

# October Household Survey Statistical Release P0317

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## **OCTOBER HOUSEHOLD SURVEY, 1998:**

### **INTRODUCTION**

**This statistical release presents a selection of indicative findings and tables from Stats SA's 1998 *October household survey* (OHS). The survey gathered detailed information on approximately 100 000 people of all population groups, living in 20 000 households across the country.**

**This release also compares the available data in October 1998 on employment and unemployment among individuals, and aspects of living conditions among households, with data from the October 1996 and 1997 surveys.**

The OHS is an annual survey, based on a probability sample of a large number of households (ranging from 16 000 in 1996 through 30 000 in 1997 to 20 000 in 1998, depending on the availability of funding). It covers a range of development indicators, including unemployment rates (official and expanded), according to standard definitions of the International Labour Organisation (ILO; for these definitions see Note 1 on page 12).

Due to funding limitations, the sample size was smaller for the 1998 OHS than it was in 1997 (20 000 as against 30 000 households with 10 households per enumerator area), but larger and less clustered than in 1996 (16 000 households per cluster of two adjacent enumerator areas). The sampling and weighting procedures are similar to those used in 1997. More details of the various OHS sample sizes, sampling and weighting procedures are given in Notes 2, 3 and 4 on pages 12 and 13.

The following section of the report, *Key comparisons*, compares aspects of the 1998 OHS with those of 1996 and 1997. It examines labour market issues, including employment and unemployment according to both the official and the expanded definitions. It also examines access to infrastructure and facilities in urban and non-urban environments. Other breakdowns for OHS 1998, and several other development-related variables, are covered in the later section of *Tables*.

The 1996, 1997 and 1998 OHS data sets, weighted to the 1996 population census (adjusted upwards to take population growth into account in 1997 and 1998) are available on CD-ROM from Stats SA's users' enquiries.

A fuller comparison of the five most recent OHSs, from 1994 to 1998, will follow at a later stage when all existing OHS data sets have been re-weighted to new population estimates based on the 1996 population census, and harmonisation across data sets has been completed.

Comparisons between four OHSs (1994 to 1997) in respect of employment and unemployment and the associated breakdowns have already been issued, both as a statistical release (PO317.10) and as an analytical report: *Unemployment and employment in South Africa*. These publications are available from users' enquiries. Because the 1996 census results were not yet available to use for weighting when they were written, the data in these two publications had to be weighted according to the post-enumeration survey of the census. They differ slightly from those reported here.

### **KEY COMPARISONS BETWEEN THE OHSs OF '96, '97 AND '98**

Certain changes are difficult to detect over a one- or two- or even three-year time period, since they become measurable only in the longer term. For example patterns regarding changes in the level of education of the population aged 20 years or more are difficult to isolate in such a short time frame. On the other hand, some changes, such as access to employment and to formal housing, are easier to detect during a shorter time period.

This summary focuses on those possible short-term changes between 1996, 1997 and 1998. But such findings need to be viewed with caution, since they are based on three separate cross-sectional samples. Although Stats SA has calculated standard errors and confidence intervals for certain variables to take sampling errors into account, and to indicate which changes are statistically significant, a longer time series is required to examine these changes more thoroughly.

***Labour market trends in OHS 1996, 1997 and 1998, based on the official definition of unemployment***

**In the 1996 and 1997 OHS statistical releases, those working in the mining sector were excluded from the calculations of labour force statistics, since the sampling frame did not adequately cover mining hostels. But in 1998, for the first time, the sampling frame was able to *include* these hostels. In this publication, Stats SA has *included* those working in the mining sector in 1996 and 1997 wherever possible, even though they were excluded previously, to make the data comparable with 1998. The 1996 and 1997 mining employment figures were obtained from the formal establishment-based *Survey of total employment and earnings* (STEE). As a result, the labour market statistics given for OHS 1996 and 1997 in this release may differ in this respect from those given in the original 1996 and 1997 statistical releases.**

Table A on page 5 compares overall labour market trends in 1996, 1997 and 1998, based on the official definition of unemployment (*See Note 1 for this definition*). It looks at the total number of people in the age category 15-65 years (those of working age), and the estimated change in the size of this population. It also indicates the number of people in this age category over the three-year period who were not economically active (for example, students, full-time homemakers and the disabled who were unable to work), and those who were (both the employed and the unemployed according to the official definition of unemployment).

Among the employed, it compares the actual number of people working in business establishments according to the *Survey of total employment and earnings* (STEE) of September 1996, 1997 and 1998, with the number employed in various other types of employment across the three OHSs. The STEE does not presently collect information on the following sectors:

- . agriculture, hunting forestry and fishing;
- b. restaurants and other eating and drinking places;
- c. boarding houses, caravan parks and guest farms;
- d. water and air transport;
- e. financial institutions other than banks and insurance companies;
- f. real estate and business services;
- g. private educational services;
- h. medical, dental and other health services;
- i. welfare and religious organisations; and
- j. recreational and cultural services.

k. The table shows that:

- Overall, the number of jobs in the formal sector as measured by STEE had declined from 5,2 to 4,9 million between September 1996 and September 1998 (row a).
- At the same time, the total number of those employed, including those in jobs that are not covered in STEE, had stayed approximately stable at 9,3 to 9,4 million between 1996 and 1998.
- It may be that certain employment opportunities are increasing, particularly in the informal sector, which increased from 1,0 million to 1,3 million.
- At the same time, a larger proportion of people are entering the labour market, and looking for work leading to a rise in the economically active total from 11,5 to 12,6 million (row c).
- But work opportunities appear to be limited, leading to rising unemployment from 2,2 to 3,2 million.

**When employment in the mining sector is included, the official unemployment rate was 19,3% in 1996, increasing to 21,0% in 1997 and 25,2% in 1998.**

**TABLE A: LABOUR MARKET STATISTICS, INCLUDING THE MINING SECTOR, BASED ON THE OFFICIAL DEFINITION OF UNEMPLOYMENT, OCTOBER 1996, 1997 and 1998**

| Labour market variables<br><br>(i) |                                                                                                                      | 1996              | 1997               | 1998              |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|-------------------|
|                                    |                                                                                                                      | N (000's)<br>(ii) | N (000's)<br>(iii) | N (000's)<br>(iv) |
| a)                                 | <b>Total Employed</b>                                                                                                | <b>9 287</b>      | <b>9 247</b>       | <b>9 390</b>      |
|                                    | <b>Among the employed:</b>                                                                                           |                   |                    |                   |
|                                    | <b>Employed in the formal sector STEE survey (excluding agriculture and certain activities, not covered in STEE)</b> | 5 242             | 5 139              | 4 945             |
|                                    | <b>Employed in agriculture</b>                                                                                       | * 759             | 717                | 935               |
|                                    | <b>Employed in the formal sector in activities not covered in STEE</b>                                               | 1 550             | 1 587              | 1 445             |
|                                    | <b>Employed in the informal sector</b>                                                                               | ** 996            | 1 136              | 1 316             |
|                                    | <b>Employed in domestic service</b>                                                                                  | 740               | 668                | 749               |
| b)                                 | <b>Total unemployed (official definition)</b>                                                                        | <b>2 224</b>      | <b>2 451</b>       | <b>3 163</b>      |
| c)                                 | <b>Total economically active = a + b</b>                                                                             | <b>11 511</b>     | <b>11 698</b>      | <b>12 553</b>     |
| d)                                 | <b>Total not economically active</b>                                                                                 | <b>13 146</b>     | <b>13 414</b>      | <b>13 157</b>     |
| e)                                 | <b>Total aged 15-65 years = c + d</b>                                                                                | <b>24 657</b>     | <b>25 112</b>      | <b>25 710</b>     |
| f)                                 | <b>Official unemployment rate (including mining) = b * 100 / c</b>                                                   | <b>19,3%</b>      | <b>21,0%</b>       | <b>25,2%</b>      |

\* The sample size was smaller (16 000 households), and more clustered, in 1996 (20 households per combined cluster of two enumerator areas or EAs), compared with 1997 (30 000 households and 10 households per EA) and 1998 (20 000 households and 10 households per EA). Therefore statistics by industry should be treated with caution.

\*\* The questionnaire in 1996, while differentiating between the self-employed and employers in the formal and informal sectors, did not distinguish between *employees* in the formal, as against those in the informal sector, but this distinction was made in 1997 and 1998, giving a more complete picture of the informal sector. The size of the sector in

1996 has therefore been estimated on the basis of the proportions of informal employers and employees in 1997 and 1998.

### ***Labour market growth***

Figure 1 is based on the official definition of unemployment, as derived in Table A above, for 1996 to 1998. It shows the following:

- The size of the *not economically active* population *increased slightly* between 1996 and 1997 (from 13,7 to 14,0 million), and then *decreased* between 1997 and 1998 (from 14,0 million to 13,2 million). This means that more people, for example previous homemakers and students, as well as new entrants to the labour market, were available for work in 1998, and *had* looked for work in the four weeks prior to the OHS 1998 interview, compared with 1996 and 1997.
- The number of employed had remained roughly constant (9,3 to 9,4 million), but the number of unemployed increased (from 2,2 million to 3,2 million).
- The economically active population increased steadily over this three-year time period (from 11,5 million in 1996 to 12,6 million in 1998).
- The increase in the number of unemployed people is not necessarily due to actual job losses. It may be due to other factors such as the increased size of the working-age population, and the larger number of people reporting as economically active.
- Not shown in the graph is that between October 1996 and October 1998, an increasing number of people were found within the age category 15-65 years (24,7 million in 1996 rising to 25,7 million in 1998).

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### ***Labour market trends in OHS 1996, 1997 and 1998, based on the expanded definition of unemployment***

The main difference between the official and the expanded definitions of unemployment is the requirement in the former of engaging in job seeking in the four weeks prior to the interview for the survey (*see Note 1 for both definitions*).

These definitions have an effect on the size of what is considered to be the labour market. Table B below compares overall labour market trends in 1996, 1997 and 1998, based on the expanded definition of unemployment.

When compared with Table A, Table B shows that the size of the economically active population *increases* when the expanded definition is used. The size of the not economically active population accordingly *decreases*.

- For example, Table A shows that in October 1996 the size of the economically active population (row c) was 11,5 million, when using the official definition of

unemployment. But it increased to 13,9 million (row C) when using the expanded definition, as indicated in Table B.

- The number of people who were not economically active *decreases* in 1996 from 13,1 million (Table A), using the official unemployment definition to 10,8 million, using the expanded one (Table B).
- The number of unemployed in 1996 is measured at 2,2 million in 11,5 million economically active (19,3%) using the official definition (Table A) and at 4,6 million in 13,9 million economically active (33,0%) using the expanded definition (Table B).

**TABLE B: LABOUR MARKET STATISTICS, INCLUDING THE MINING SECTOR, BASED ON THE EXPANDED**

**DEFINITION OF UNEMPLOYMENT, OCTOBER 1996, 1997 and 1998**

| Labour market variables<br>(i) |                                                                                                                          | 1996              | 1997               | 1998              |
|--------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|-------------------|
|                                |                                                                                                                          | N (000's)<br>(ii) | N (000's)<br>(iii) | N (000's)<br>(iv) |
| <b>A</b>                       | <b>Total Employed</b>                                                                                                    | <b>9 287</b>      | <b>9 247</b>       | <b>9 390</b>      |
|                                | <b>Among the employed:</b>                                                                                               |                   |                    |                   |
|                                | <b>Employed in the formal sector STEE survey<br/>(excluding agriculture and certain activities, not covered in STEE)</b> | 5 242             | 5 139              | 4 945             |
|                                | <b>Employed in agriculture</b>                                                                                           | * 759             | 717                | 935               |
|                                | <b>Employed in the formal sector in activities not covered in STEE</b>                                                   | 1 550             | 1 587              | 1 445             |
|                                | <b>Employed in the informal sector</b>                                                                                   | ** 996            | 1 136              | 1 316             |
|                                | <b>Employed in domestic service</b>                                                                                      | 740               | 668                | 749               |
| <b>B</b>                       | <b>Total unemployed (expanded definition)</b>                                                                            | <b>4 566</b>      | <b>5 202</b>       | <b>5 634</b>      |
| <b>C</b>                       | <b>Total economically active = A + B</b>                                                                                 | <b>13 853</b>     | <b>14 449</b>      | <b>15 024</b>     |
| <b>D</b>                       | <b>Total not economically active</b>                                                                                     | <b>10 804</b>     | <b>10 663</b>      | <b>10 686</b>     |
| <b>E</b>                       | <b>Total aged 15-65 years = C + D</b>                                                                                    | <b>24 657</b>     | <b>25 112</b>      | <b>25 710</b>     |

|          |                                                                        |              |              |              |
|----------|------------------------------------------------------------------------|--------------|--------------|--------------|
| <b>F</b> | <b>Expanded unemployment rate (including mining) =<br/>B * 100 / C</b> | <b>33,0%</b> | <b>36,0%</b> | <b>37,5%</b> |
|----------|------------------------------------------------------------------------|--------------|--------------|--------------|

\* The sample size was smaller (16 000 households), and more clustered, in 1996 (20 households per combined cluster of two enumerator areas or EAs), compared with 1997 (30 000 households and 10 households per EA) and 1998 (20 000 households and 10 households per EA). Therefore statistics by industry should be treated with caution.

\*\* The questionnaire in 1996, while differentiating between the self-employed and employers in the formal and informal sectors, did not distinguish between *employees* in the formal, as against those in the informal sector, but this distinction was made in 1997 and 1998, giving a more complete picture of the informal sector. The size of the sector in 1996 has therefore been estimated on the basis of the proportions of informal employers and employees in 1997 and 1998.

#### *Breakdown of unemployment by urban and non-urban areas, gender and race*

**Since STEE does not give breakdowns by population group, gender or area of residence of the workers, it has not been possible to include the mining sector in 1996 and 1997 when looking at breakdowns on unemployment by such demographic variables. Consequently, for this section of the report, giving breakdowns, the mining sector has been excluded from the 1998 data to make it comparable to 1996 and 1997 OHS data. The unemployment rates given here accordingly differ from those given earlier.**

Unemployment rates showed some changes over the time frame from 1996 to 1998, not only by urban or non-urban place of residence, but also by gender and population group, using either the official or the expanded definition of unemployment.

Table C on page 8 compares unemployment rates in 1996, 1997 and 1998 by urban or non-urban place of residence, race and gender, in terms of the official definition of unemployment, while Table D compares them using the expanded definition. In both tables, the mining sector has been *excluded*.

Table C shows that

- The increase in unemployment (*excluding the mining sector*) using the official definition affects both urban and non-urban areas. In 1998, for example, 20,5% of economically active males in urban areas and 28,0% in non-urban areas were unemployed, as against 15,1% of economically active males in urban and 20,7% economically active males in non-urban areas in 1996.
- The highest official unemployment rate in October 1998 was found among African economically active females living in non-urban areas (39,9%).
- The second highest rate in 1998 was found among African economically active females living in urban areas (37,4%).
- White economically active males were least likely to be unemployed in 1998 (4,1%).

**TABLE C: OFFICIAL UNEMPLOYMENT RATES AMONGST MALES AND FEMALES LIVING IN URBAN AND NON-URBAN AREAS BY POPULATION GROUP (EXCLUDING THE MINING SECTOR), OCTOBER 1996, 1997 AND 1998**

| Gender, population group and type of unemployment rate | Urban male | Urban female | Non-urban male | Non-urban female | Total Male | Total female | Total  |
|--------------------------------------------------------|------------|--------------|----------------|------------------|------------|--------------|--------|
| (i)                                                    | %*         | %*           | %*             | %*               | %*         | %*           | %*     |
|                                                        | (ii)       | (iii)        | (iv)           | (v)              | (vi)       | (vii)        | (viii) |
| <b>(a) All population groups:</b>                      |            |              |                |                  |            |              |        |
| <b>Official unemployment rate: 1996</b>                | 15,1       | 22,2         | 20,7           | 31,7             | 16,8       | 24,8         | 20,3   |

|                                         |      |      |      |      |      |      |      |
|-----------------------------------------|------|------|------|------|------|------|------|
| <b>Official unemployment rate: 1997</b> | 16,8 | 24,4 | 22,4 | 32,4 | 18,4 | 26,6 | 22,0 |
| <b>Official unemployment rate: 1998</b> | 20,5 | 27,2 | 28,0 | 37,0 | 22,9 | 30,2 | 26,1 |
| <b>(b) Africans:</b>                    |      |      |      |      |      |      |      |
| <b>Official unemployment rate: 1996</b> | 21,3 | 31,1 | 23,7 | 35,1 | 22,2 | 32,6 | 26,8 |
| <b>Official unemployment rate: 1997</b> | 23,6 | 33,5 | 24,5 | 34,5 | 23,9 | 33,8 | 28,3 |
| <b>Official unemployment rate: 1998</b> | 28,6 | 37,4 | 30,7 | 39,9 | 29,5 | 38,4 | 33,4 |
| <b>(c) Coloureds:</b>                   |      |      |      |      |      |      |      |
| <b>Official unemployment rate: 1996</b> | 11,2 | 16,8 | - ** | - ** | 9,9  | 14,4 | 11,9 |
| <b>Official unemployment rate: 1997</b> | 14,7 | 19,8 | - ** | - ** | 13,1 | 18,3 | 15,3 |
| <b>Official unemployment rate: 1998</b> | 15,6 | 20,8 | - ** | - ** | 13,4 | 18,9 | 15,8 |
| <b>(d) Indians:</b>                     |      |      |      |      |      |      |      |
| <b>Official unemployment rate: 1996</b> | 9,5  | 13,0 | - ** | - ** | 9,1  | 13,0 | 10,8 |
| <b>Official unemployment rate: 1997</b> | 8,4  | 12,2 | - ** | - ** | 8,5  | 12,2 | 9,8  |
| <b>Official unemployment rate: 1998</b> | 13,6 | 17,2 | - ** | - ** | 13,7 | 16,9 | 14,8 |
| <b>(e) Whites:</b>                      |      |      |      |      |      |      |      |
| <b>Official unemployment rate: 1996</b> | 3,7  | 4,5  | - ** | - ** | 3,4  | 4,3  | 3,8  |
| <b>Official unemployment rate: 1997</b> | 3,0  | 5,0  | - ** | - ** | 3,1  | 5,3  | 4,0  |
| <b>Official unemployment rate: 1998</b> | 4,2  | 5,2  | - ** | - ** | 4,1  | 5,0  | 4,5  |

\* Each percentage is a percentage of all people in that particular category. For example, in the block labelled (c) in column (ii) we see that in 1996, according to the official definition of unemployment, 11,2% of economically active coloured males living in urban areas were unemployed.

\*\* Number of responses were too few for this analysis

Table D shows the corresponding breakdowns for the expanded unemployment rate.

| <b>TABLE D: EXPANDED UNEMPLOYMENT RATES AMONGST MALES AND FEMALES LIVING IN URBAN AND NON-URBAN AREAS BY POPULATION GROUP, OCTOBER 1996, 1997 AND 1998</b> |              |               |              |               |              |               |               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------------|--------------|---------------|--------------|---------------|---------------|
|                                                                                                                                                            | <b>Urban</b> | <b>Urban</b>  | <b>Non-</b>  | <b>Non-</b>   | <b>Total</b> | <b>Total</b>  | <b>Total</b>  |
| <b>Gender, population group and type</b>                                                                                                                   | <b>male</b>  | <b>female</b> | <b>urban</b> | <b>urban</b>  | <b>male</b>  | <b>female</b> |               |
| <b>of unemployment rate</b>                                                                                                                                |              |               | <b>male</b>  | <b>female</b> |              |               |               |
| <b>(i)</b>                                                                                                                                                 | <b>%*</b>    | <b>%*</b>     | <b>%*</b>    | <b>%*</b>     | <b>%*</b>    | <b>%*</b>     | <b>%*</b>     |
|                                                                                                                                                            | <b>(ii)</b>  | <b>(iii)</b>  | <b>(iv)</b>  | <b>(v)</b>    | <b>(vi)</b>  | <b>(vii)</b>  | <b>(viii)</b> |
| <b>(a) All population groups:</b>                                                                                                                          |              |               |              |               |              |               |               |
| <b>Expanded unemployment rate: 1996</b>                                                                                                                    | 23,9         | 35,1          | 37,5         | 54,6          | 28,3         | 41,4          | 34,4          |
| <b>Expanded unemployment rate: 1997</b>                                                                                                                    | 25,2         | 37,6          | 42,0         | 59,5          | 30,7         | 45,2          | 37,4          |
| <b>Expanded unemployment rate: 1998</b>                                                                                                                    | 28,5         | 39,3          | 41,1         | 56,7          | 32,7         | 45,4          | 38,6          |
| <b>(b) Africans:</b>                                                                                                                                       |              |               |              |               |              |               |               |
| <b>Expanded unemployment rate: 1996</b>                                                                                                                    | 33,2         | 46,8          | 41,8         | 58,2          | 36,7         | 51,1          | 43,8          |
| <b>Expanded unemployment rate: 1997</b>                                                                                                                    | 34,7         | 49,2          | 45,0         | 61,9          | 39,0         | 54,8          | 46,5          |
| <b>Expanded unemployment rate: 1998</b>                                                                                                                    | 38,5         | 51,2          | 44,2         | 59,6          | 40,9         | 54,9          | 47,6          |
| <b>(c) Coloureds:</b>                                                                                                                                      |              |               |              |               |              |               |               |
| <b>Expanded unemployment rate: 1996</b>                                                                                                                    | 16,4         | 24,6          | 6,8          | 12,2          | 14,6         | 22,6          | 18,3          |
| <b>Expanded unemployment rate: 1997</b>                                                                                                                    | 20,1         | 27,7          | 10,1         | 20,7          | 18,4         | 26,7          | 22,1          |
| <b>Expanded unemployment rate: 1998</b>                                                                                                                    | 21,9         | 30,0          | 9,3          | 22,5          | 19,7         | 28,8          | 23,9          |
| <b>(d) Indians:</b>                                                                                                                                        |              |               |              |               |              |               |               |

|                                         |      |      |     |     |      |      |      |
|-----------------------------------------|------|------|-----|-----|------|------|------|
| <b>Expanded unemployment rate: 1996</b> | 12,3 | 19,5 | -** | -** | 11,8 | 20,0 | 14,9 |
| <b>Expanded unemployment rate: 1997</b> | 10,2 | 17,1 | -** | -** | 10,2 | 17,1 | 12,8 |
| <b>Expanded unemployment rate: 1998</b> | 16,4 | 25,3 | -** | -** | 16,4 | 24,9 | 19,5 |
| <b>(e) Whites:</b>                      |      |      |     |     |      |      |      |
| <b>Expanded unemployment rate: 1996</b> | 4,6  | 6,6  | -** | -** | 4,4  | 6,5  | 5,3  |
| <b>Expanded unemployment rate: 1997</b> | 4,3  | 8,6  | -** | -** | 4,3  | 9,9  | 6,2  |
| <b>Expanded unemployment rate: 1998</b> | 5,9  | 7,8  | -** | -** | 5,8  | 7,6  | 6,6  |

\* Each percentage is a percentage of all people in that particular category. For example, in the block labelled (c) in column (ii) we see that in 1996, according to the expanded definition of unemployment, 16,4% of economically active coloured males living in urban areas were unemployed.

\*\* Number of responses were too few for this analysis.

#### ***Access to infrastructure in urban and non-urban areas by population group of household head***

Access to infrastructure varied, not only by whether the household lived in an urban or non-urban area in October 1996, 1997 and 1998, but also by the population group of the household head.

Table E on page 10 indicates these findings. Only the total numbers and percentages of households with access to infrastructure in the country as a whole, and those households headed by Africans are shown in this table, since relatively few coloured-, Indian- and white-headed households did not have access to these facilities.

The table shows the following:

- Across all three years, a larger proportion of urban households continued to have access to infrastructure compared with non-urban households.
- The access of African-headed households to infrastructure in general, as well as in urban and non-urban areas, had improved in some respects in October 1998 compared with October 1996, taking sampling error into account. For example, in 1996, 48% of African-headed households had access to running water in the dwelling or on site. This proportion had increased to around 52% in 1998.
- African-headed households in non-urban areas were the least likely group, overall, to have access to infrastructure, in all three years. For example, in 1996, only 21% of non-urban African-headed households had access to running water inside the dwelling or on site, compared with 78% of African-headed households in urban areas. By 1998 however, the proportion of African-headed households in non-urban areas with access to running water in the dwelling or on site had increased to 26%.
- In urban areas, a constant number of households with access to running water inside the dwelling or on site may be a declining *percentage* of households in total, if the latter increases with population. But the highest value in 1997 is due to sampling error. When looking at 95% confidence limits in 1997, the lower limit is 4 719 000 households with access to running water inside the dwelling or on site, while the upper limit is 5 236 000. The estimated number of households with this type of access in 1996 was 4 721 000, while in 1998 it was 4 866 000. Both these estimates fall within the 1997 95% confidence limits (i.e. between 4 719 000 and 5 236 000). The differences in the number of households in urban areas with access to running water inside the dwelling or on site across the three years are thus not statistically significant. We can be 95% confident that the number of households with access to running water inside the dwelling or on site has remained approximately constant. (Those readers who require more information on confidence limits for a variety of variables across the three years should contact Stats SA's user enquiries)
- Access to a cellular telephone, or to a telephone inside the dwelling, showed a pattern of increasing access over time, probably due to growing use of cellular telephones. The lowest number in 1997 of non-urban households with access to this commodity, compared to the number of households in non-urban areas with access in 1996 and 1998, is again not statistically significant, and is due to sampling error.

**TABLE E: THE PERCENTAGE OF HOUSEHOLDS WITH ACCESS TO INFRASTRUCTURE IN URBAN AND NON-URBAN AREAS BY POPULATION GROUP OF HOUSEHOLD HEAD**

| Type of infrastructure in urban and non-urban areas<br><br>(i)     | Total households with access |                    |                   | Households with access to infrastructure by population group of household head |            |             |              |            |           |
|--------------------------------------------------------------------|------------------------------|--------------------|-------------------|--------------------------------------------------------------------------------|------------|-------------|--------------|------------|-----------|
|                                                                    |                              |                    |                   | Total                                                                          |            |             | African      |            |           |
|                                                                    | 1996                         | 1997               | 1998              | 1996                                                                           | 1997       | 1998        | 1996         | 1997       | 1998      |
|                                                                    | N (000's)<br>(ii)            | N (000's)<br>(iii) | N (000's)<br>(iv) | %*<br>(v)                                                                      | %*<br>(vi) | %*<br>(vii) | %*<br>(viii) | %*<br>(ix) | %*<br>(x) |
| (a) Both urban and non-urban: Running water in dwelling or on site | 5 644                        | 5 954              | 5 952             | 62,2                                                                           | 64,3       | 64,1        | 47,6         | 51,9       | 51,5      |
| Electricity for main lighting source                               | 5 629                        | 6 028              | 6 192             | 62,1                                                                           | 65,1       | 66,7        | 47,6         | 53,5       | 55,4      |
| Cell phone/telephone in dwelling                                   | 3 257                        | 3 536              | 3 905             | 35,9                                                                           | 38,2       | 42,0        | 14,1         | 17,4       | 18,4      |
| Total number of households                                         | 9 067                        | 9 258              | 9 288             |                                                                                |            |             |              |            |           |
| (b) Urban:<br>Running water in dwelling or on site                 | 4 721                        | 4 984              | 4 866             | 86,9                                                                           | 88,4       | 87,3        | 77,8         | 81,5       | 79,0      |
| Electricity for main lighting source                               | 4 478                        | 4 747              | 4 754             | 82,5                                                                           | 84,2       | 85,2        | 70,3         | 74,8       | 75,9      |
| Cell phone/telephone in dwelling                                   | 3 028                        | 3 337              | 3 581             | 55,8                                                                           | 59,2       | 64,2        | 27,4         | 32,1       | 32,4      |

|                                                                |       |       |       |      |      |      |      |      |      |
|----------------------------------------------------------------|-------|-------|-------|------|------|------|------|------|------|
| <b>Total number of households</b>                              | 5 430 | 5 636 | 5 577 |      |      |      |      |      |      |
| <b>(c) Non-urban:<br/>Running water in dwelling or on site</b> | 923   | 970   | 1 087 | 25,4 | 26,8 | 29,3 | 20,9 | 23,4 | 25,7 |
| <b>Electricity for main lighting source</b>                    | 1 150 | 1 281 | 1 438 | 31,6 | 35,4 | 38,8 | 27,6 | 32,9 | 36,3 |
| <b>Cell phone/telephone in dwelling</b>                        | 238   | 199   | 323   | 6,5  | 5,5  | 8,7  | 2,5  | 3,1  | 5,3  |
| <b>Total number of households</b>                              | 3 637 | 3 622 | 3 710 |      |      |      |      |      |      |

\* Each percentage is a percentage of all people in that particular category. For example, in second column of the second row of the block labelled (c) we read in column (ii) that in non-urban areas 923 000 households altogether had running water inside the dwelling, in the back yard or on the site where they lived in 1996. This means that 25,4% of all households (column v) had running water in the dwelling or on site in 1996.

***Type of dwelling in which households live in urban and non-urban areas***

Figure 2 shows that approximately 76% of households were living in formal dwellings such as a house on a separate stand, a flat in a block of flats, a townhouse or a brick room or a flatlet in a back yard, retirement villages or a hostel, in October 1998. This proportion was higher in urban and lower in non-urban areas. Approximately 14% of households in urban areas were living in informal housing or shacks, either in informal settlements or in back yards. In non-urban areas, 28% were living in traditional dwellings.

**Figure 2:**

**Type of dwellings in which households live in urban and non-urban areas**

**October 1998**



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## NOTES

### *1. Official and expanded unemployment rates*

Statistics South Africa (Stats SA) uses the following definition of unemployment as its *official* definition. The *unemployed* are those people within the *economically active population*, who: (a) did not work during the seven days prior to the interview, (b) want to work and are available to start work within a week of the interview, and (c) have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview. The *expanded unemployment rate* excludes criterion (c).

Among those who are included in the expanded but not the official definition of unemployment will be discouraged job seekers (those who said they were unemployed but had not taken active steps to find work in the four weeks prior to the interview).

Stats SA reports on the situation of the unemployed using both the official and the expanded definition. In the present economic climate, there is a proportion of discouraged work seekers who face constraints, for example high travel costs and lack of transport, when seeking work.

### *2. Sampling of the successive OHS surveys*

Altogether, six October household surveys have been conducted. The first OHS was undertaken in October 1993, but this survey is not comparable with the other later surveys, since it excluded the former Transkei, Bophuthatswana, Venda and Ciskei (TBVC states).

- The 1994 OHS was the one to be conducted that covered the entire country, including the former TBVC states. Interviews were conducted with respondents in 30 000 households in 1 000 enumeration areas (EAs). Thirty households were visited in each EA.
- In 1995, the OHS was also conducted among 30 000 households. However, the sample was more widely dispersed throughout the country. Three thousand, rather than 1 000 EAs were sampled, and interviews were conducted in 10 households in each EA.
- In 1996, the survey was conducted in November, since enumeration for the 1996 population census took place in October. Due to time and financial constraints, 16 000 households were visited in 1 600 EAs (800 pairs of adjacent EAs).
- In 1997, the sample size was once again increased to 30 000 households, selected from 3 000 sampled EAs.
- In 1998, due to budget constraints, the sample size was reduced to 20 000 in 2 000 EAs.

This release of the 1998 OHS forms part of a series of releases of household survey information.

Statistics South Africa plans to do further comparisons of the data across these surveys in a variety of future publications. In its *Statistical release P0317.10*, it has already compared employment and unemployment situation in the country in 1994, 1995, 1996 and 1997 using the October household surveys, weighted at the time to the results of the post-enumeration survey, since the census results were not yet available.

### ***3. Sample design for the 1998 OHS***

The OHSs of 1994, 1995, 1996, 1997 and 1998 were independent cross-sectional surveys, and different samples were designed for each of them.

The database of EAs, as established during the demarcation phase of Census '96, constituted the sampling frame for selecting EAs for the 1997 and 1998 OHSs. The sampling procedure in both years involved explicit stratification by province and transitional metropolitan and district councils. Independent samples of EAs were drawn for each stratum within each province. The smaller provinces were given a disproportionately larger number of EAs than the bigger provinces.

Altogether, 2 000 EAs were drawn in 1998, by means of probability proportional to size principles in each stratum. The measure of size was the number of households in each EA. Interviewing for the 1998 OHS took place in these 2 000 EAs, and systematic sampling was applied to select 10 households to visit in each EA.

This means that 2 000 EAs were identified as primary sampling units, and 20 000 households were visited as ultimate sampling units.

### ***4. Weighting the 1998 OHS***

The 1998 OHS, in common with 1997, was weighted to estimates of the population size based on the population census of October 1996, as adjusted by a post-enumeration survey (PES), using post-stratification by province, gender and five-year interval age groups. In 1998, relative scaling was also done, to cater for population group and urban/non-urban splits.

The 1996 OHS was also weighted to the PES-adjusted count of Census '96. However, because of the smaller sample size and the more clustered sample of households that was drawn, different weighting procedures were used, as discussed in the 1996 OHS statistical release.

Prior to 1996, OHS surveys were weighted to reflect estimates of population size using the 1991 population census. The data reported here for 1998 and those reported for 1997 and 1996 are therefore not presently directly comparable with the previously published OHS figures for 1994 and 1995. Statistics South Africa is in a process of re-weighting the earlier surveys to reflect estimates of the population size based on the 1996 population census. After this process is complete, comparisons between 1994, 1995, 1996 1997 and 1998 should be possible.

### ***5. Symbols used in the tables that follow***

When a zero (0) is shown in a table, there were fewer than 500 respondents, after weighting, in this category. When a dash (-) is shown there were no respondents in the category.

When a single asterisk (\*) is shown in the table, the sample size was too small to give reliable estimates.

### ***6. Comparability of results with other Stats SA data sources***

The *Survey of total employment and earnings* (STEE) collects information on formal employment in South Africa. The latest results of the STEE, i.e. for September 1999, were published in December, 1999 in *statistical release P0271*. These show a steady decline in formal sector employment, from 5,2 million in September 1996 to 4,8 million in September 1999.

Care should be taken when comparing the results of the STEE with results of the annual OHSs, since different target populations, survey designs and methodologies are used. The OHS collects information from households, whereas the STEE collects information from formal sector businesses, excluding the following:

- agriculture, hunting, forestry and fishing,
- restaurants and other eating and drinking places, boarding houses, caravan parks, guest farms,
- water and air transport,
- financial institutions,
- real estate and business services,

- educational services,
- medical, dental and other health services,
- welfare organisations,
- religious organisations,
- recreational and cultural services,
- household services, and
- informal industries.

In the OHS, it is a household, rather than a business in a particular sector, which is sampled. In a probability sample such as the OHS, households containing people working in each of the above categories have the same chance of being selected in the proportion in which they work in a particular sector as those working in the other formal sectors that are covered in the STEE. The OHS, through its different methodology, thus covers all sectors.

### **7. Urbanisation**

The urban population constituted 54,1% of the total population according to *Census '96*. In the weighting matrix for the 1998 OHS, the proportionate distribution of the population by urban and non-urban areas that was used was based on the population census of 1996. The urban/non-urban proportion is one of the variables used to weight successive OHSs to the population distribution of *Census '96* (the others in 1998 were age, gender and population group), thereby rendering them comparable in respect of *other* variables. It follows that urbanisation cannot be detected from successive OHSs, but will be measured by comparing *Census '96* with *Census 2001*.

### **8. The mining sector**

The reader is reminded that the Stats SA releases of the findings of OHS 1996 and 1997 excluded those working in the mining sector. In some of the tables given in this statistical release, however, this sector is included, since it was possible, for the first time, to draw an adequate sample of mining hostels.

### **9. Confidence intervals**

Stats SA has calculated 95% confidence limits for some key variables, in 1996, 1997 and 1998. These are available on request to users who require this information.

## **DEFINITIONS OF TERMS**

A *household* consists of a single person or a group of people who live together for at least four nights a week, who eat together and who share resources.

*Population group* describes the racial classification of a particular group of South African citizens. The previous government used this type of classification to divide the South African population into distinct groupings on which to base apartheid policies. For quite a different reason it remains important for Stats SA to continue to use this classification wherever possible. It clearly indicates the effects of discrimination of the past, and permits monitoring of policies to alleviate discrimination. Note that in the past, population group was based on a legal definition, but it is now based on self-perceptions and self-classification. An *African/black* person is someone who classifies him/herself as such. The same applies to a *coloured, Indian/Asian or white* person.

A *hostel* is a communal living quarter for workers, provided by a public organisation such as a local authority, or a private organisation, such as a mining company. These were residential dormitories established for migrant workers during the apartheid era, and they continue to house people working in certain industries, such as the mining industry.

*Institutions* are communal temporary, semi-permanent or permanent living arrangements for people in special circumstances, for example prisons, police cells, school boarding facilities, homes for the aged or the disabled, hotels and hospitals.

The *working age population* includes all those aged between 15 and 65 years.

The *economically active population* consists of both those who are employed and those who are unemployed.

The *employed* are those who performed work for pay, profit or family gain in the seven days prior to the household survey interview, or who were absent from work during these seven days, but they did have some form of paid work during this time.

The *official unemployment rate*: see Note 1.

The *expanded unemployment rate*: see Note 1.

The people who are *out of the labour market* or who are *not economically active* are those who are not available for work. This category includes full-time scholars and students, full-time homemakers, those who are retired, and those who are unable or unwilling to work.

*The formal sector* includes all businesses which are registered for tax purposes, and which have a VAT number.

*The informal sector* consists of those businesses that are unregistered and do not have a VAT number. They are generally small in nature, and are seldom run from business premises. Instead, they are run from homes, street pavements or other informal arrangements.

*Primary industries* include agriculture, forestry and fishing, and mining and quarrying.

*Secondary industries* include manufacturing, electricity and other utilities, and construction.

*Tertiary industries* include trade, transport, financial and business services, and social, personal and community services.

*Type of employment* refers to whether or not the person is self-employed, or works as an employee, or both, or else works as a domestic worker in a household.

*Location* refers to whether the person lives in an urban or non-urban area.

- An *urban* area is one that has been legally proclaimed as being urban. These include towns, cities and metropolitan areas.
- A *semi-urban* area is not part of a legally proclaimed urban area, but adjoins it. Informal settlements are examples of these types of areas. In this publication *semi-urban* areas have been *included* with non-urban areas.
- All other areas are classified as *non-urban*, including commercial farms, small settlements, rural villages and other areas which are further away from towns and cities.

*Workers* include the self-employed, employers and employees.

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October household survey, 1998

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