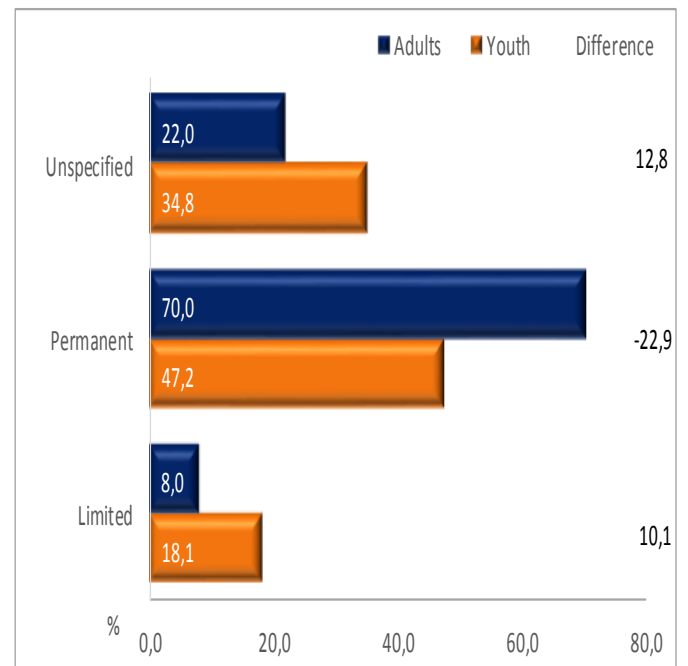


Young people in Mpumalanga have less access to benefits such as medical aid and pension provisions from their employers compared to adults. With regards to UIF, the gap narrows substantially, with more than half of young people in the province having UIF deductions made on their behalf by their employer.

Table 7: Contract duration among youth and adults, 2008–2014

Contract	Age group	Limited	Permanent	Unspecified
		Per cent		
2008	Youth	15,8	46,8	37,4
	Adults	7,4	64,8	27,8
2009	Youth	12,4	54,2	33,4
	Adults	6,0	67,0	26,9
2010	Youth	13,2	56,4	30,4
	Adults	6,1	69,9	24,0
2011	Youth	12,9	50,3	36,9
	Adults	6,8	64,7	28,6
2012	Youth	11,8	51,0	37,2
	Adults	6,2	62,5	31,2
2013	Youth	12,8	53,6	33,6
	Adults	6,9	66,3	26,8
2014	Youth	18,1	47,2	34,8
	Adults	8,0	70,0	22,0

Figure 15: Contract duration among youth and adults, 2014



Close to 50% of young people in Mpumalanga were employed on a permanent contract, while one in three were employed on a contract of unspecified duration in 2014. While the share on a permanent contract increased from 46,8% in 2008 to 47,2% in 2014, the share of young people on a limited contract duration increased from 15,8% to 18,1% over the period.

Figure 16: Incidence of long-term unemployment among youth and adults, 2008 and 2014

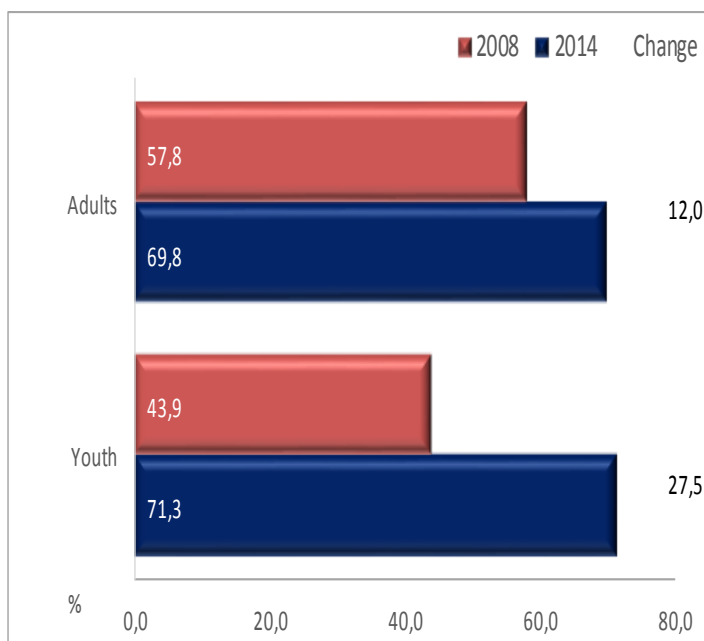
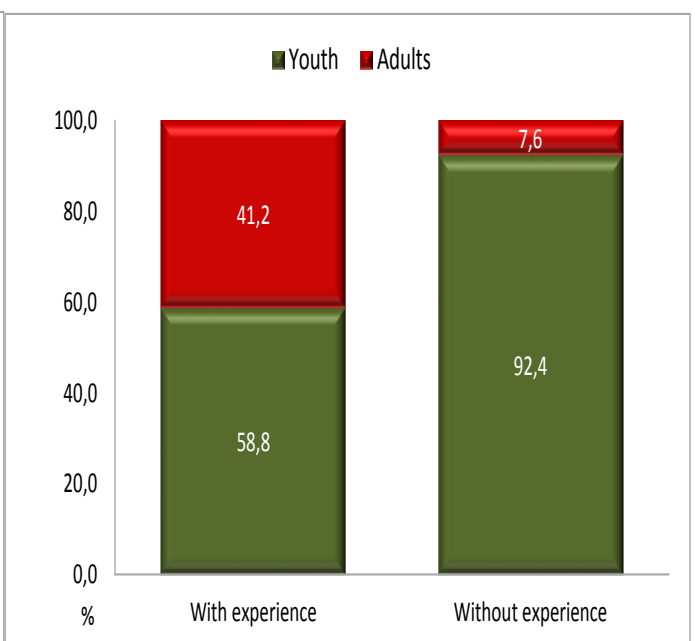


Figure 17: Work experience among youth and adults, 2014



The incidence of long-term unemployment amongst young people in Mpumalanga increased from 43,9% to 71,3% between 2008 and 2014, reflecting the significant impact of the economic recession on the employment prospects for young people in this province (Figure 16). Among the unemployed with no work experience in Mpumalanga, 92,4% are

young people between the ages of 15 to 34 years; in contrast, only 58,8% of those unemployed with experience were young people (Figure 17).

Figure 18: Reason for inactivity among youth and adults, 2008 and 2014

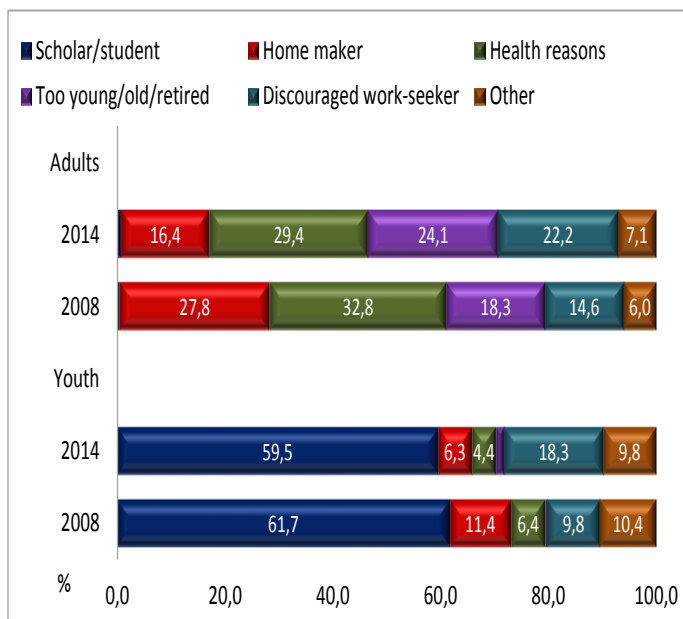
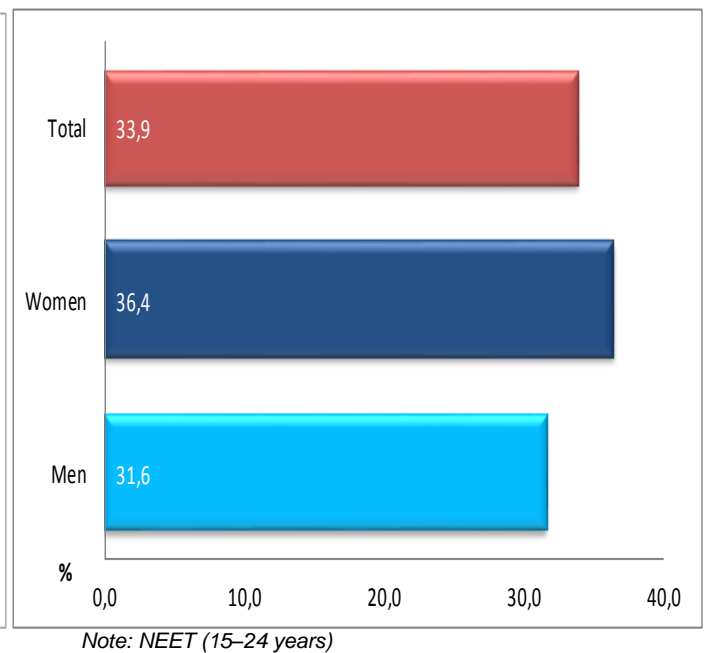


Figure 19: Youth who are Not in Education, Employment or Training (NEET) by sex, 2014



Between 2008 and 2014, among youth not in the labour force, being a scholar or student was the main reason for inactivity. In addition, discouragement amongst youth also increased over the period, from 9,8% to 18,3%. Among adults, health reasons and being a homemaker were the most cited reasons for inactivity. Similar to the national picture, Figure 19 highlights that young women in Mpumalanga face a higher NEET rate compared to young men.

Hard facts

- Mpumalanga reflects a younger profile of its working-age population; in addition, the growth in the working-age population outpaced employment growth, resulting in higher unemployment and lower absorption rates for youth in the province relative to adults.
- Young women and black African youth are most disadvantaged in the province, facing high unemployment rates.
- The level of educational attainment increased over the period, with a higher proportion of youth obtaining a matric qualification in the province.
- Compared to adults, more young people were employed in the formal and informal sector. Young people were also more likely to be employed in secondary industries and semi- and low-skilled occupations.
- Young employees account for close to 90,0% of all young people employed in the province.
- When employed, young people in Mpumalanga have lower access to pension and medical aid benefits compared to their adult counterparts, but were equally likely to have UIF deductions made on their behalf by an employer.
- While 47,2% of young people were employed on a permanent contract, there was an increase in the proportion employed on a contract of limited duration between 2008 and 2014.
- The incidence of long-term unemployment amongst youth in Mpumalanga increased by close to 30 percentage points to 71,3% in 2014.
- Young people account for 90,0% of those in the province with no experience, suggesting that many young people in this province have never worked before.
- Reasons for inactivity among young people include being a scholar or student while discouragement as a reason for inactivity increased between 2008 and 2014.
- Young women in Mpumalanga face higher NEET rates compared to young men.

Limpopo labour market: Youth

Q1: 2008–Q1: 2014

Introduction

In recent years attention has been given to youth employment globally and extensive research on the topic has helped bring to the fore the fact that young men and women struggle to enter the labour market after leaving school. In South Africa, there is also a high unemployment rate among youth. To deal with the labour market issues facing this vulnerable group, the government has put job creation programmes such as the Expanded Public Works Programme in place. This report focuses on youth (aged 15-34 years) in Limpopo while comparing their labour market outcomes with that of adults (aged 35 to 65). It is based on the first quarter results of the Quarterly Labour Force Survey (QLFS) of every year over the period 2008 to 2014. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES) release.

Characteristics of the working age population

Table 1: Limpopo working age population by age group, 2008–2014

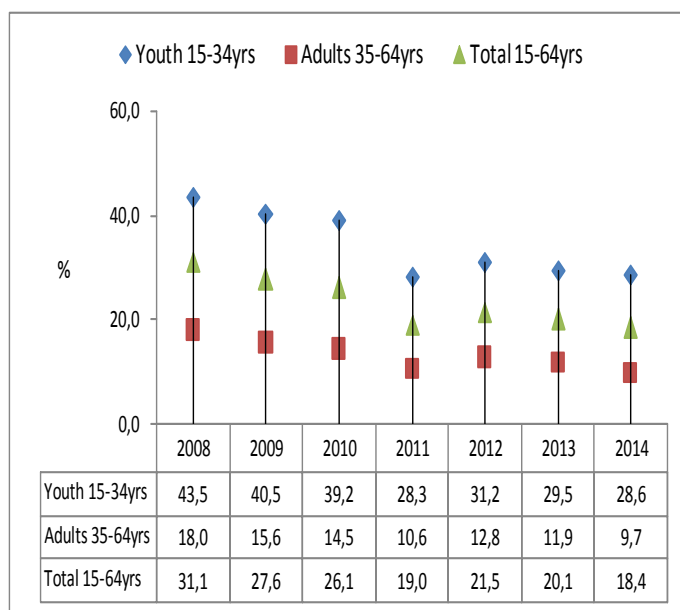
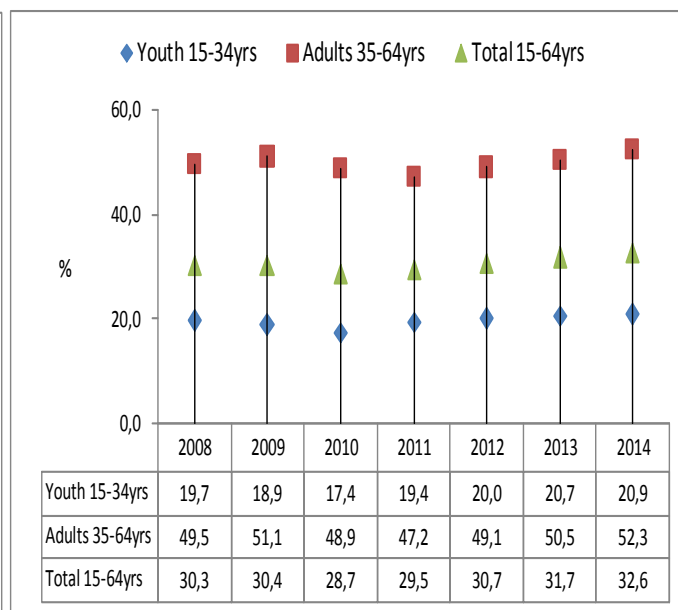
Age	2008	2009	2010	2011	2012	2013	2014
	Thousand						
15-19 yrs	723	730	727	729	686	688	680
20-24 yrs	502	560	585	569	588	617	591
25-29 yrs	386	395	426	430	446	479	507
30-34 yrs	360	330	318	365	407	372	402
35-39 yrs	265	276	307	315	317	296	280
40-44 yrs	219	247	216	224	248	258	269
45-49 yrs	197	225	222	215	200	214	235
50-54 yrs	169	146	166	181	190	204	236
55-59 yrs	132	128	134	139	146	170	160
60-64 yrs	108	100	112	115	126	119	122
Total	3 060	3 137	3 212	3 284	3 352	3 418	3 482

The working age population in Limpopo increased from 3,1 million in 2008 to 3,5 million in 2014. Limpopo has a relatively young working age population with those in the youngest age groups accounting for the bulk of the working age population (Table 1).

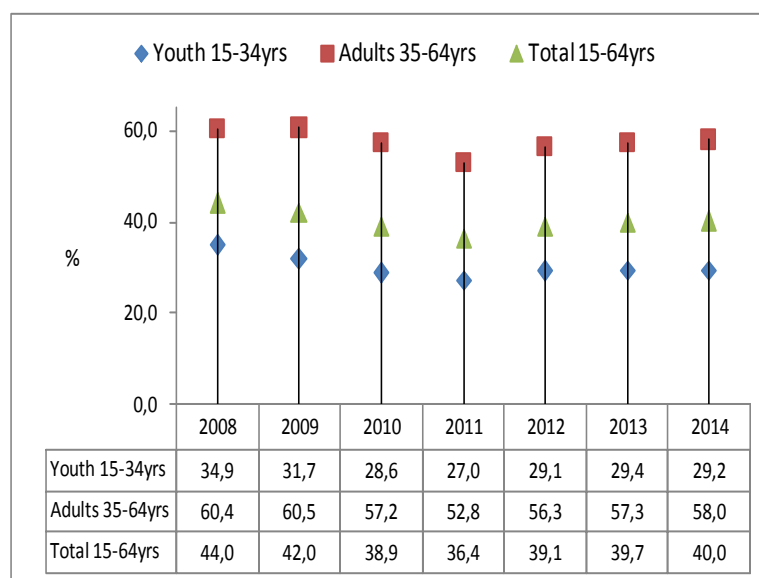
Table 2: Labour force characteristics by age, 2008–2014

	2008	2009	2010	2011	2012	2013	2014
	Youth 15-34 years (Thousand)						
Population	1 971	2 015	2 056	2 093	2 127	2 157	2 180
Labour force	687	638	589	566	620	634	638
Employed	388	380	358	406	427	447	455
Unemployed	299	258	231	160	193	187	182
Not economically active	1284	1376	1467	1528	1507	1523	1543
Rates (%)							
Unemployment rate	43,5	40,5	39,2	28,3	31,2	29,5	28,6
Employed/population ratio (Absorption)	19,7	18,9	17,4	19,4	20,0	20,7	20,9
Labour force participation rate	34,9	31,7	28,6	27,0	29,1	29,4	29,2
	Adults 35-64 years (Thousand)						
Population	1 089	1 122	1 156	1 190	1 225	1 261	1 301
Labour force	658	679	661	628	689	723	754
Employed	539	573	565	562	601	637	681
Unemployed	119	106	96	66	88	86	73
Not economically active	431	443	495	562	536	539	547
Rates (%)							
Unemployment rate	18,0	15,6	14,5	10,6	12,8	11,9	9,7
Employed/population ratio (Absorption)	49,5	51,1	48,9	47,2	49,1	50,5	52,3
Labour force participation rate	60,4	60,5	57,2	52,8	56,3	57,3	58,0

Table 2 shows that the working-age population increased steadily among both youth and adults over the period 2008 to 2014. The not economically active population is the largest component of the working age population among youth, whereas among adults, the employed constitute the largest component.

Figure 1: Unemployment rate among youth and adults, 2008–2014**Figure 2: Absorption rate among youth and adults, 2008–2014**

Over the period 2008 to 2014, each year the unemployment rate among youth has been consistently higher than among adults by a large margin. In the post-recession period 2012 to 2014, the unemployment rate declined among both youth and adults - by 2,9 and 3,1 percentage points respectively. In contrast, Figure 2 shows that over the period 2008 to 2014, the absorption rate among youth has been consistently higher than among adults by a large margin. And over the period 2012 to 2014, there has been a larger increase in the absorption rate among adults (3,2 percentage points) compared with youth (up 0,9 of a percentage point).

Figure 3: Labour force participation rate among youth and adults, 2008–2014

Similar to the unemployment rate, Figure 3 shows that over the period 2008 to 2014, the labour force participation rate among adults was also higher than among youth. The rate among youth declined from 34,9% in 2008 to 29,2% in 2014 (down by 5,7 percentage points) while among adults there was a more modest decline of 2,4 percentage points from 60,4% in 2008 to 58,0% in 2014.

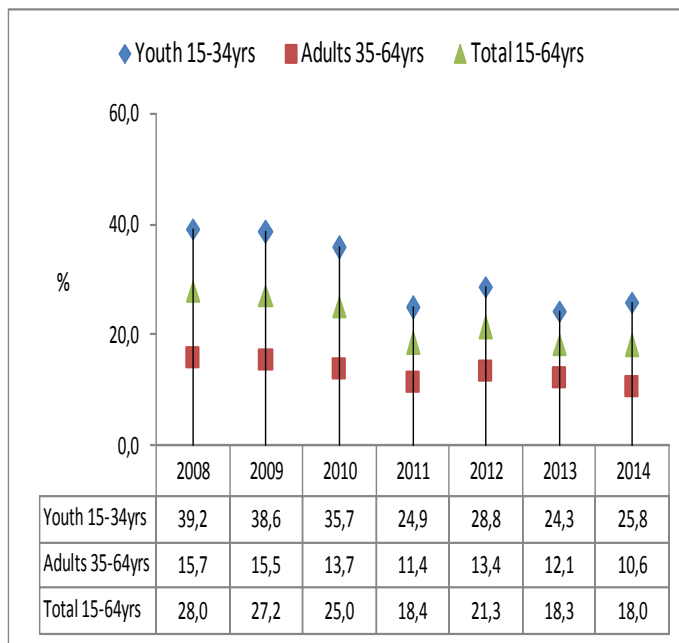
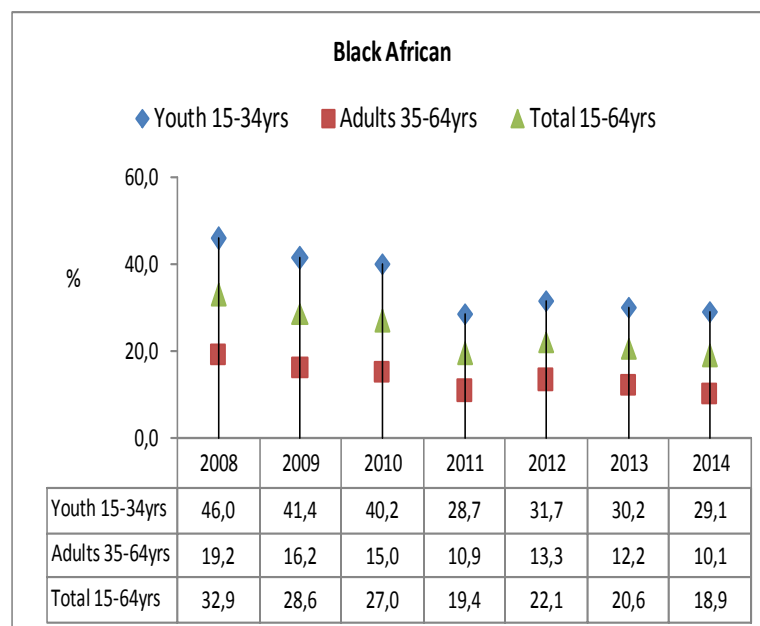
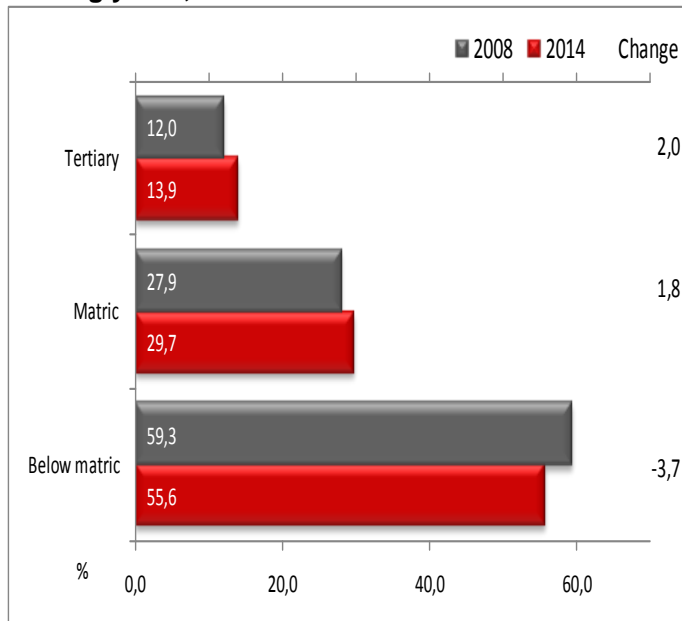
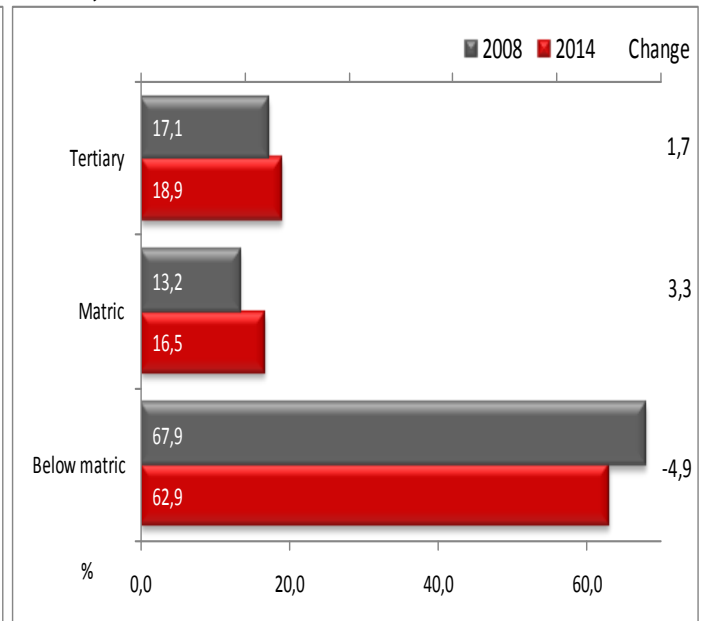
Figure 4a: Male unemployment rate among youth and adults, 2008–2014**Figure 4b: Female unemployment rate among youth and adults, 2008–2014**

Figure 4a and Figure 4b show that the unemployment rate in Limpopo has decreased among both men and women over the period 2008 to 2014 - by 10,0 and 15,3 percentage points respectively. Over the same period, male and female unemployment rates among youth were substantially higher than those of adults each year. And each year, the female unemployment rate among youth was higher than male unemployment rate.

Figure 5: Unemployment rate among youth and adults among the black African population, 2008–2014

Note: The sample sizes of the other population groups are too small for reliable estimates.

Figure 5 shows that over the period 2008-2014, the unemployment rate among youth and adults in the black African population group in Limpopo declined, but the decline was more pronounced among youth (by 16,9 percentage points) compared with adults (by 9,1 percentage points).

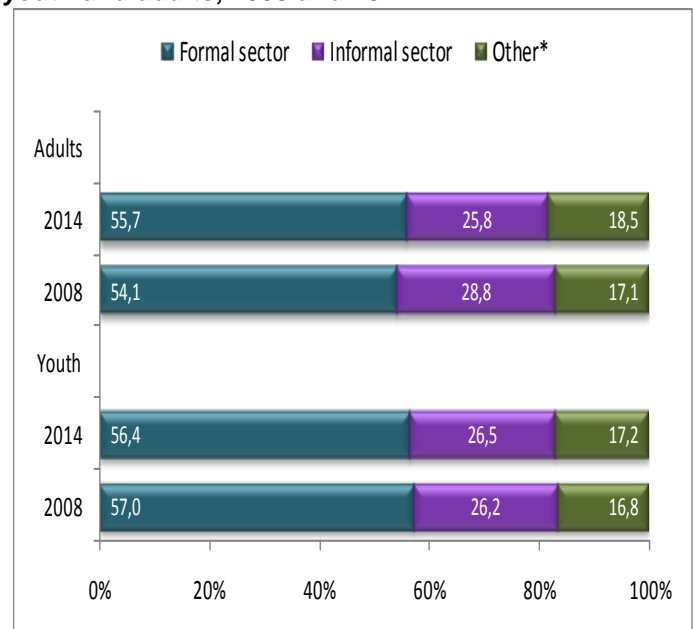
Figure 6: Education level of the labour force among youth, 2008 and 2014**Figure 7: Education level of the labour force among adults, 2008 and 2014**

The education profile of the labour force among young people and adults improved over the period 2008 to 2014 (Figure 6 and Figure 7). Declines in the percentages of the youth and adult labour force in the lowest education category (Below matric) were accompanied by increases in the percentages of those in higher education categories (Matric and Tertiary). Despite this improvement, in 2014 as many as 55,6% of the youth labour force and 62,9% of the adult labour force still only had below matric levels of education.

Employment

Table 3: Employment by sector among youth and adults, 2008–2014

Year	Age group	Formal	Informal	Other*
		Per cent		
2008	Youth	57,0	26,2	16,8
	Adults	54,1	28,8	17,1
2009	Youth	55,1	29,8	15,1
	Adults	55,9	26,3	17,8
2010	Youth	54,9	32,3	12,7
	Adults	53,1	29,0	17,9
2011	Youth	51,3	33,9	14,8
	Adults	55,6	26,5	17,9
2012	Youth	53,5	30,1	16,4
	Adults	55,3	28,0	16,7
2013	Youth	50,5	31,0	18,5
	Adults	52,0	27,7	20,3
2014	Youth	56,4	26,5	17,2
	Adults	55,7	25,8	18,5

Figure 8: Share of employment by sector among youth and adults, 2008 and 2014

Note: "Other" refers to Agriculture and Private households.

Table 3 and Figure 8 show that the formal sector provides the most jobs for young people and adults in Limpopo. Over the period 2008 to 2014 the share of formal sector jobs decreased by 0,6 of a percentage point among youth and by 1,6 percentage points among adults. Although the formal sector dominates employment opportunities in the province, the informal sector in Limpopo is relatively large, providing four out of every five jobs among both youth and adults in 2014.

Table 3a: Employment by industry among youth, 2008–2014

Industry	2008	2009	2010	2011	2012	2013	2014
Youth 15-34 years (Thousand)							
Agriculture	35	22	18	17	49	54	40
Mining	21	19	22	21	37	33	33
Manufacturing	24	23	19	21	34	28	22
Utilities	1	1	3	3	3	4	5
Construction	39	50	62	56	45	48	62
Trade	121	108	115	130	112	123	129
Transport	19	22	15	16	23	13	17
Finance	40	35	21	37	30	33	36
Community and social services	59	65	54	62	73	82	73
Private households	30	36	28	43	21	29	38
Total	388	380	358	406	427	447	455

Note: The sample size of the Utilities industry is too small for reliable estimates.

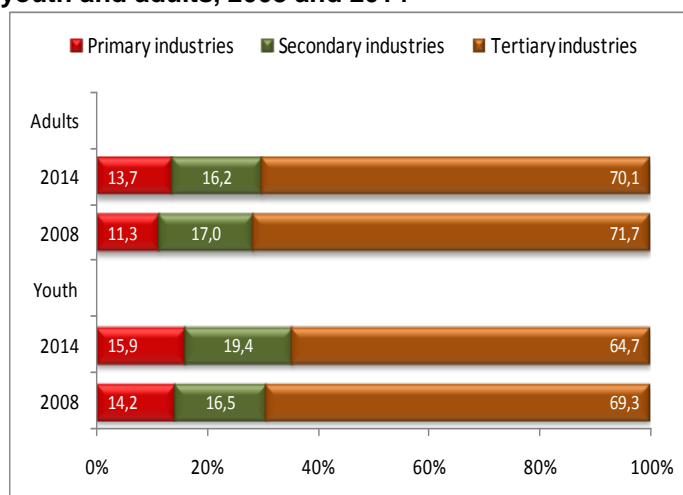
Table 3a shows that over the period 2008–2014, youth employment was highest in the Trade industry followed by the Community and social services and Construction industries. The increase in employment among youth by 67 000 over the period was largely on account of job gains in the Construction (up 23 000), Community and social services (up 14 000) and Mining (up 12 000) industries.

Table 3b: Employment by industry among adults, 2008–2014

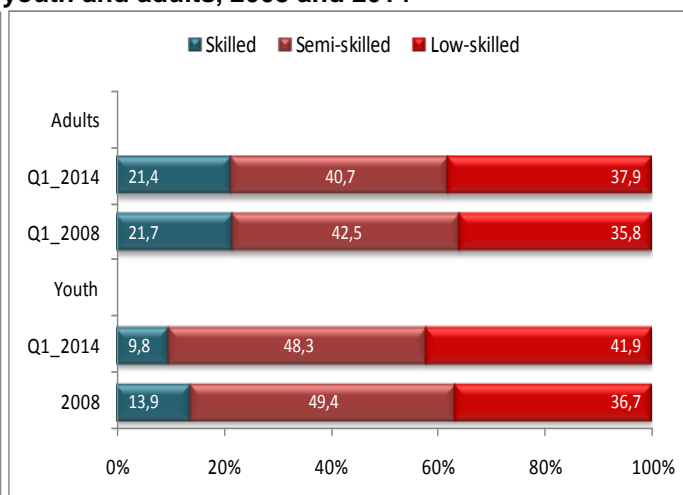
Industry	2008	2009	2010	2011	2012	2013	2014
Adults 35-64 years (Thousand)							
Agriculture	38	42	30	39	41	61	56
Mining	23	25	31	38	36	37	37
Manufacturing	46	47	43	43	38	43	57
Utilities	5	7	4	5	5	10	8
Construction	40	41	43	39	51	41	46
Trade	129	127	139	115	138	134	129
Transport	22	27	19	19	32	22	26
Finance	19	26	23	29	30	30	30
Community and social services	163	171	163	175	172	190	223
Private households	54	60	71	62	59	68	70
Total	539	573	565	562	601	637	681

Note: The sample size of the Utilities industry is too small for reliable estimates

Table 3b shows that over the period 2008–2014, adult employment was highest in the Community and social services industry which also had the largest job gains (60 000).

Figure 9: Share of employment by industry among youth and adults, 2008 and 2014

Note: "Primary" refers to Agriculture and Mining. "Secondary" to Manufacturing, Utilities and Construction. "Tertiary" refers to Trade, Transport, Finance, Services and Private households.

Figure 10: Share of employment by occupation among youth and adults, 2008 and 2014

Note: "Skilled" refers to Manager, Professional and Technician, "Semi-skilled" to Clerk, Sales, Skilled Agriculture, Craft and Operator. "Low-skilled" refers to Elementary and domestic workers.

In both 2008 and 2014, the tertiary industries provided the most jobs compared to primary and secondary industries (Figure 9). Adults had a higher share of employment in the tertiary industries compared to youth. In terms of the occupations available to youth and adults, Figure 10 shows that among both groups, the share of low-skilled occupations increased whereas skilled occupations decreased over the period 2008 and 2014.

Table 4a: Employment by occupation among youth, 2008–2014

Occupation	2008	2009	2010	2011	2012	2013	2014
Youth 15-34 years (Thousand)							
Manager	14	16	16	3	9	17	8
Professional	12	8	6	16	14	11	11
Technician	29	27	22	16	27	24	26
Clerk	45	27	29	39	40	42	41
Sales	73	77	61	85	76	87	86
Skilled agriculture	2	6	1	0	1	2	1
Craft	51	52	57	71	70	62	66
Operator	21	24	26	22	37	40	26
Elementary	116	122	122	126	139	143	168
Domestic worker	27	22	18	28	12	18	23
Total	388	380	358	406	427	447	455

Note: The sample size of Skilled agriculture is too small for reliable estimates

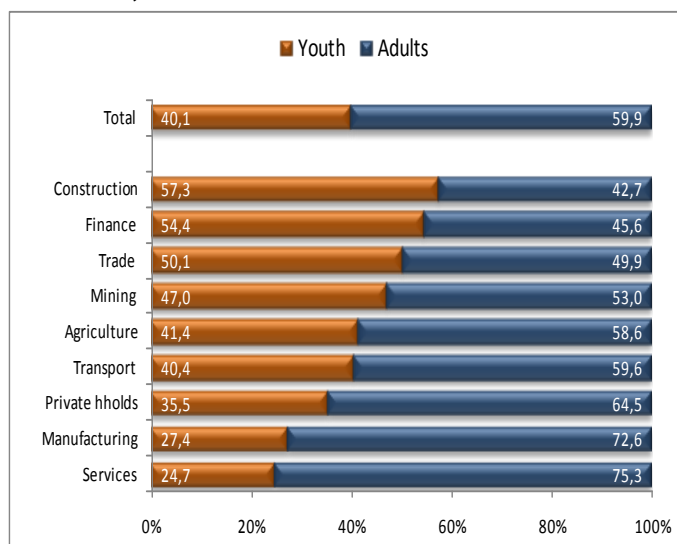
The biggest contributor to youth employment each year has been Elementary occupations followed by Sales and services, and Craft and related trades. Over the period 2008 to 2014 persons employed in Elementary and Craft and related trade occupations increased by 52 000 and 15 000 respectively.

Table 4b: Employment by occupation among adults, 2008–2014

Occupation	2008	2009	2010	2011	2012	2013	2014
Adults 35-64 years (Thousand)							
Manager	24	28	30	29	41	37	42
Professional	15	22	18	13	14	15	23
Technician	78	85	75	89	80	85	81
Clerk	32	38	36	27	37	38	54
Sales	78	73	81	77	89	99	99
Skilled agriculture	8	11	5	4	5	4	4
Craft	75	81	61	66	69	75	79
Operator	36	29	28	40	51	57	41
Elementary	149	158	184	168	169	174	199
Domestic worker	44	49	49	49	46	53	59
Total	539	573	565	562	601	637	681

Note: The sample size of Skilled agriculture is too small for reliable estimates

Over the period of 2008 to 2014 the Elementary and Domestic worker occupations increased by 50 000 and 15 000 respectively. The biggest contributor to adult employment over the years has been Elementary occupations, followed by Technicians, Sales and service, and Craft and related trade occupations.

Figure 11: Employment by industry, among youth and adults, 2014

Note: The sample size of Utilities and Skilled agriculture is too small for reliable estimates

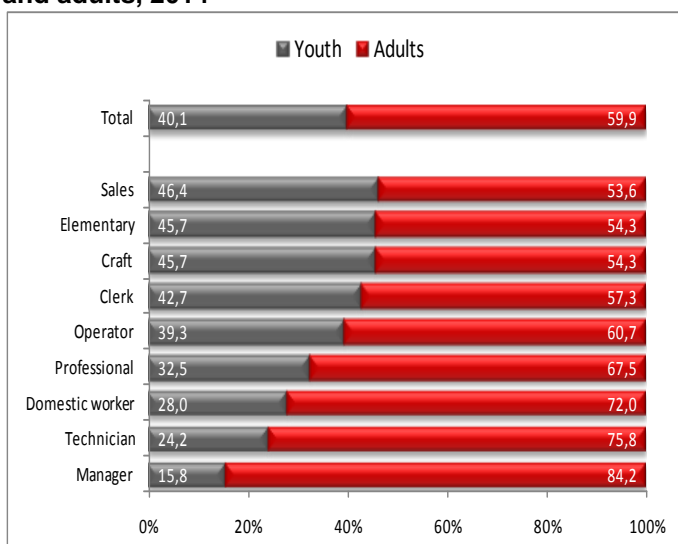
Figure 12: Employment by occupation, among youth and adults, 2014

Figure 11 shows that in 2014, the employment share of youth in the Construction, Finance, and Trade industries was higher than that of adults. Youth accounted for 50,1% of jobs in the Trade industry, and 54,4% and 57,3% in the Finance and Construction industries respectively. The Community and social services industry and Manufacturing

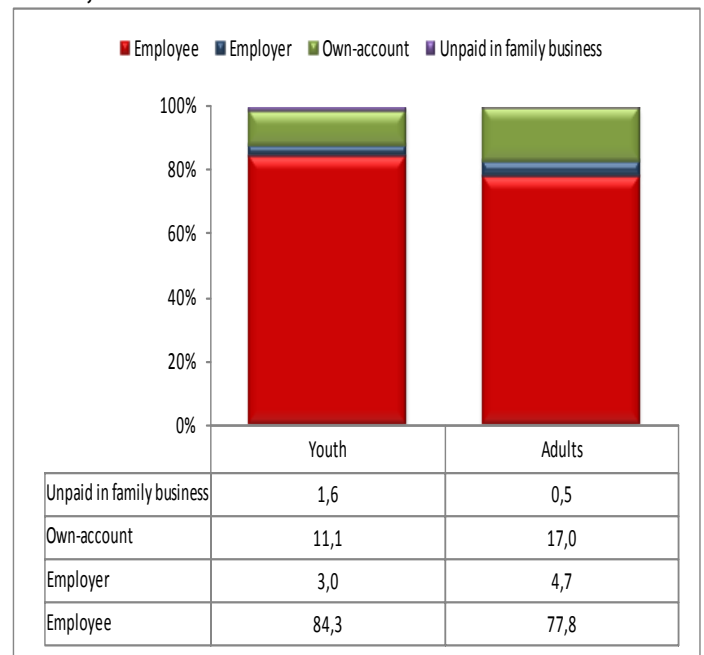
provided the most job opportunities for adults. In terms of occupations, adults had higher shares than youth across all occupational categories – ranging from as much as 84,2% of Managerial positions to 53,6% of Sales positions.

Conditions of employment, status in employment and incidence of long-term unemployment

Table 5: Status in employment among youth and adults, 2008–2014

Year	Age group	Employee	Employer	Own-account	Unpaid in family business
Per cent					
2008	Youth	82,5	5,0	10,7	1,7
	Adults	77,1	4,5	17,2	1,1
2009	Youth	80,9	5,8	11,2	2,1
	Adults	76,5	5,4	16,9	1,2
2010	Youth	79,0	3,6	14,6	2,8
	Adults	75,8	5,4	18,0	0,9
2011	Youth	78,5	4,2	15,2	2,1
	Adults	76,8	4,4	18,3	0,4
2012	Youth	80,6	3,6	13,7	2,2
	Adults	77,9	5,9	16,1	0,1
2013	Youth	81,3	4,3	12,4	1,9
	Adults	77,2	5,8	15,9	1,1
2014	Youth	84,3	3,0	11,1	1,6
	Adults	77,8	4,7	17,0	0,5

Figure 13: Status in employment among youth and adults, 2014



Each year over the period 2008 and 2014, a higher proportion of both youth and adults were employed as employees, while own-account workers and employers accounted for substantially smaller shares of total employment. In 2014 the proportion of young employees was 84,3% which was 6,5 percentage points higher than among adults (77,8%). Compared to youth, larger proportions of adults were own-account workers (17,0%) or employers (4,7%).

Table 6: Access to benefits among youth and adults, 2008–2014

Year	Age group	UIF	Medical aid	Pension
Per cent				
2008	Youth	36,5	16,7	28,4
	Adults	29,5	36,6	51,2
2009	Youth	41,9	15,7	24,5
	Adults	31,0	38,7	49,0
2010	Youth	39,8	16,1	32,2
	Adults	33,2	34,5	47,7
2011	Youth	36,2	14,7	26,7
	Adults	32,1	36,4	46,8
2012	Youth	40,7	22,4	36,3
	Adults	34,0	31,6	48,0
2013	Youth	41,3	18,6	31,1
	Adults	37,9	36,0	50,1
2014	Youth	46,2	19,0	32,7
	Adults	39,6	35,1	52,6

Figure 14: Access to benefits among youth and adults, 2014

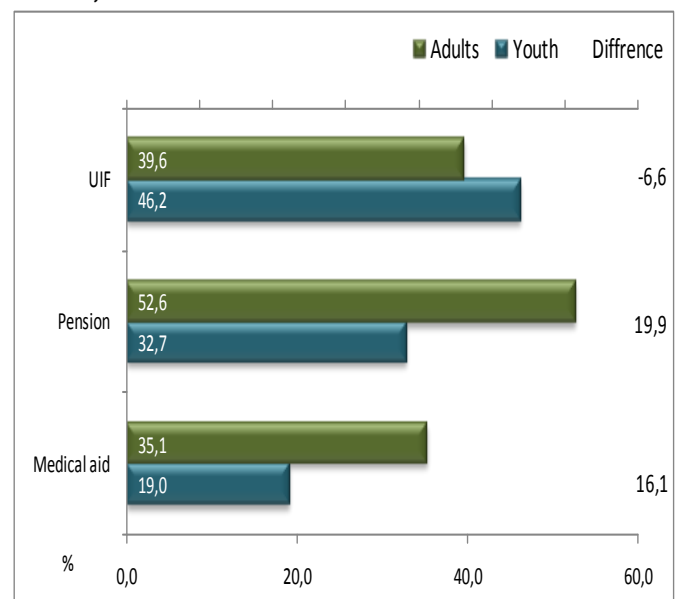
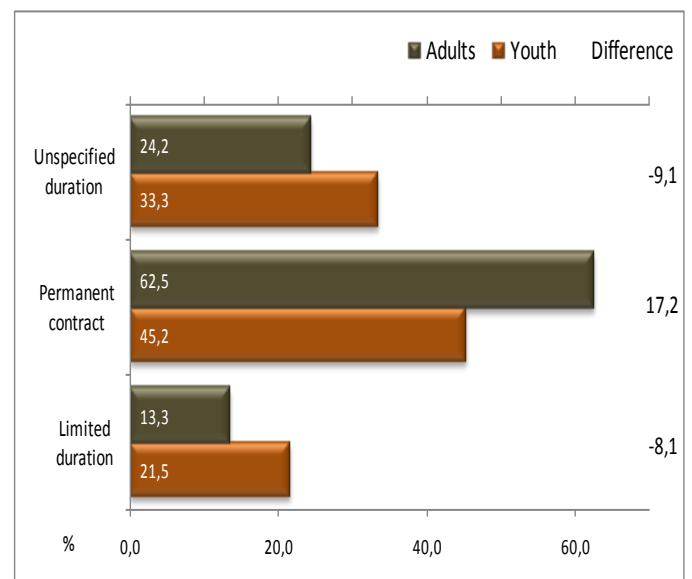


Table 6 and Figure 14 show that over the period 2008 and 2014, compared to youth, larger proportions of adults had access to medical aid and pension contributions from their employers. In contrast, over the same period, larger proportions of youth had access to UIF than adults.

Table 7: Contract duration among youth and adults, 2008–2014

Contract	Age group	Limited	Permanent	Unspecified
		Per cent		
2008	Youth	18,3	42,9	38,8
	Adults	10,6	59,5	29,9
2009	Youth	21,2	37,5	41,3
	Adults	10,5	62,3	27,2
2010	Youth	22,0	41,8	36,2
	Adults	10,4	57,6	31,9
2011	Youth	17,4	39,1	43,5
	Adults	14,0	59,1	27,0
2012	Youth	19,8	47,0	33,2
	Adults	13,8	58,8	27,4
2013	Youth	24,3	42,3	33,4
	Adults	13,3	61,0	25,7
2014	Youth	21,5	45,2	33,3
	Adults	13,3	62,5	24,2

Figure 15: Contract duration among youth and adults, 2014

The percentage of the youth with contracts of a limited duration increased from 18,3% in 2008 to 21,5% in 2014, while those with contracts of an unspecified nature decreased from 38,8% in 2008 to 33,3% over the same period (Table 7). There was also an increase in the percentage of youth on permanent contracts (from 42,9% to 45,2% over the same period). However, Figure 15 shows that in 2014, compared to adults, the percentage of youth on permanent contracts was substantially lower (45,2% among youth and 62,5% among adults).

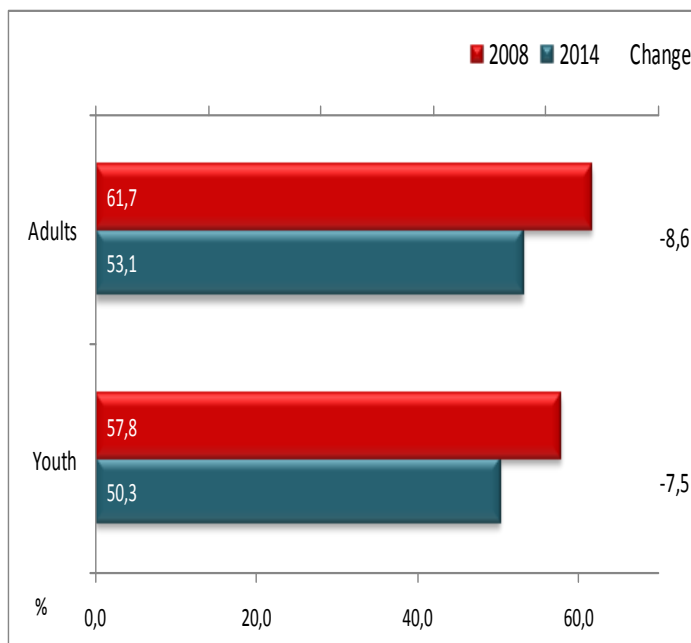
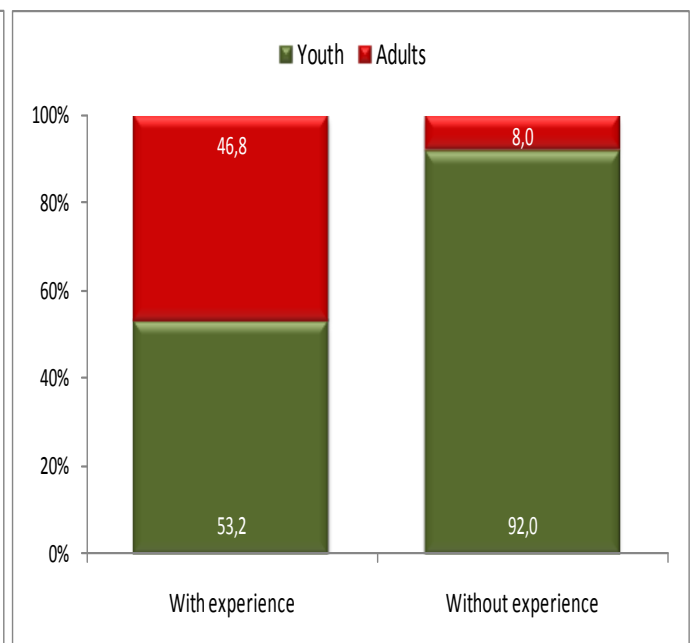
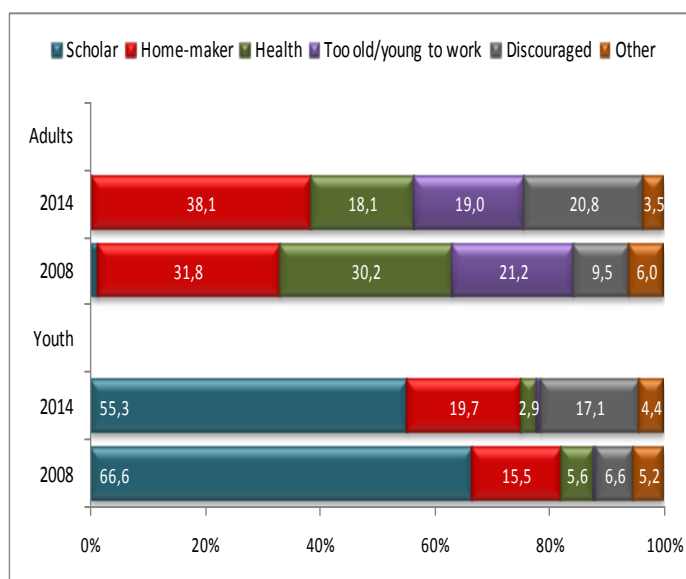
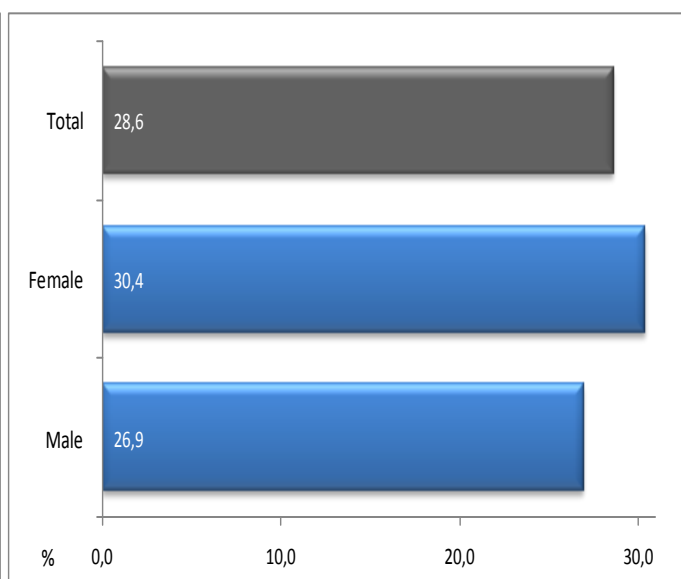
Figure 16: Incidence of long-term unemployment among youth and adults, 2008 and 2014**Figure 17: Work experience among youth and adults, 2014**

Figure 16 shows that the incidence of long-term unemployment for both youth and adults decreased over the period 2008 and 2014 - by 7,5 and 8,6 percentage points respectively. In terms of work experience Figure 17 shows that among unemployed people who had worked before, 53,2% were youth and 46,8% were adults. Among those without previous work experience as many as 92,0% were youth and only 8,0% were adults.

Figure 18: Reasons for inactivity among youth and adults, 2008 and 2014**Figure 19: Youth who are Not in Education, Employment or Training (NEET) by sex, 2014**

Note: NEET (15-24 years)

Among youth, the main reason for inactivity was because they were still studying while among adults the main reason was that they were home-makers. The NEET rate for young people aged 15-24 years was 28,6% in 2014, with higher rates among young women (30,4%) compared to their counterparts (26,9%).

Hard facts

- The working age population in Limpopo is relatively young with the largest number of people concentrated in the youngest age groups.
- The not economically active population is the largest component of the working age population among youth, whereas among adults, the employed constitute the largest component.
- Over the period 2008 to 2014, the unemployment rate among youth has been consistently higher than that of adults by a large margin.
- Conversely, over the period 2008 to 2014, the absorption rate among youth has been consistently higher than that of adults by a large margin.
- Youth employment was the highest in Trade industry followed by Community and social services and the Construction industries.
- The education profile of the labour force has improved over the period 2008 to 2014, but as many as 55,6% of the youth labour force and 62,9% of the adult labour force still only have below matric education.
- In 2014 the formal sector provided the most job opportunities among both youth and adults.
- Compared with youth, larger proportions of adults have access to medical aid and pension contributions from their employer. In contrast, access to UIF is higher among youth compared to adults.
- Among youth, the main reason for inactivity was because they were still studying while among adults the main reason was because they were homemakers.

