Labour market dynamics in South Africa 2012

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Foreword

This report – the fifth – since the QLFS was introduced, marks an important milestone in the collection of labour market information by Statistics South Africa. For the first time, the analysis examines movements into and out of the three labour market states – employment, unemployment and inactivity. This was achieved through tracking the same individuals on a quarterly basis and establishing whether or not they had changed labour market status. The analysis thus enriches our understanding of which individuals are the most successful in gaining employment, in which sectors, industries, occupations, provinces, and which methods of job-search offer the best opportunities for finding employment. We are thus able for the first time to comprehensively investigate "labour market dynamics" in the South African economy using the QLFS.

Looking at the time interval between Q3: 2012 and Q4: 2012 the analysis suggests that the employed are most likely to stay employed with as many as 93,2% keeping their jobs. In contrast, the unemployed struggle to get jobs, with only 10,6% finding employment. Those who do not have a job are most likely to find employment in the formal sector, rather than the informal sector. The results also suggest that experience plays a key role in finding employment as does the duration of unemployment.

Similar to the approach taken in previous years, the remainder of this year's annual report focuses on net flows. It thus analyses the labour market status of individuals after they have moved into or out of employment, unemployment and inactivity each year over the period 2007 to 2012. In addition to the earnings results introduced in the previous report, several new areas of interest have been added: government job creation programmes; migration; the labour market from a census perspective; and, other forms of work.

Participants in Government job creation programmes were mostly female, predominantly with education levels below matric and as many as 45% were aged 15-34 years. Interesting patterns emerge with regards migration. The labour force participation rate of those born outside the country was 20 percentage points higher than among South Africans. Labour market outcomes from Census 2011 suggest that several District Councils benefited from Government intervention via the Integrated Sustainable Rural Development Programme (ISRDP) introduced in 2001. And when other categories of work are examined, we find that women spend more time than men doing household chores and caring for persons, while volunteers worked for a total of 379 million hours on an annual basis valued at R7,5 billion.

I sincerely hope that this report will contribute to policy formulation as well as encourage academic discourse on factors influencing or sustaining labour market trends in this country.

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Highlights

Labour market dynamics

- Over the period Q3: 2012 to Q4: 2012, the panel data constructed from the Quarterly Labour Force Survey (QLFS) find that the employed are most likely to stay employed. As many as 93,2% of those with jobs remained in employment. Finding employment is difficult; only 10,6% of the unemployed found jobs. The unemployed, discouraged and other NEA (as a group) are more likely to find employment in the formal sector. However, the informal sector serves as a point of entry into the formal sector.

- Experience plays a role in the transition between unemployment and employment. Having previous work experience increased the chances of finding employment from the state of unemployment by 7,9 percentage points from 6,2% to 14,1% on a quarterly basis.

- Being young and in long-term unemployment decreases one's chances of finding employment compared to someone who is young and in short-term unemployment.

- The retention rate within the Community and social services industry was 93,1% between the two quarters, followed by Mining with 90,7%

Government job creation programmes

- An analysis of government job creation programmes – including the Expanded Public Works Programme (EPWP) – finds that awareness about EPWP increased from 43,1% in 2011 to 47,7% in 2012.

- Those who participated in EPWP and other government job creation programmes were mainly women and they did not have matric (65,4% in 2011 and 71,7% in 2012).

- Of those who participated in government job creation programmes, 57,1% were employed in 2011 and in 2012 the share had increased to 68,3%. A sizeable number was also in search of work (over 15% in both years).

- The majority of those employed and who participated in the EPWP and similar programmes were in the Tertiary industries and in low-skilled occupations.

Labour market outcomes between 2007 and 2012

- Between 2007 and 2012, employment increased from 13 467 000 to 13 523 000, and the number of unemployed persons increased by 670 000 to 4,5 million. This resulted in an increase in the unemployment rate from 22,3% in 2007 to 25,1% in 2012.

- Over the 5-year period to 2012, employment expanded in Community and social services (499 000), Finance (314 000) and Transport (89 000). Large employment losses were observed in Trade (366 000) Manufacturing (246 000), Private households (132 000) and Agriculture (77 000).

- Between 2007 and 2012, skilled and semi-skilled occupations reflected an increase in employment; sales and service occupations increased by 241 000, professional and managerial occupations increased by 229 000 and 117 000 respectively. The largest occupational decline in employment was in Craft and related trade (368 000) and Domestic worker (132 000) occupations.

- Employment in the formal sector increased by 221 000 on an annual basis in 2012, and by 441 000 jobs between 2007 and 2012. In contrast, the informal sector shed jobs both in 2012 (23 000) and over the 5-year period (177 000). Agriculture and Private households saw employment expand by 46 000 and 13 000 respectively on an annual basis in 2012, but employment declined in these industries between 2007 and 2012.

- Between 2007 and 2012, the average hours worked declined from 45,0 hours to 43,6 hours, with a gender gap in favour of men persistent over the period. On an annual basis, average hours worked declined by 0,4 of an hour to 43,6 hours. Eight out of the ten industries reflected a decline in average hours worked in a week; the largest decline in average hours worked was observed in Transport (0,9 of an hour), Trade (0,8 of an hour) and Manufacturing (0,6 of an hour). Workers in the Transport sector have consistently worked the longest hours, while the shortest average hours have been worked in Private households.

- Between 2008 and 2012, the incidence of underemployment declined amongst all population groups, with the largest decline observed amongst Indian/Asians (1,1%) and Africans (0,6%). The incidence declined by 0,7 of a percentage point for women, by 0,9 of a percentage point for youth (15-24 years), while on a provincial basis it also declined in KwaZulu-Natal (1,8%) and North West (1,4%). High incidences of underemployed are observed amongst those working in private households.

- Over the period 2007 and 2012, access to benefits improved for South African employees; the number of employees with paid leave increased from 59,1% to 63,9%; those with medical aid increased from 29,4% to 32,6%; and the share of employees with a written contract rose from 70,0% to 80,5%. Access to benefits declined for pension (50,3% to 48,7%) as well as UIF deductions by the employer (63,8% to 59,3%). Access to benefits have remained consistently higher for men than for women, while the better educated and older employees also have greater access to a larger number of benefits.

- With median earnings of R3 100 in 2012, half all employees in South Africa earned R100 more than the previous year. In 2012, the top 5% earned 33 times the monthly earnings of the bottom 5%. Only the bottom and top 25% of employees saw an increase in monthly earnings between 2011 and 2012. Racial disparities in median earnings continued in 2012 with median monthly earnings of whites at R10 006, which is four times that of black Africans (R2 500).

Migration

- Irrespective of the place of birth, the majority of the population had education levels below matric. However, the proportion was higher among those born in South Africa (65,4%) than among those born outside the country (57,8%). Among those who were

born outside South Africa, 14,2% had tertiary education compared to 9,7% among those born in South Africa.

- Among those who were born outside South Africa 59,9% were employed compared to 37,8% among South African born individuals. The labour force participation rate among those born outside the country was 70,8% - 19,8 percentage points higher than among those born in South Africa.

- Among those born outside South Africa 20,9% were own-account workers and 10,8% were employers compared to 8,5% and 5,5% respectively among those born in South Africa.

Profile of the unemployed

- Compared to 2007, 670 000 more people were unemployed in 2012. Generally, more women than men were unemployed.

- The number of persons in long-term unemployment increased by over a million people to reach 3,1 million in 2012 from 2,1 million in 2007. Over the period 2007-2012, while the number of women in long-term unemployment was higher than the number of men - the number of men in long-term unemployment increased by 604 000 compared to an increase of 452 000 among women. The incidence of unemployment increased most for young people aged 15 –34 years, those with a matric and lower levels of education, and living in the Western Cape and Mpumalanga.

Youth

- Globally, youth unemployment remains high, increasing from 70,4 million in 2007 to 73,8 million in 2012. Young people in South Africa accounted for 70,9% of the unemployed in 2012.

- As many as 3,3 million young people aged 15 –24 years were not in employment, education or training (NEET) in 2012 equivalent to a NEET rate of 31,5%. Black African females had the highest NEET rate at 37,5%, compared to a NEET rate amongst white males of 9,6%. The highest NEET rate was amongst young people with no schooling (54,5%), with the lowest for secondary not completed (25,8%) and primary completed (25,9%).

Labour market outcomes based on the population census

- Census 2011 results suggest that Gauteng is now home to 1 in 4 people aged 15 – 64 years.

- Between 1996 and 2011, District Councils (DCs) in which the unemployment rate increased the most were generally in areas where Mining, Agriculture or both dominated economic activity.

- Youth unemployment rates are higher than adult rates in DCs across the country. DCs in the Western Cape perform better than DCs in KwaZulu-Natal and the Eastern Cape, which had the highest youth unemployment rates.

- NEET rates calculated from the Census find that the percentage of youth who are NEET was the highest in Pixley ka Seme (Northern Cape) and the lowest in Capricorn (Limpopo).

- The female unemployment rate (46,0%) was 11,8 percentage points higher than that of males, while the difference in the rates ranged from a low of 1,2 percentage points in OR Tambo in the Eastern Cape to 20 percentage points in Xhariep in the Free State. Nine out of the ten DCs with the highest unemployment rates in 2011 were either in KwaZulu-Natal or the Eastern Cape.

- Six out of eight metropolitan areas in the country have the highest percentage of their labour force living in urban areas. An urban/non-urban breakdown in the unemployment rate finds that urban unemployment rates were lower than non-urban unemployment rates by a large margin.

Other forms of work

- Analysing other forms of work found that fetching water/collecting wood and subsistence farming were the main types of activities undertaken for household consumption by the working-age population. This type of activity is predominantly undertaken by women, black Africans, younger people, the less educated and those residing in KwaZulu-Natal and the Eastern Cape.

- The Time Use survey (TUS) of 2010 finds that women spend more time compared to men engaging in household maintenance and caring for persons. And the Volunteer Activities Survey (VAS) finds that as many as 1,2 million persons did volunteer work in 2010. They contributed 29,2 million hours to the community during the four-week reference period, engaging in many different activities through organisations or as individuals. If these hours are computed for the 12 month period, they amount to approximately 379 million hours valued at R7,5 billion for the year as whole.

Chapter 1
Introduction
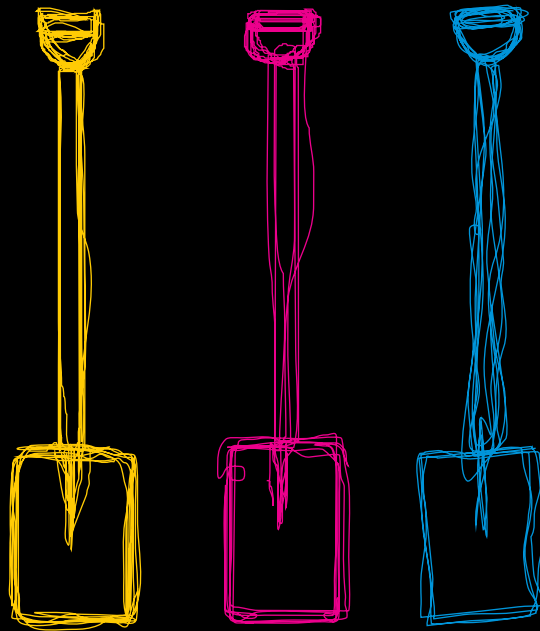
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Chapter 1: Introduction

Background

The Quarterly Labour Force Survey (QLFS) is a household-based sample survey conducted by Statistics South Africa (Stats SA). It collects data on the labour market activities of individuals aged 15 years or older who live in South Africa.

In 2005, Stats SA undertook a major revision of the Labour Force Survey (LFS) which had been conducted twice per year since 2000. This revision resulted in changes to the survey methodology, the survey questionnaire, the frequency of data collection and data releases, and the survey data capturing and processing systems. The redesigned labour market survey, the QLFS, is now the principal vehicle for collecting labour market information on a quarterly basis.

This report is the fifth annual report produced by Stats SA on the labour market in South Africa. The analysis is based on annual labour market results from 2007 to 2012. The report also includes a statistical appendix with historical data dating back to 2007 on an annual basis. The 2012 annual report introduces for the first time an analysis of labour market dynamics (discussed in Chapter 2). The report also includes four specialised features as follows: government job creation programmes (Chapter 4); migration (Chapter 6); the labour market from a census perspective (Chapter 9); and, other forms of work (Chapter 10).

Objective

The objective of this report is twofold: first, to present annual labour market data backcast to 2007, and second, to analyse important aspects of the labour market in South Africa over the past five years.

Data sources

Labour Force Survey –2007 (March and September)
QLFS – 2008 to 2012 (Quarters 1 to 4)
Time Use Survey, 2010
Volunteer Activities Survey, 2010
Census 1996; Census 2011

Layout of the remainder of the report

Chapter 2: Labour market dynamics

This chapter first outlines the concepts and uses of panel data, while explaining how movements in and out (gross flows) of a labour market state can be interpreted. The analysis then focuses on the rates of outflows from employment, unemployment, discouragement and inactivity. Identifying in which sector and industries the unemployed, discouraged and inactive will find employment on a quarterly basis. Finally, factors which impact on the chances of finding employment are identified, including experience and duration of unemployment.

Chapter 3: The South African labour market

This chapter first outlines important aspects of the three major groups which constitute the working-age population and discusses the relevance of age and population group to labour market outcomes over the period 2007 to 2012. The chapter highlights differences in the composition of the workforce by province and level of education, and signals the importance of the latter for the quality of the labour supply. Summary measures, including the unemployment, absorption and labour force participation rate are then analysed. Labour market outcomes in the SADC region are analysed followed by the profile of discouraged work-seekers in South Africa. Finally, the chapter discusses labour market trends based on the expanded definition of unemployment.

Chapter 4: Government job creation programmes

This chapter focuses on job creation programmes introduced by Government –including the Expanded Public Works Programme (EPWP) for the period 2011 to 2012. The analysis identifies awareness of and participation rates in these programmes, as well as the characteristics of those participating, including by gender, age, level of education, population group, and labour market status. The analysis concludes by identifying the industry, occupation and sector of those who were employed and had participated in a programme.

Chapter 5: Employment

This chapter presents a detailed analysis of the levels and trends in employment over the period 2007 to 2012 in terms of age, sex, population group, province, and education. The analysis first focuses on employment trends followed by a discussion of various descriptors of employment. The industrial and occupational structure of employment is assessed, followed by an analysis of the trends in the average weekly hours worked over the period focusing on variations by gender, education levels, industry and sector. The analysis in this chapter will then focus on time-related underemployment.

Conditions of employment, and in particular employee benefits, are important in assessing the characteristics of those employees who enjoy improved access to benefits.

Analysis of the formal and informal sectors, with specific emphasis on sex, age, population group, educational level, province, occupation and industry, is also undertaken in this chapter.

Understanding the variation in earnings is important for poverty and inequality analysis. The chapter presents an earnings distribution as well as median monthly earnings. Median earnings are compared across socio-demographic groups: female to male earnings ratios, population group ratios, etc., as well as geographic location. Emphasis is also placed on the distribution of earnings by industry, occupation and province.

Given the importance that the South African government places on decent work, selected decent work indicators will also be analysed - including rights and standards at work, social protection and social dialogue. In addition, job tenure is examined using socio-economic and demographic variables such as gender, age, population group, level of education as well as with reference to various descriptors of employment such as industrial and occupational categories.

Chapter 6: Migration

The chapter focuses on migration results obtained from the QLFS Q3: 2012. The analysis compares South African born and foreign born individuals in terms of their characteristics and their labour market outcomes. Inter-provincial migration is also examined based on those who migrated in the five years preceding the survey interview, reasons for moving to the current province of residence as well as reasons for moving from the previous place of residence are also established.

Chapter 7: A profile of the unemployed

The analysis in this chapter first focuses on various demographic characteristics of the unemployed as well as their type of job-search activity. This is followed by a discussion of unemployment duration for the period 2007 to 2012. The incidence of long-term unemployment is analysed in the context of sex, population group, age, educational attainment as well as province.

Chapter 8: Youth in the South African labour market

Understanding the labour market conditions faced by young people is essential for the formulation of policies to address high youth unemployment levels. The chapter places the labour market experience of South African youth in an international context. Finding answers to questions such as 'What are the factors which inhibit the participation of the youth in the labour market?' and 'When young people participate in the labour market, do they enter jobs which provide them with the experience and skills which would positively impact on their future employment prospects?' are important for targeted interventions to improve their situation.. Analysis of the youth who are Not in employment, education or training (NEET) are presented for the first time, focusing on the gender, provincial, population group and educational elements which impact on the NEET rate. In addition, access to benefits for young employees is analysed relative to adult employees to identify the conditions in employment faced by young people.

Chapter 9: The labour market from a census perspective

Using the results of the post-apartheid population censuses conducted in 1996 and 2011, this chapter analyses the labour market results at a lower geographical level, namely by District Council (DC). The analysis first focuses on trends in unemployment and absorption rates at DC level for the period 1996 to 2011. This is followed by an analysis of unemployment rates in 2011 for youth and adults as well as for men and women. Finally, key labour market rates, including an educational profile, are analysed by geo type, namely urban, traditional and farm areas.

Chapter 10: Other forms of work

In response to the growing awareness of work which involves a whole range of activities beyond wage and salary employment, the analysis in this chapter first focuses on non-market production activities such as collecting fuel and fetching water and subsistence farming, based on the results of the QLFS. The analysis then focuses on the time spent undertaking other forms of work (household maintenance, care of persons and community services) based on the Time Use Survey (TUS) conducted in 2010. The chapter concludes with an analysis of volunteer work based on the Volunteer Activities Survey also conducted in 2010.

Appendix 1: Technical notes

Appendix 2: Statistical tables

Chapter 2
Labour market dynamics

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Chapter 2: Labour market dynamics

Panel data and the QLFS

What is a panel? Panel data is collected at different time periods for the same individuals or households. For example, collecting information about whether a person is employed or not for the same person from quarter to quarter over a number of years constitutes a panel.

The design of the QLFS enables the tracking of individuals across the quarters. This means that, in principle, as many as three out of every four individuals in the sample can be tracked between two consecutive quarters. In the fourth quarter, one in four individuals can be tracked. The results analysed in this chapter therefore match persons that were present in the sample between two consecutive quarters using the following variables: name, surname, gender, age, and population group.

The value of a panel: Tracking individuals over a period provides a better understanding of how their movements into and out of employment, unemployment and inactivity change over time. The factors which can increase the chances of finding employment can therefore be identified.

Stocks refer to labour market status e.g. employed or unemployed at a particular point in time.
Flows refer to the movements in labour market status between two points in time. Flows change the level of stocks. The difference between flows into and out of labour market states is referred to as net flows. It is these net flows that are routinely reported by the QLFS.

Transition matrices: Transition matrices are tables which help us to understand the movements of the matched individuals in a panel. In addition to looking at changes in the labour market status of people in the panels, movements between different sectors and industries can also be analysed. Understanding the movements of the long and short term unemployed as well as the impact of experience on the likelihood of finding employment is also important[1]. These movements are expressed in percentages. If 3,0% of employed persons in Q1: 2012 moved into unemployment in Q2: 2012, this percentage is referred to as the **rate of transition**.

Retention rate: Refers to individuals who did not change their labour market state between two quarters.

Background

As part of the continuous process of improving data available to users, Stats SA has for the first time published labour market changes (labour market dynamics) using panel data constructed from the QLFS[2].

Introduction

Individuals move between various labour market states over a period of time. An employed person may lose their job and become unemployed or they could remain in employment or move into discouragement or inactivity, all within a three-month period. Understanding these movements provides important insights into which factors affect the ease of movement between the three labour market states.

Against this background, the results analysed in this chapter therefore examine movements in labour market states between quarters. In subsequent chapters, the analysis focuses on changes after individuals have either remained or moved between labour market states on an annual basis over the period 2007 to 2012.

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[1]The analysis utilises weighted data for the period 2012. Transition data for the period 2010–2011 is provided in the Appendix.
[2]In this regard, metadata will be released by Stats SA in due course.

Every quarter, as part of the QLFS publication, Stats SA releases data on the net changes in labour market indicators such as employment and unemployment, which are used by labour market analysts and researchers to gauge the health of the South African labour market. The results presented in this chapter will in turn provide information regarding the underlying labour market dynamics, and thus complement the standard measures of labour market performance released on a quarterly basis.

The labour market results routinely produced by the QLFS cannot provide detail about these movements as only the net changes in employment, unemployment, discouragement and non-economically active are considered. For example, a rise in employment by 50 000 jobs is the same as a net gain of 50 000 jobs. This could be the outcome of a number of movements into and out of the three labour market states (employed, unemployed or inactive). If more people found jobs (inflow into employment) than lost jobs (outflow from employment), the overall result would be a net gain in employment.

Trends in the South African labour market

Figure 2.1 provides an overview of the association between employment and economic growth. The employment levels and trends are based on the quarterly changes. In subsequent chapters of this report an average of the four quarters are analysed.

Figure 2.1: Employment and GDP, 2008–2013
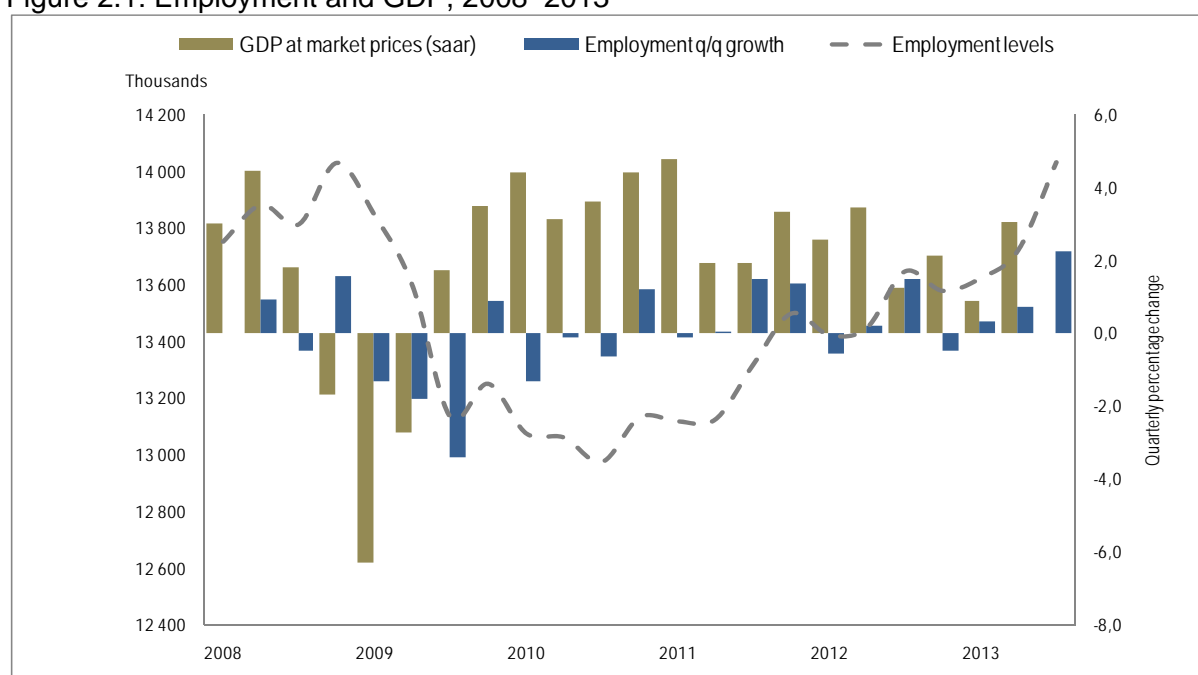
Note: Saar refers to "seasonally adjusted annual rates".

Figure 2.1 highlights that after reaching a peak in Q4: 2008 of 14 million when real GDP growth was robust, employment levels reached a low of 12,9 million in Q3: 2010 as GDP growth averaged only 0,5% over the corresponding period. One million jobs have been created since Q3: 2010, returning employment to pre-recessionary levels in Q3: 2013. However, the working age population increased by 2,3 million since the peak in employment such that the percentage of South Africans aged 15-64 years with jobs is still below the levels reached in 2008.

Figure 2.2: Employment inflows and outflows[3]

	Q3_Q4 2010	Q4 2010 Q1 2011	Q1_Q2 2011	Q2_Q3 2011	Q3_Q4 2011	Q4 2011 Q1 2012	Q1_Q2 2012	Q2_Q3 2012	Q3_Q4 2012
Q/Q Changes in employment (RHS)	99	70	9	44	35	-67	19	222	-38
Gross outflows from employment	802	881	919	864	857	973	906	842	925
Gross inflows into employment	901	951	927	908	892	906	925	1 064	887
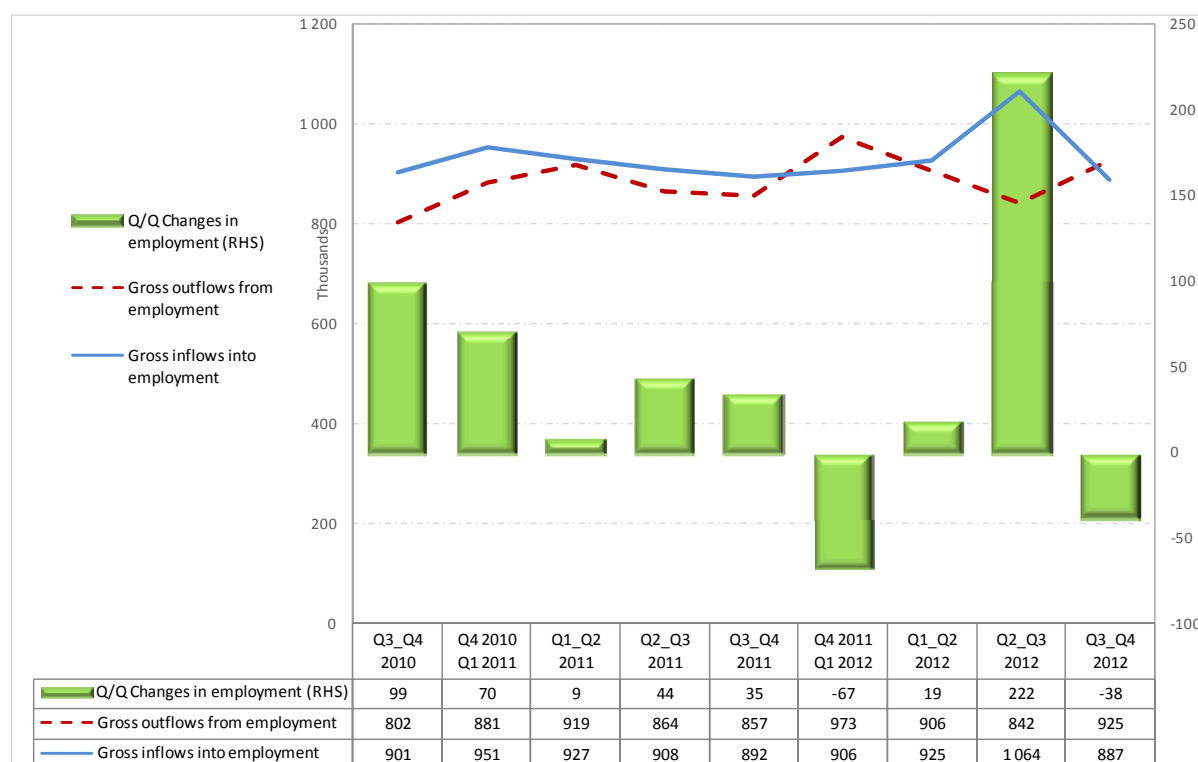
In principle, when the number of individuals who move into employment is larger than the number that move out, the net result would be an increase in employment as reported in Chapter 3 that follows. The panel reveals that between Q3: 2012 and Q4: 2012, 887 000 people found jobs while 925 000 moved out of employment, resulting in a net loss in employment of 38 000. Another vivid example of this occurred between Q2: 2012 and Q3: 2012 when 1,1 million people moved into employment, but 842 000 moved out. This resulted in a net gain in employment of 222 000 in Q3: 2012.

The net changes shown in Figure 2.2 may differ slightly from the quarterly estimates that are routinely published due to differences in the weighting procedures applied[4].

Analysis of labour market retentions and transitions

This section focuses primarily on the movement between labour market states between Q3: 2012 and Q4: 2012. In this regard, the results obtained should not be generalised, because of differences in seasonal factors in the various quarters. Employment in the fourth quarter of every year is typically higher than the preceding quarter.

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[3]The interpretation of inflows: Of those who were employed in time t+1, how many came from another labour market status. Interpretation of outflows: Of those who were employed in time t, where did they go in time t+1.

[4]See Appendix 1.

Table 2.1: Quarterly transition rates for outflows from employment, unemployment, discouragement and inactivity

Quarter		Labour market status				
		Employed	Unemployed	Discouraged	Other NEA	Total
Initial quarter	Next quarter	Per cent				
Employed						
Q4: 2011	Q1: 2012	92,8	3,5	1,1	2,6	100
Q1: 2012	Q2: 2012	93,2	3,0	1,4	2,4	100
Q2: 2012	Q3: 2012	93,7	3,1	1,0	2,1	100
Q3: 2012	Q4: 2012	93,2	3,1	1,1	2,6	100
Unemployed						
Q4: 2011	Q1: 2012	10,4	67,0	8,4	14,2	100
Q1: 2012	Q2: 2012	10,2	68,5	7,5	13,8	100
Q2: 2012	Q3: 2012	12,4	68,7	7,1	11,8	100
Q3: 2012	Q4: 2012	10,6	66,8	7,1	15,5	100
Discouraged						
Q4: 2011	Q1: 2012	7,2	14,4	57,2	21,2	100
Q1: 2012	Q2: 2012	8,3	14,2	58,3	19,2	100
Q2: 2012	Q3: 2012	8,4	15,4	56,2	20,0	100
Q3: 2012	Q4: 2012	6,7	15,1	56,1	22,1	100
Other NEA						
Q4: 2011	Q1: 2012	2,4	5,8	4,4	87,4	100
Q1: 2012	Q2: 2012	2,2	5,0	4,0	88,7	100
Q2: 2012	Q3: 2012	2,6	5,2	3,5	88,8	100
Q3: 2012	Q4: 2012	2,0	4,3	3,5	90,2	100

Table 2.1 – the transition matrix - and Figure 2.3 show that the chances of remaining in employment, also called employment retention, was high (above 90,0%) in every quarter over the period Q4: 2011 to Q4 2012. This was slightly higher than the retention rate among those that were not economically active over the same period (between 87,4% and 90,2%) and substantially higher than among those that were unemployed (where retention rates ranged between 67,0% and 66,8%). In terms of the discouraged, retention rates were the lowest – 57,2% and 56,1% over the same period.

Figure 2.3: Retention rates by labour market status
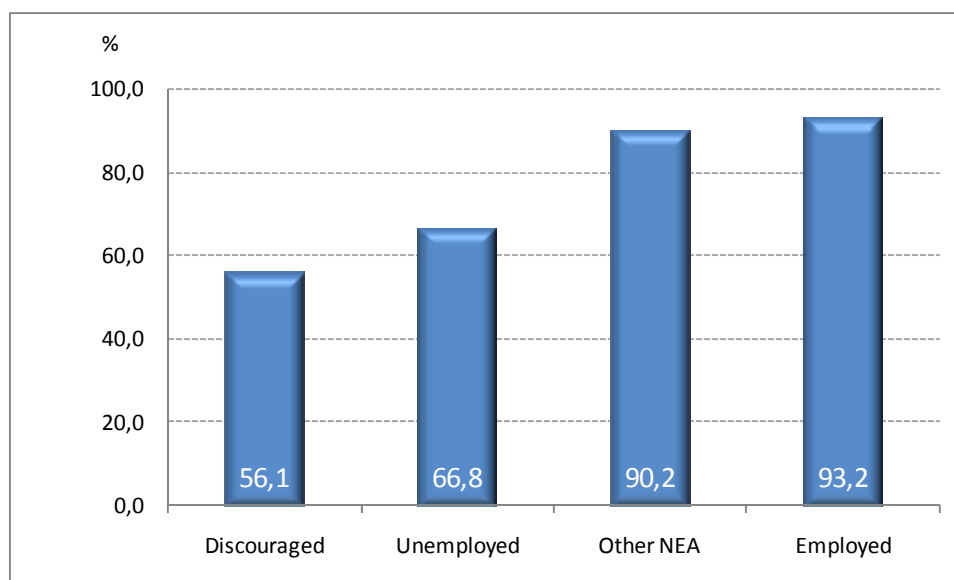
Note: Data for Q3 to Q4: 2012

Figure 2.4: Retention rate by labour market status and population group
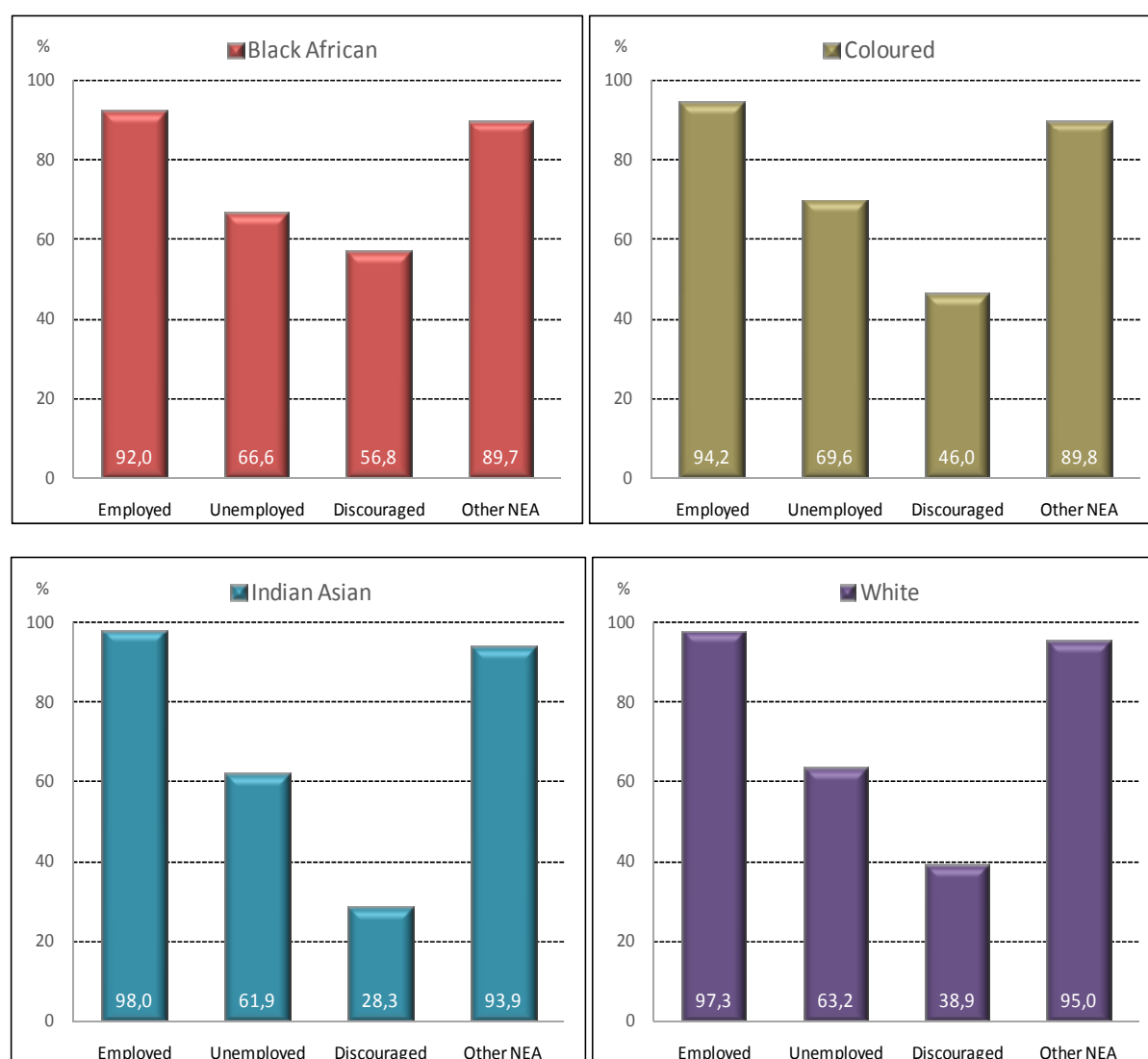
Note: Data for Q3 to Q4: 2012

Figure 2.4 shows that between Q3 and Q4: 2012 the following retention rates occurred:

- Employment retention rates are high amongst all population groups, but highest amongst the Indian/Asian group (98,0%). Coloureds have the highest unemployment retention rate (69,6%), followed by black Africans (66,6%).

- The retention rate for other NEA amongst whites at 95,0% is the highest while the rate amongst black Africans is the lowest (89,7%).

- The likelihood of remaining in discouragement is highest for black Africans (56,8%) and lowest for the Indian/Asian (28,3%) and white population groups (38,9%). This reflects the lower retention rate in inactivity among black Africans.

Figure 2.5: Transition rates into the formal sector from other sectors

	Q4 2011_Q1 2012	Q1_Q2 2012	Q2_Q3 2012	Q3_Q4 2012
Informal	15,8	14,7	14,5	15,8
Agriculture	7,4	4,0	6,2	6,4
Private hh	2,2	2,3	1,5	2,4
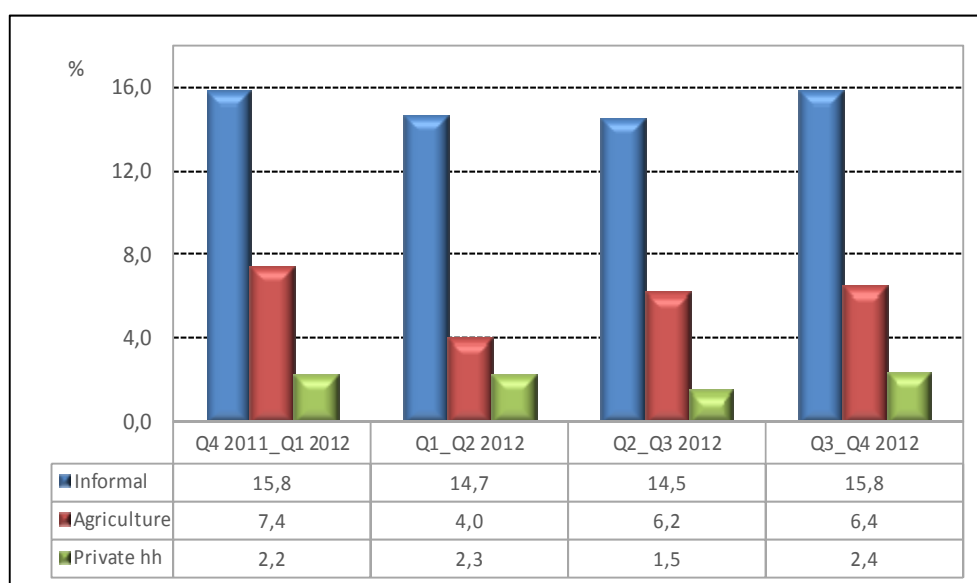
Note: Data for Q3 to Q4: 2012

The informal sector serves as a point of entry into the formal sector. Of those who were employed in the informal sector in Q3: 2012, 15,8% moved into formal sector employment in the following quarter. This compares to 6,4% for those employed in agriculture who found jobs in the formal sector and 2,4% of those employed in private households who also found formal sector jobs.

Figure 2.6: Transition rates into employment by province
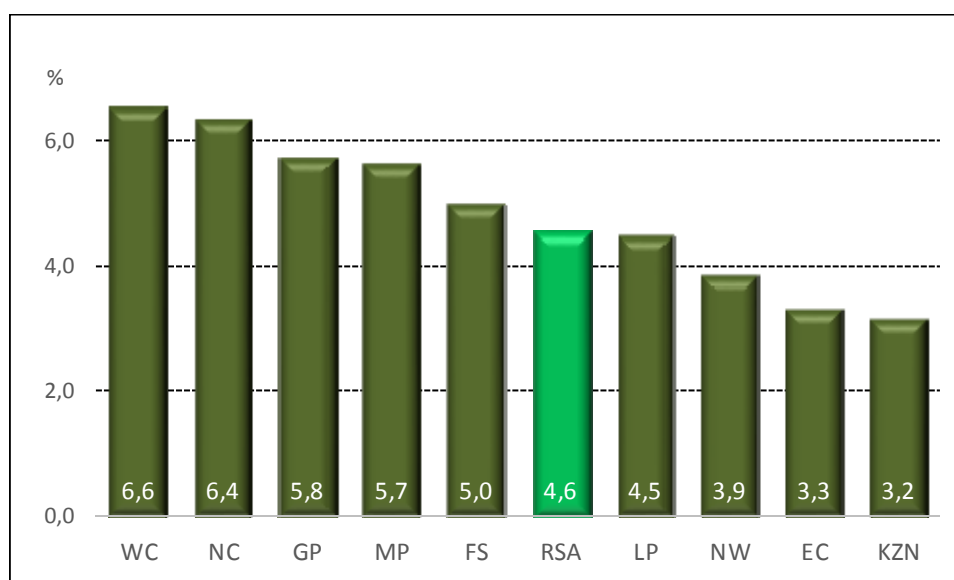
Note: Data for Q3 to Q4: 2012

Among those who were not employed in South Africa, 4,6% found employment in the following quarter (Figure 2.6). Transition rates into employment were highest in Western Cape (6,6%) and lowest in KwaZulu-Natal (3,2%).

Role of experience in labour market transitions

Experience plays an important role in determining success in finding a job. The QLFS asks employed people whether they "ever worked for pay or profit or helped unpaid in a household business". This question is used to identify previous work experience. A respondent who answers "yes" is considered as having experience while those who answer "no" have no prior experience.

Figure 2.7: Transition rates into employment
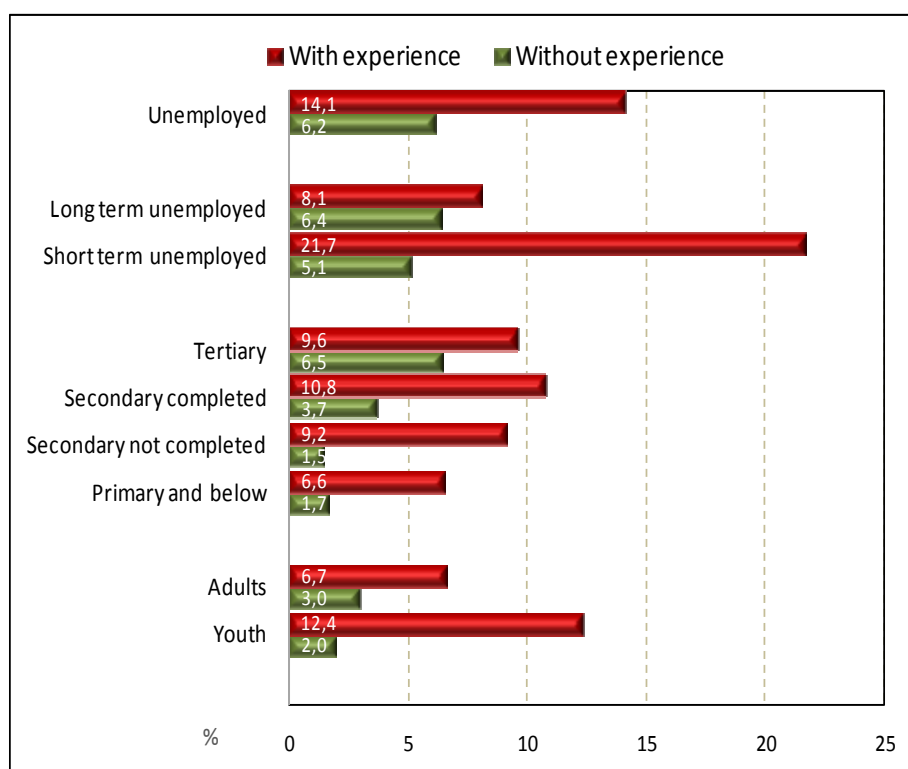
Note: Data for Q3 to Q4: 2012

The length of unemployment also impacts on labour market outcomes. In particular, long term unemployment increases so-called scaring effects, which affect future employment outcomes. The consequences of long term unemployment, particularly for the youth, include the loss of work experience and the erosion of skills. When young people experience unemployment early on in their working lives, this could result in wage scars which continue to depress employment and earnings prospects for decades to come.

Figure 2.7 suggests that having previous work experience is important in finding a job. As many as 14,1% of unemployed persons with work experience had found a job in the next quarter, against only 6,2% of those without work experience.

The duration of unemployment matters, so too does having work experience. Only 8,1% of the long term unemployed who had worked before found jobs the following quarter – compared to 21,7% of the short-term unemployed who had worked before.

For all levels of education those without work experience are less likely to find a job. Even at the tertiary level, whereas 9,6% of those with work experience found a job, only 6,5% of people without work experience in that education category found a job.

Work experience is also important for young people - those with experience were six times more likely to find a job compared with their counterparts with no work experience.

The impact of long-term unemployment on transition rates

Figure 2.8: Transition rates into employment by unemployment duration and age

Note: Data for Q3 to Q4: 2012

Long-term unemployment is of particular concern for young people. Young people who have been unemployed for less than a year (short-term unemployment) are more than twice as likely to find a job compared to those that are unemployed for more than a year (long-term unemployment). This implies that obtaining the first job is very important. The difference in long-term and short term transition rates was also noticeably higher for adults, with 21,9% of adults in short-term unemployment finding jobs compared to 7,9% of those in long-term unemployment (Figure 2.8).

Figure 2.9: Transition rates by type of contract

	Limited duration	Permanent	Unspecified duration
Moved out of employment	16,7	2,8	12,6
Moved into self employment	1,2	0,9	1,3
Unspecified duration	11,3	4,5	74,6
Permanent	22,4	91,6	16,2
Limited duration	65,1	3,0	7,9
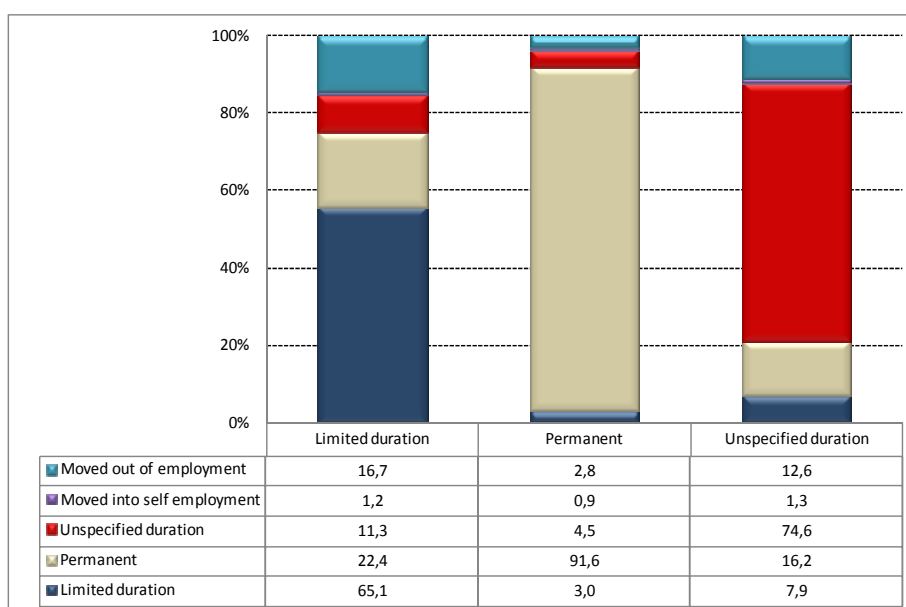
Note: Data for Q3 to Q4: 2012

Figure 2.9 shows that among those who had limited duration contracts, 65,1% remained on this type of contract the following quarter, 22,4% found jobs which offered a permanent contract while 16,7% moved out of employment all together. In comparison, relatively large numbers remained on a permanent contract (91,6%).

Industry and occupation retentions and transitions

Figure 2.10: Industry transition rates   **Figure 2.11: Occupation transition rates**
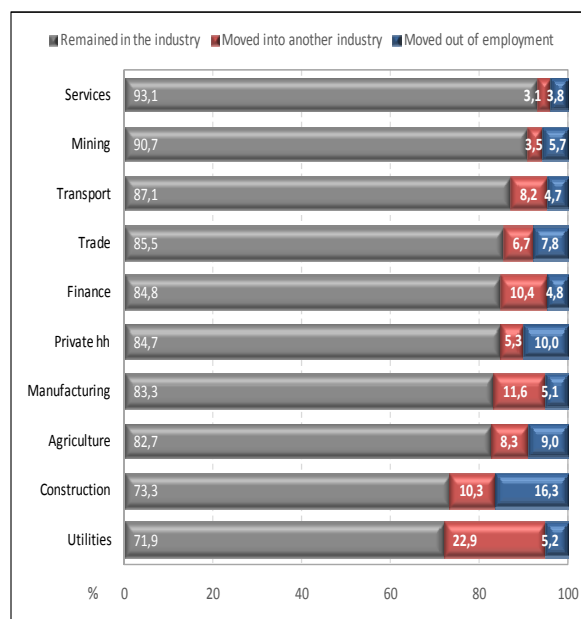
Note: Data for Q3 to Q4: 2012
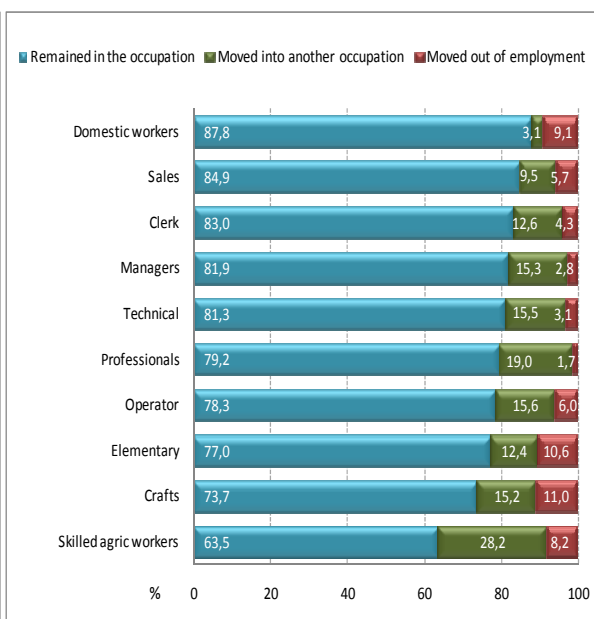
Note: Data for Q3 to Q4: 2012

Figure 2.10 shows that 93,1% of individuals remained employed in the Services industry while 3,1% moved into another industry and 3,8% moved out of employment altogether. As many as 87,8% of domestic workers remained in that occupation compared with only 63,5% of skilled agricultural workers who held their jobs (Figure 2.11). More than one in every four skilled agricultural workers changed the type of occupation they had.

Distributions of those who found employment in Q4: 2012

This section focuses on the distributions of those who were not employed in Q3: 2012 and found employment in Q4: 2012 by education, age, population group, status in employment, firm size and industry.

Table 2.2: Distribution of those who found employment by sector

Unemployed, Discouraged, other NEA		Sector where employment was found				
		Formal	Informal	Agriculture	Private hh	Total
				Per cent		
Initial quarter	Next quarter					
Q4: 2011	Q1: 2012	48,1	32,0	5,5	14,5	100
Q1: 2012	Q2: 2012	48,6	30,6	6,4	14,4	100
Q2: 2012	Q3: 2012	48,9	33,8	4,2	13,1	100
Q3: 2012	Q4: 2012	48,8	31,8	7,8	11,6	100

Those who found employment are more likely to find jobs in the formal sector than in the informal sector or private households. Almost half (48,8%) found employment in the formal

sector, 31,8% found a job in the informal sector and 11,6% started work in private households. Only 7,8% found employment in the agricultural industry.

Figure 2.12: Distribution of those who found formal/informal sector employment by education

	Primary and below	Secondary not completed	Secondary completed	Tertiary	Other
Formal	10,8	41,0	38,9	9,3	0,0
Informal	27,4	45,4	20,5	5,7	1,0
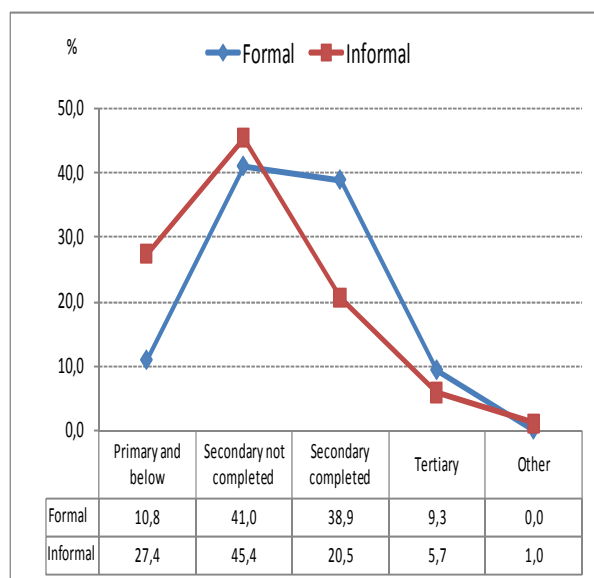
Note: Data for Q3 to Q4: 2012

Figure 2.13: Distribution of those who found formal/informal sector employment by age
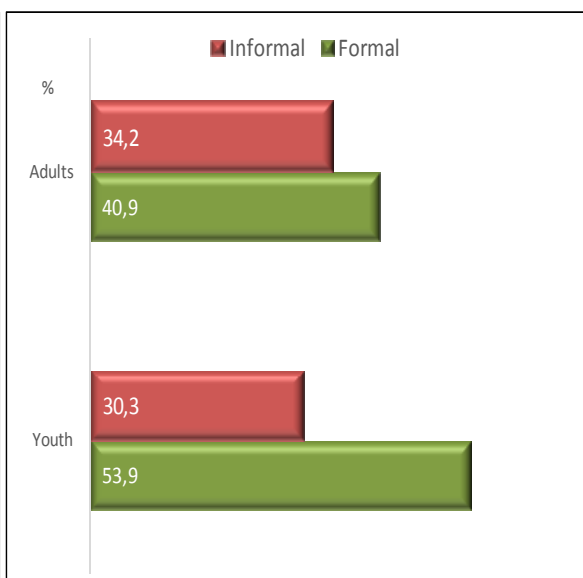
Note: Data for Q3 to Q4: 2012

Figure 2.12 suggests that better educated individuals are more likely to find employment in the formal sector. Figure 2.13 shows that among youth aged 15-34 years, 53,9% got jobs in the formal sector while only 40,9% of adults got formal sector jobs.

Figure 2.14: Distribution of those who found employment by status in employment
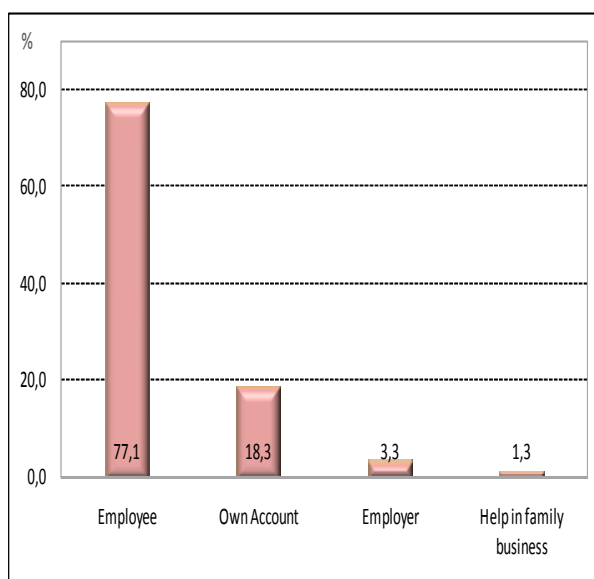
Figure 2.15 Distribution of those who found employment by size of firm
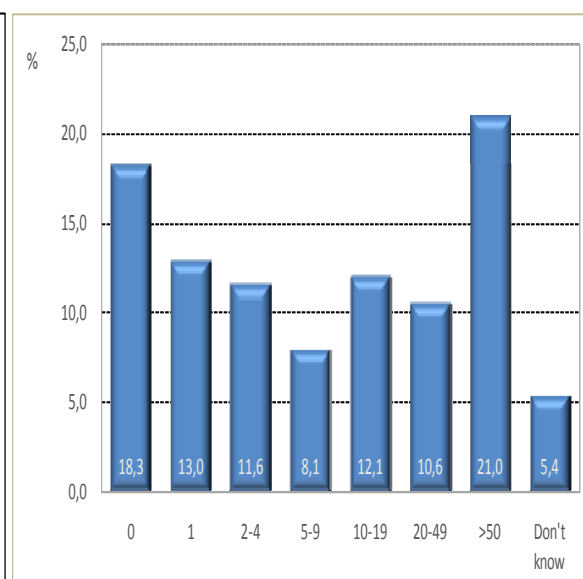
Of those individuals who found jobs, 18,3% became self-employed (own account) while the majority 77,1% became employees. This is an important indication of the level of

entrepreneurship in the labour market (Figure 2.14). And small firms provide employment; half of those who found employment obtained a job in a firm with less than 10 employees (Figure 2.15). Only one in five found a job in a firm with more than 50 employees.

Figure 2.16: Distribution of those who found employment by sector and population group
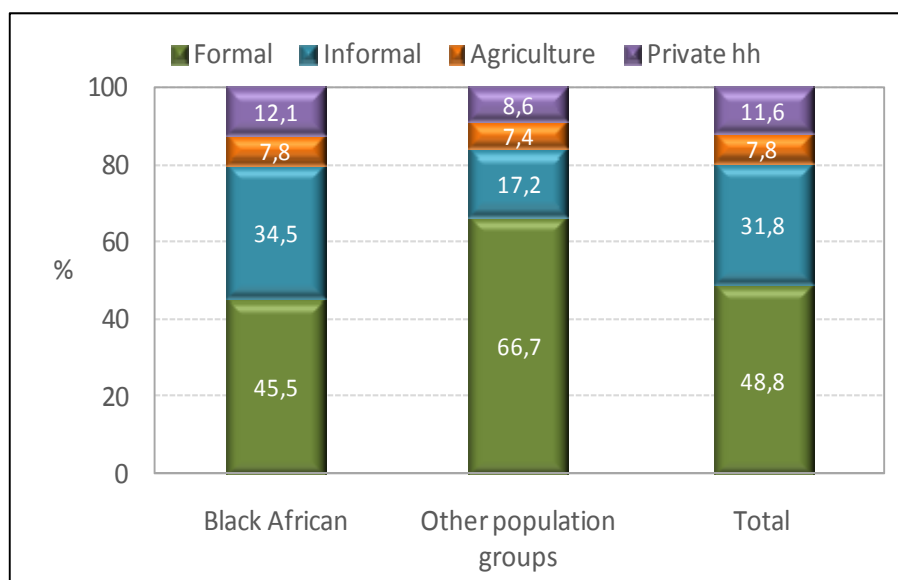
Note: Data for Q3 to Q4: 2012

Figure 2.16 shows that 45,5% of black Africans found employment in the formal sector compared with 66,7% of "other population groups" who got formal sector jobs. Black Africans are, however, twice as likely to find employment in the informal sector compared to other population groups (34,5% vs. 17,2%).

Figure 2.17: Distribution of those who found employment by industry
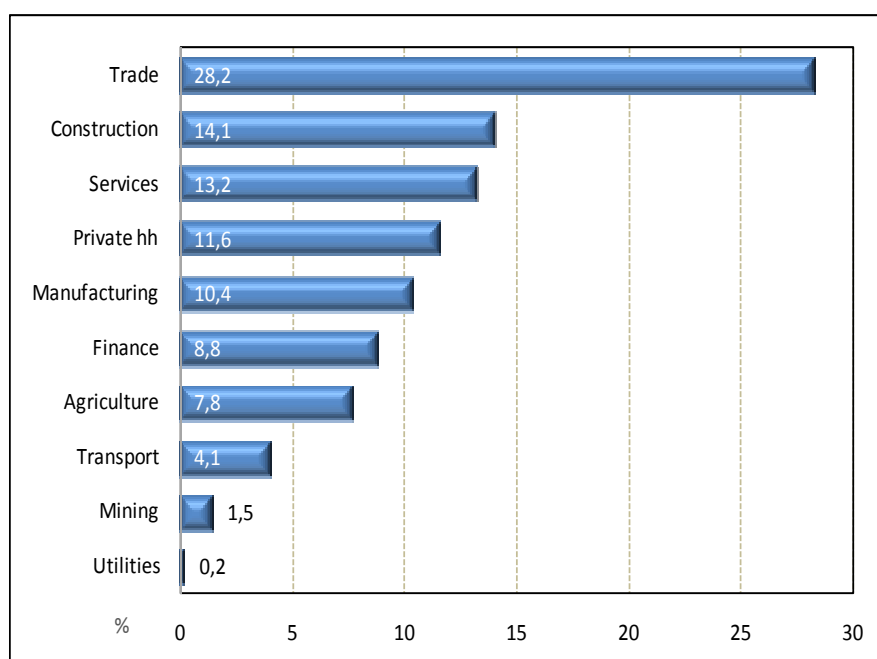
Note: Data for Q3 to Q4: 2012

Figure 2.17 suggests that of those who found employment, 28,2% obtained jobs in the Trade industry while 0,2% found employment in Utilities.

Figure 2.18: Distribution of those who found employment, by search method
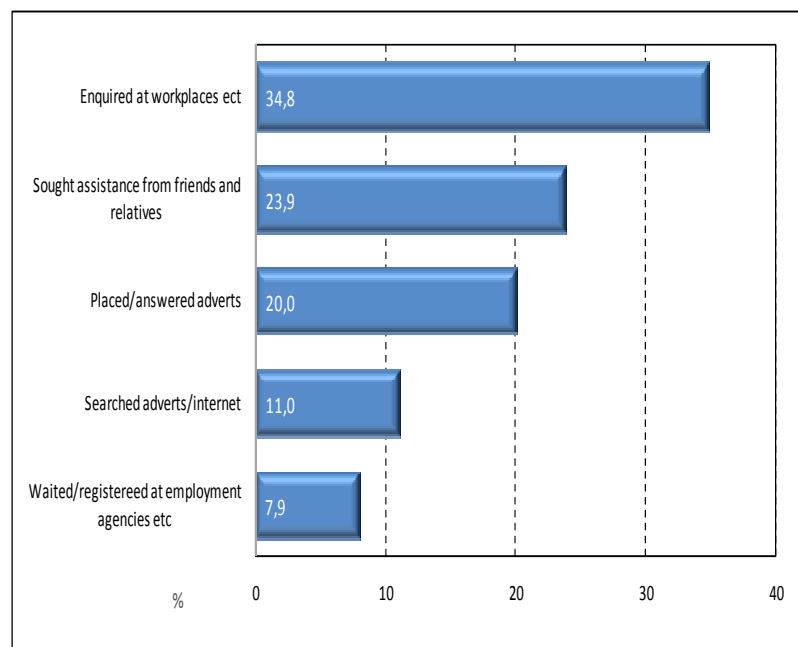
Note: Data for Q3 to Q4: 2012

Figure 2.18 highlights the chances of finding employment using different search methods. Caution should be exercised in interpreting Figure 2.18 since people could use more than one search method and this could increase their chances of finding employment. Enquiring at places of work is the most effective job-search strategy. Asking assistance from friends or placing and answering adverts are found to be the second and third most effective strategy.

Summary

The analysis in this chapter focuses on changes in the labour market status of those individuals matched on a quarterly basis using the QLFS panel. It has provided insight into the high retention rates in employment and the low rates of transition from unemployment into employment. However, investigating the factors which can affect the speed of transition between these two states have highlighted the importance of experience and length of unemployment. Finding employment in the formal sector is an aspiration of most, as it offers improved job security. The better educated and youth are also more likely to find formal sector employment. However, transition analysis finds that the informal sector serves as a port of entry into the formal sector.

Experience increases the rate of transition into employment, a finding which holds regardless of age and level of education. In addition, people in short term unemployment have a better chance of finding a job.

The analysis suggests people on a contract of limited duration are more likely to find a permanent job. Those who are on a contract of unspecified duration have the least chance of finding a permanent job.

In terms of enterprise size, small enterprises with less than 10 employees provide the most job opportunities.

In relation to searching behaviour, enquiring at workplaces is the most effective strategy in searching for employment. Asking assistance from friends and relatives is the second most effective strategy - a finding consistent with research which highlights the importance of social networks in finding employment (Godlonton and Burns, 2006).[5]

Industries in which people are most likely to remain employed include Mining and Community and personal services. Occupations in which people are most likely to remain employed include Domestic workers, Sales and services and Clerks.

Conclusion

Tracking individuals over time provides a better understanding of how they move into and out of employment, unemployment and inactivity. Identifying the factors which can increase the chances of finding employment is important for policy development. Panel data constructed from matched respondents from the QLFS allows for this type of analysis.

The finding that young people who have worked before stand a better chance of moving out of unemployment into a job suggests the need for interventions that assist young people in getting their first job.

It is hoped that the analysis in this chapter will serve as a tool to promote "evidence-based" decision making.

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[5]Social Networks, Employment and Worker Discouragement: Evidence from South Africa, Saldru Working Paper 06/06, University of Cape Town, October 2006, Godlonton, S and Burns, J.

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The South African labour market
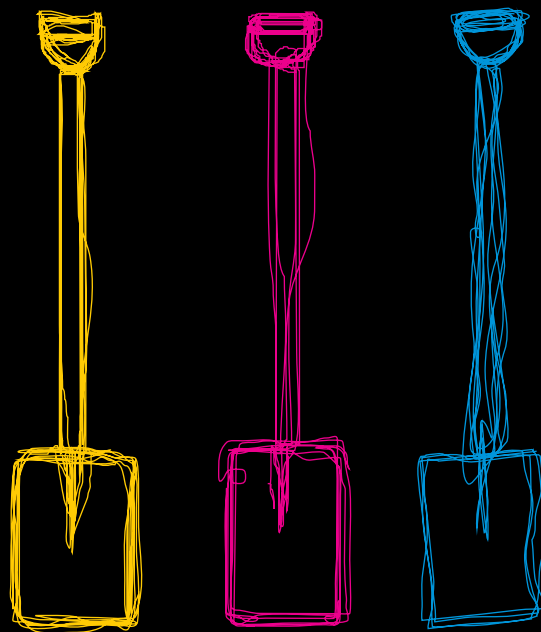
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Chapter 3: The South African labour market

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.

If a person is working or trying to find work, he/she is in the **labour force**. Thus the number of people that are employed or unemployed within an economy is the labour force or economically active population.

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 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. Discouraged work-seekers and other (not economically active) are counted as out of the labour force under international guidelines since they were not looking for work and were not available for 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[1].

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

Graduates (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.

Production for own consumption includes subsistence farming, hunting, fishing etc.

Background

Common to the situation associated with other markets, the labour market consists of a supply side and a demand side. The labour supply of the population, referred to as the

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[1] Key Indicators of the Labour Market, ILO, Geneva 2005

economically active population or labour force, has two components: employed persons and unemployed persons. Labour demand can also be disaggregated into two components: jobs/filled posts and job vacancies/unfilled posts (Hussmanns, 2007[2]). The principal sources of labour demand are government and private firms.

Against this background, labour market information is the body of knowledge that describes employment, unemployment and the factors that relate to labour demand and supply. The analysis that follows focuses on these factors in the context of the labour market outcomes in the South African economy over the period 2007 to 2012. These labour market developments are the result of long-term demographic and socio-economic changes.

Introduction

This chapter first outlines important aspects of the three major groups which constitute the working-age population and discusses the relevance of age and population group to labour market outcomes in the South African economy over the period 2007 to 2012. The analysis then focuses on key labour market rates and examines how these have been changing over time. The chapter then examines differences in the composition of the workforce by level of education, and signals the importance of the latter for the quality of the labour supply. Labour market outcomes in South Africa are also analysed in the context of other countries in Africa which belong to SADC. Finally, the analysis focuses on key aspects of the situation of discouraged work-seekers and discusses trends based on the expanded definition of unemployment.

Components of the working-age population

Table 3.1: Key labour market indicators, 2007–2012

	2007	2008	2009	2010	2011	2012
	Thousand					
Employed	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
Men	7 523	7 866	7 562	7 390	7 481	7 623
Women	5 944	6 000	5 894	5 671	5 783	5 900
Unemployed	**3 871**	**4 104**	**4 215**	**4 332**	**4 397**	**4 541**
Men	1 739	1 948	2 128	2 184	2 166	2 265
Women	2 132	2 156	2 087	2 148	2 231	2 276
Not economically active	**12 973**	**12 996**	**13 824**	**14 614**	**14 832**	**14 895**
Men	5 145	5 107	5 524	5 926	6 126	6 148
Women	7 828	7 888	8 300	8 688	8 706	8 747
Labour force	**17 338**	**17 971**	**17 670**	**17 393**	**17 662**	**18 064**
Men	9 262	9 814	9 690	9 574	9 647	9 888
Women	8 076	8 156	7 981	7 819	8 014	8 176
Working-age population	**30 311**	**30 967**	**31 494**	**32 007**	**32 494**	**32 959**
Men	14 407	14 921	15 214	15 500	15 773	16 036
Women	15 904	16 044	16 281	16 507	16 720	16 923

The working-age population in South Africa includes people within the borders of the country who are between 15 and 64 years of age. This group is made up of the labour force and the not economically active population. In turn, the labour force comprises the employed and unemployed population.

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[2] Hussmanns, Ralf. Measurement of employment, unemployment and underemployment – Current international standards and issues in their application, ILO Bureau of Statistics, Geneva

Figure 3.1: Trends in the components of the working-age population, 2007–2012

	2007	2008	2009	2010	2011	2012
Employed	13 467	13 867	13 455	13 061	13 265	13 523
NEA	12 973	12 996	13 824	14 614	14 832	14 895

Unemployed bar chart values: 2007: 3 871, 2008: 4 104, 2009: 4 215, 2010: 4 332, 2011: 4 397, 2012: 4 541
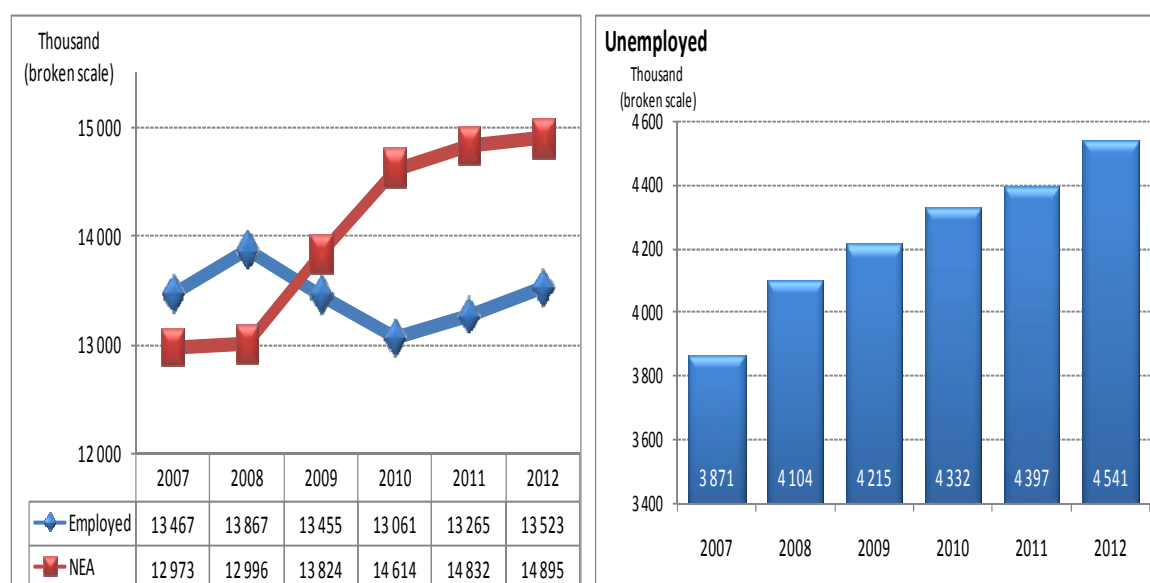
Table 3.1, Table 3.2 and Figure 3.1 show the impact of the global recession on key labour market indicators. Levels of the not economically active population started below that of employment before the recession hit in 2009, but crossed over above employment in the post-recession period. Figure 3.1 and Table 3.1 also show that the rise in unemployment over the period 2007–2012 is associated with increases in the not economically active population.

Table 3.2: Annual change in key labour market indicators, 2007–2012

	2008	2009	2010	2011	2012	2008-2012
			Thousand			
Employed	**400**	**-412**	**-394**	**204**	**258**	**56**
Men	343	-304	-172	91	142	100
Women	56	-106	-223	112	117	-44
Unemployed	**233**	**111**	**117**	**65**	**144**	**670**
Men	209	180	56	-18	99	526
Women	24	-69	61	83	45	144
Not economically active	**23**	**828**	**790**	**218**	**63**	**1 922**
Men	-38	417	402	200	22	1 003
Women	60	412	388	18	41	919
Labour force	**633**	**-301**	**-277**	**269**	**402**	**726**
Men	552	-124	-116	73	241	626
Women	80	-175	-162	195	162	100
Working-age population	**656**	**527**	**513**	**487**	**465**	**2 648**
Men	514	293	286	273	263	1 629
Women	140	237	226	213	203	1 019

Over the 2008 to 2012 period, only 56 000 jobs were created in the South African labour market. Whereas employment among men rose by 100 000 over the period, among women 44 000 jobs were lost. Although employment among women declined over the period, the number of unemployed women rose by 144 000 as against an increase of 526 000 among men (Table 3.2).

South African working-age population by age and population group

This section examines the age and population group distributions of the working-age population in South Africa and how these demographic variables affect all components of the working-age population.

Figure 3.2: The age profile of persons in the working-age population and labour force, 2012

	Labour force						Working age				
	Black African	Coloured	Indian/ Asian	White	Total		Black African	Coloured	Indian/ Asian	White	Total
■ 15-34	53,0	46,3	48,8	33,0	49,9		61,9	49,5	50,9	38,6	58,3
■ 35-54	41,4	47,2	44,5	50,2	43,1		30,1	39,9	36,1	41,5	32,3
■ 55-64	5,6	6,6	6,7	16,8	7,0		8,0	10,6	13,0	20,0	9,5
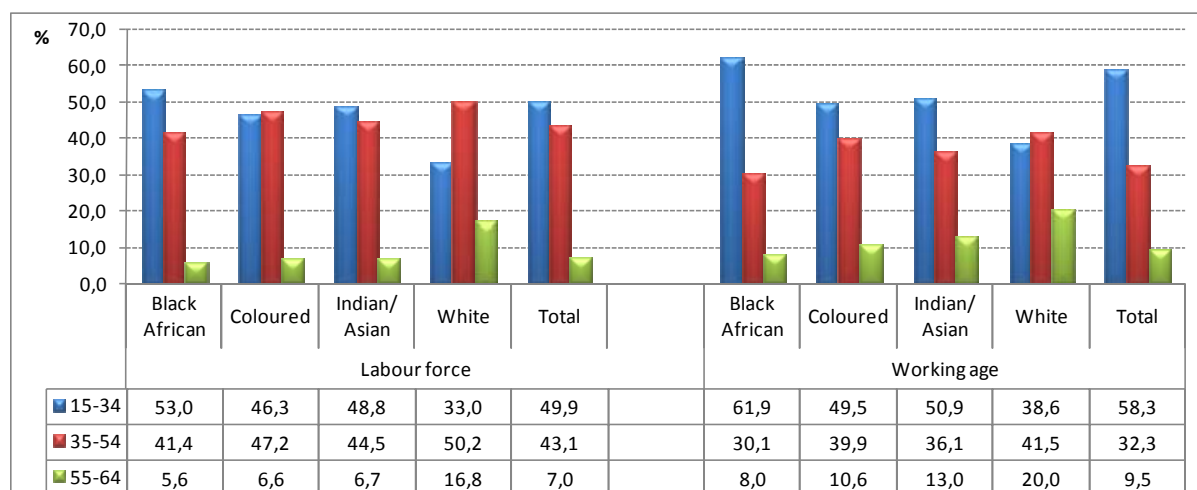
Figure 3.2 shows that in 2012, young people aged 15–34 years made up 58,3% of the working-age population, but accounted for only 49,9% of the labour force. On the other hand, those aged 35–54 years made up 32,3% of the working-age population but accounted for 43,1% of the labour force population. The oldest age group (55–64 years) made the smallest contribution to both the working-age population and the labour force (i.e. 9,5% and 7,0% respectively). The same pattern is observed across all population groups except among the white population group where persons aged 35–54 years account for the largest share of both the working-age population and the labour force.

Figure 3.3: The age profile of persons in the working-age population, 2012
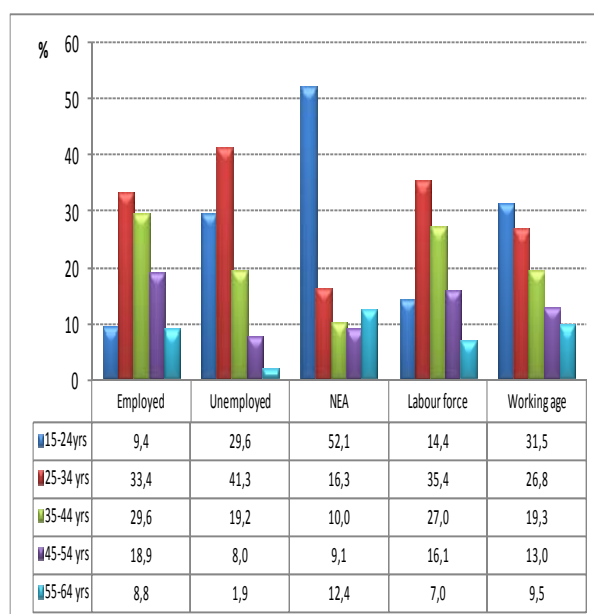
Figure 3.4: The age profile of persons in the working-age population by population group, 2012

	Employed	Unemployed	NEA	Labour force	Working age
■ 15-24yrs	9,4	29,6	52,1	14,4	31,5
■ 25-34 yrs	33,4	41,3	16,3	35,4	26,8
■ 35-44 yrs	29,6	19,2	10,0	27,0	19,3
■ 45-54 yrs	18,9	8,0	9,1	16,1	13,0
■ 55-64 yrs	8,8	1,9	12,4	7,0	9,5

	Employed	Unemployed	Not economically active	Working age
White	14,4	2,6	6,7	9,3
Indian/Asian	3,6	1,3	2,6	2,9
Coloured	11,0	10,3	7,4	9,3
Black African	71,0	85,7	83,2	78,5
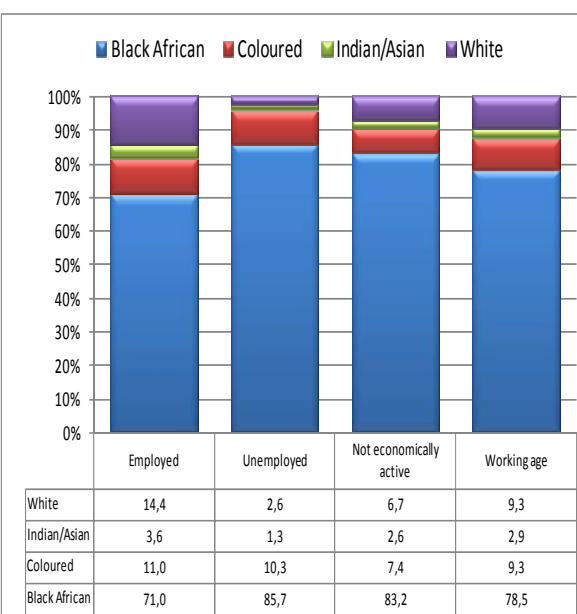
Figure 3.3 and Figure 3.4 highlight two important characteristics of the South African labour market:

- Almost one in every three working-age persons (31,5%) is 15–24 years old.

- More than three-quarters (78,5%) of the working-age population is black African.

In combination, the youthfulness of the population – particularly the black African population – and the relative size of this population group are important explanatory factors for the aggregate labour market outcomes in the South African economy discussed throughout this report. A striking feature of the profile of persons in the labour market based on population group is that while 78,5% of the working-age group is black African, this group is under-represented among the employed (71,0%) and over-represented among both the unemployed (85,7%), and the not economically active (83,2%). On the other hand, the white population group accounts for 9,3% of the working-age population, but as much as 14,4% of total employment and only 2,6% of the unemployed (Figure 3.4).

Figure 3.5: Women per hundred men in the working-age population, 2007–2012
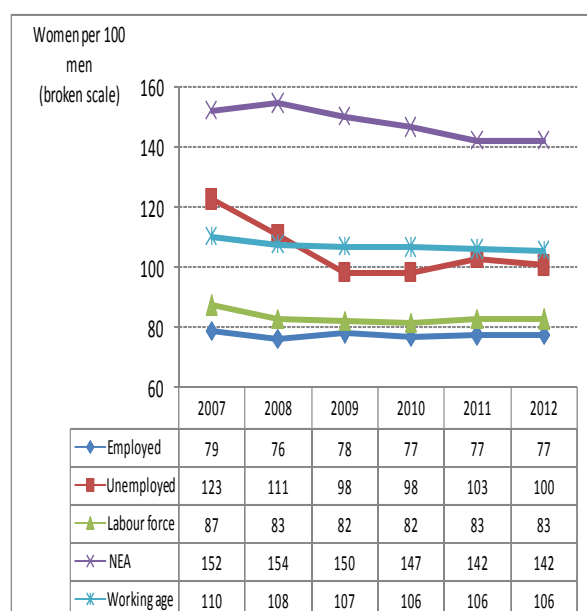
Figure 3.6: Female share of the working-age population and the employed, 2012

	2007	2008	2009	2010	2011	2012
Employed	79	76	78	77	77	77
Unemployed	123	111	98	98	103	100
Labour force	87	83	82	82	83	83
NEA	152	154	150	147	142	142
Working age	110	108	107	106	106	106
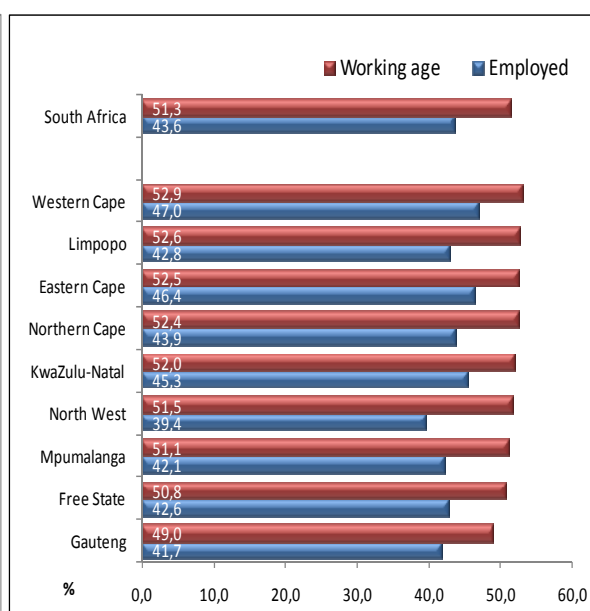
Another dimension of the scale of gender inequalities in the South African labour market is the number of women per 100 men in each labour market category (Figure 3.5). In 2007, for every 100 employed men there were only 79 employed women; this ratio remained virtually unchanged in 2012 (77). Gender disparities among the unemployed and the not economically active have improved over the six years to 2012. Among the latter group, the gender gap is widest – falling from 152 women per hundred men in 2007 to 142 women per 100 men in 2012.

Figure 3.6 shows that across the country, women account for a substantially higher share of the working-age population compared with their share of total employment.

The South African labour force

Level of educational attainment

The number of years of completed schooling and the highest level of education attained are the two most frequently used measures of human capital development. However, caution is required when analysing education outcomes because, as discussed by Palmer, 2008[3], such measures omit any on-the-job-training and say nothing about the kind of school (e.g. academic, vocational) where these years of schooling have been done, nor anything about the quality of schooling received. In addition, the number of years of schooling is correlated to family wealth; hence it is quite possible that it is this wealth, rather than the schooling, which contributes to future success.

In the South African context, the challenges posed by the education system are acknowledged by government: 'The most difficult aspects of the legacy of apartheid to unwind arise from its deliberately inferior system of education and irrational patterns of population settlement. In a period of growth it is evident that we lack sufficient skilled professionals, managers and artisans, and that the uneven quality of education remains a contributory factor. In addition, the price of labour of the poor is pushed up by the fact that many live a great distance from their places of work' (AsgiSA[4]). The irrational patterns of population settlement are also likely to affect the readiness of large segments of the unemployed black African population to engage in some of the job-search activities discussed in greater detail in Chapter 7, and contribute to the disproportionate share of black Africans among the discouraged work-seekers discussed.

Figure 3.7: The labour force by level of educational attainment, 2007 and 2012
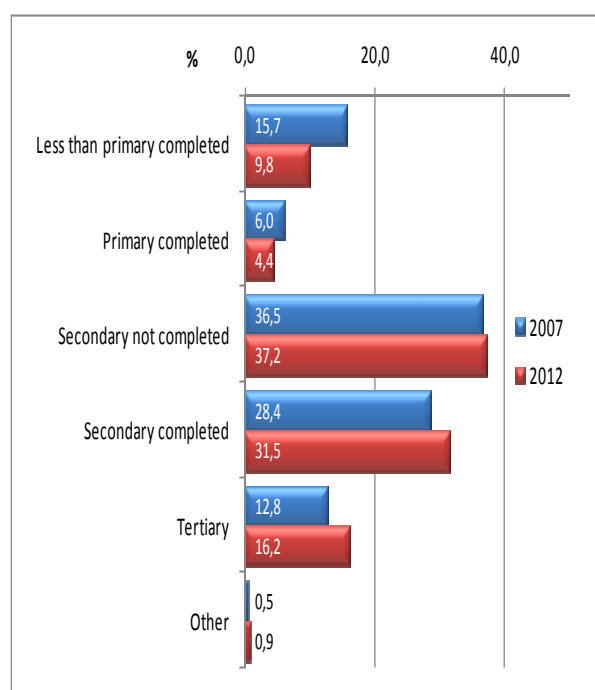
Figure 3.8: The labour force by level of educational attainment and population group, 2012

	Below primary	Primary completed	Some secondary	Complete secondary	Tertiary
Black African	11,9	4,9	40,5	29,3	12,4
Coloured	7,4	6,1	42,4	31,7	11,5
Indian/Asian	1,8	0,9	20,1	48,7	28,0
White	0,2	0,2	15,5	40,8	42,4

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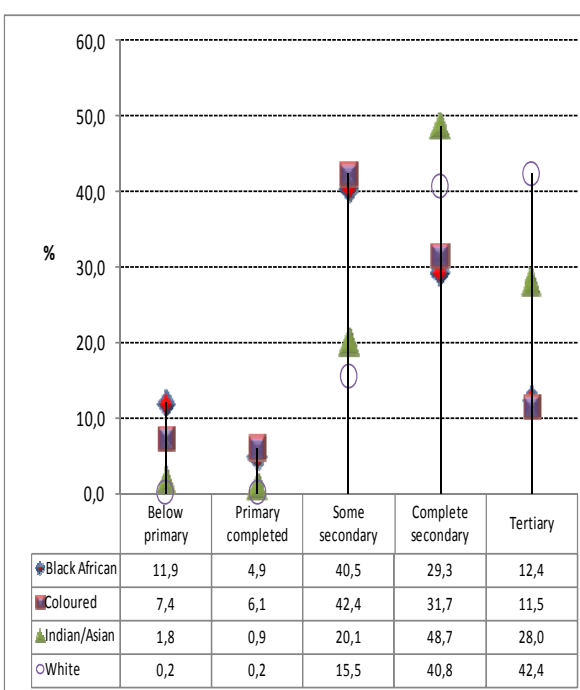
[3] Palmer, Robert, ILO. Employment Sector, Employment Working Paper No. 5, 2008
[4] Accelerated shared growth initiative for South Africa, Annual Report, 2008

Figure 3,7 shows that the education profile of the labour force improved over the period 2007 to 2012. Compared with 2007, in 2012 a smaller percentage of the labour force was in the two lowest education categories while larger percentages of the labour force had completed matric or had tertiary qualifications.

The black African labour force has the worst educational attainment compared to other population groups. As many as 11,9% of the black African population did not complete a primary school education compared to their white (0,2%), coloured (7,4%) and Indian/Asian (1,8%) counterparts. The analysis of higher educational attainment also paints the same picture, with 42,4% of the white population managing to obtain tertiary level education compared to the other population groups. Figure 3,8 also shows that most of the black African (40,5%) and coloured (42,4%) population groups did not complete secondary education.

Summary labour market measures

The analysis in this section focuses on three important summary labour market measures that are intrinsically linked: the unemployment rate, the labour force participation rate, and the employment-to-population ratio (absorption rate). Each measure reflects a different perspective on the degree to which individuals of working age are represented in the labour market, and together they contribute to a better understanding of how the labour market functions (Lestrade-Jefferis, 2002[5]). An analysis of the trends and patterns in various labour market aggregates at national level often conceals wide variations for different groups. In light of this, the analysis in this section explores pertinent factors such as age, sex, population group, and marital status that contributed to the labour market outcome over the period 2007 to 2012.

Table 3.3: Summary labour market measures by sex, 2007–2012

	2007	2008	2009	2010	2011	2012
Unemployment rate	Per cent					
Men	18,8	19,8	22,0	22,8	22,5	22,9
Women	26,4	26,4	26,1	27,5	27,8	27,8
Both sexes	**22,3**	**22,8**	**23,9**	**24,9**	**24,9**	**25,1**
Labour absorption rate						
Men	52,2	52,7	49,7	47,7	47,4	47,5
Women	37,4	37,4	36,2	34,4	34,6	34,9
Both sexes	**44,4**	**44,8**	**42,7**	**40,8**	**40,8**	**41,0**
Labour force participation rate						
Men	64,3	65,8	63,7	61,8	61,2	61,7
Women	50,8	50,8	49,0	47,4	47,9	48,3
Both sexes	**57,2**	**58,0**	**56,1**	**54,3**	**54,4**	**54,8**

South Africa has a steadily growing population. As a result, in order for the absorption rate (employment-to-population ratio) to just remain steady, employment must grow at a faster rate than the working-age population. As noted at the beginning of this chapter, the labour force comprises all persons of working age who engage actively in the labour market (employed or unemployed). Because of the inclusion of the unemployed, the labour force participation rate will always be higher than the absorption rate.

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[5] Lestrade-Jefferis JP. The South African Labour Market, Statistics South Africa, 2002

Figure 3.9: Unemployment rate by sex, 2007–2012
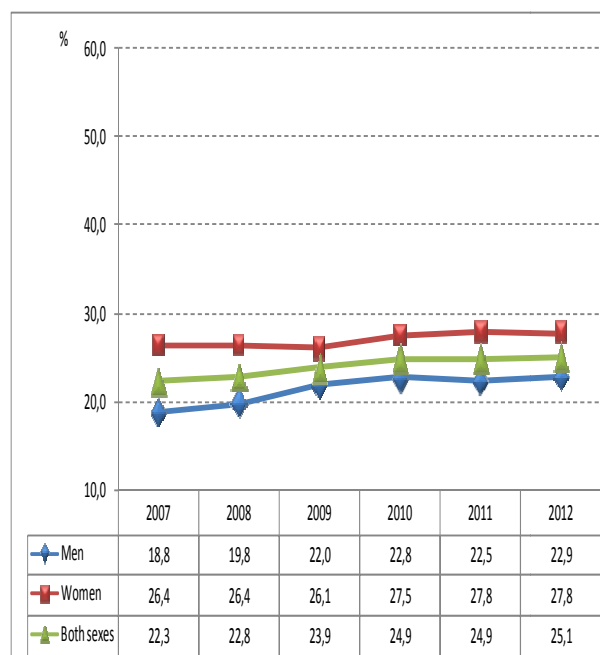
Figure 3.10: Labour absorption rate by sex, 2007–2012

	2007	2008	2009	2010	2011	2012
Men	18,8	19,8	22,0	22,8	22,5	22,9
Women	26,4	26,4	26,1	27,5	27,8	27,8
Both sexes	22,3	22,8	23,9	24,9	24,9	25,1

	2007	2008	2009	2010	2011	2012
Men	52,2	52,7	49,7	47,7	47,4	47,5
Women	37,4	37,4	36,2	34,4	34,6	34,9
Both sexes	44,4	44,8	42,7	40,8	40,8	41,0
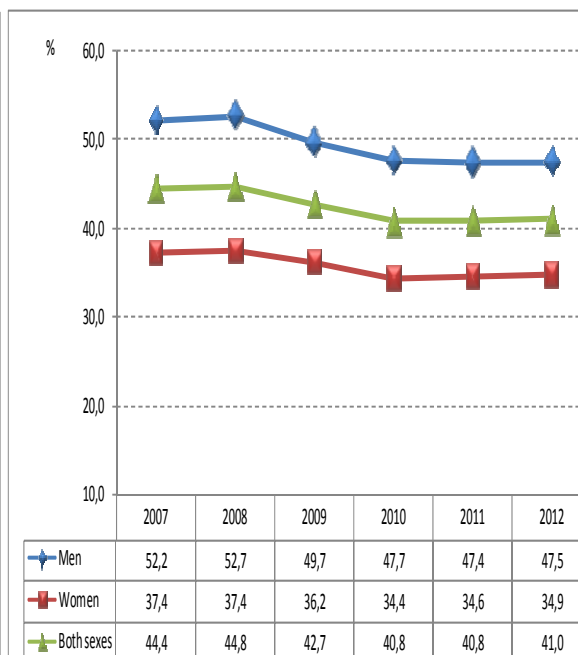
Over the past six years, the unemployment rate for women has consistently exceeded that of men. This persistent pattern is cause for some concern. Figure 3.9 shows that since 2007, the unemployment rate at national level has been on the rise (from 22,3% in 2007 to 25,1% in 2012). Weak employment growth among men and the contraction in employment among women is reflected in the decline in the absorption rate among both men and women over the period.

Figure 3.11: The gender gap in key labour market variables, 2007–2012

	2007	2008	2009	2010	2011	2012
Unemployment rate	1,41	1,33	1,19	1,20	1,24	1,21
Labour absorption	0,72	0,71	0,73	0,72	0,73	0,73
LFPR	0,79	0,77	0,77	0,77	0,78	0,78
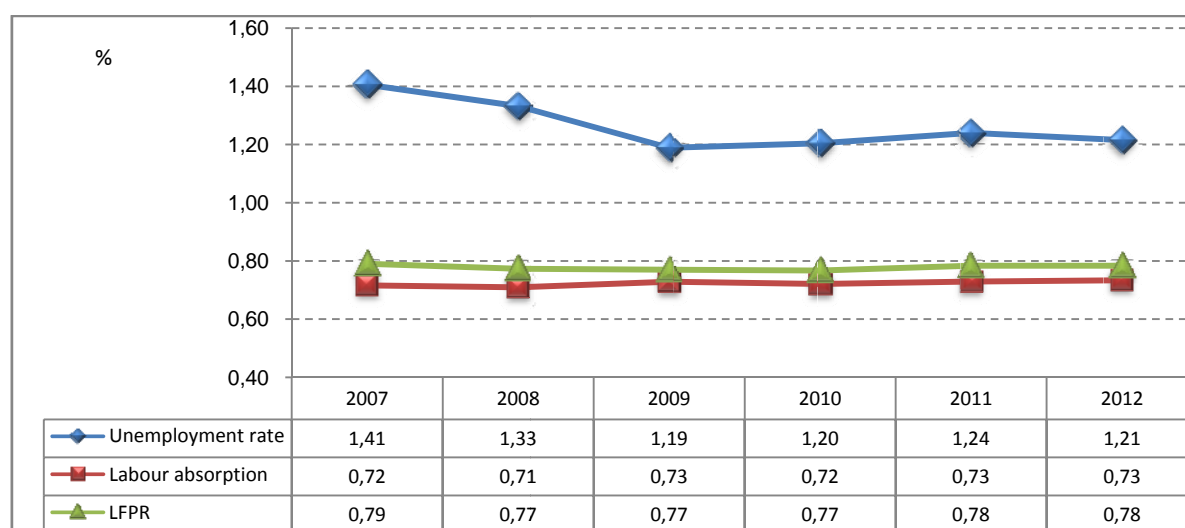
LFPR: labour force participation rate

The gender gap – measured as the ratio of female to male rates for key labour market indicators – highlights the disparities between men and women in the labour market. In 2007

and 2008, female unemployment rates were higher than male rates by a larger margin than in subsequent years. Although the gap has narrowed since 2008, the unemployment rate among women was still higher than that of men in 2012. While female unemployment rates were higher than male unemployment rates, female labour absorption and labour force participation rates were lower than those of their male counterparts throughout the period under review (Figure 3.11).

Population group

High levels of unemployment and low levels of employment among various population groups indicate that certain groups in the population are not able to effectively use their labour in order to better their living conditions or to positively contribute to the economy.

Table 3.4: Labour market variables by population group, 2007–2012

	2007	2008	2009	2010	2011	2012
Unemployment rate	Per cent					
Black African	25,8	27,0	28,1	29,2	28,9	28,8
Coloured	22,4	18,8	20,2	22,0	22,6	24,0
Indian/Asian	10,1	11,9	12,0	9,1	10,5	10,9
White	4,3	4,2	4,7	5,8	5,8	5,8
All population groups	**22,3**	**22,8**	**23,9**	**24,9**	**24,9**	**25,1**
Absorption rate						
Black African	40,5	40,5	38,3	36,3	36,6	37,1
Coloured	52,2	52,9	52,1	49,9	48,7	48,5
Indian/Asian	51,9	53,7	51,4	55,0	52,2	52,0
White	64,4	67,0	66,2	64,3	64,3	63,5
All population groups	**44,4**	**44,8**	**42,7**	**40,8**	**40,8**	**41,0**
Labour force participation rate						
Black African	54,6	55,5	53,2	51,2	51,5	52,1
Coloured	67,2	65,2	65,3	64,0	62,9	63,8
Indian/Asian	57,8	61,0	58,4	60,5	58,3	58,4
White	67,3	69,9	69,5	68,2	68,2	67,5
All population groups	**57,2**	**58,0**	**56,1**	**54,3**	**54,4**	**54,8**

Table 3.4 shows that among all population groups, the unemployment rate increased between 2007 and 2012. The increase was largest among the black African population (up by 3,0 percentage points from 25,8% in 2007 to 28,8% in 2012), followed by persons in the white population group up by 1,5 percentage points.

Figure 3.12: Unemployment rate by sex and population group, 2007 and 2012

	Men				Women				Both sexes			
	African	Coloured	Indian	White		African	Coloured	Indian	White		African	Coloured	Indian	White
2007	21,5	21,0	8,5	4,0		30,5	24,0	13,0	4,6		25,8	22,4	10,2	4,3
2012	26,0	24,9	11,4	4,9		32,2	22,9	10,0	7,0		28,8	24,0	10,9	5,8
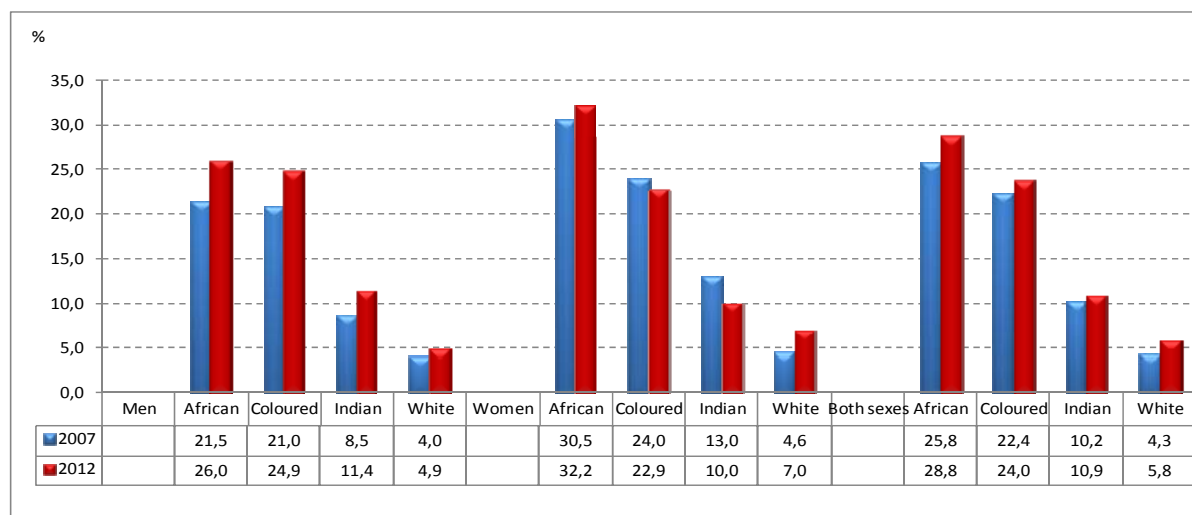
Figure 3.12 highlights important gender differences by population group as follows:

- Black African women had the highest unemployment rate (32,2% in 2012).
- White men had the lowest unemployment rate (4,9% in 2012).

Age and the labour market

It is widely recognised that young people are often at a disadvantage in labour markets because they lack the necessary education and training, work experience, job-search ability, and the requisite skills for the jobs that are available. As noted by Gallart, 2008[6], although young people now stay longer in the educational system than in the past, for many of them this does not guarantee mastery of the skills needed for employability or ensure a competitive place in the queue of people seeking their first job.

A similar picture emerges in the South African labour market where in 2012, youth aged 15–24 years accounted for one-third of all working-age persons. This indicates possible demand-side deficiencies in two respects: firstly, the inability of the economy to generate enough employment opportunities to absorb all the new entrants into the labour market, and secondly, the apparent preference by employers for older workers who often have the relevant work experience and training that better suit the employment opportunities that are available. However, it needs to be stated that the majority of those aged 15–24 years are still in school and this may prevent them from participating in the labour force.

Table 3.5: Summary labour measures by age, 2007–2012

Unemployment rate	2007	2008	2009	2010	2011	2012
	Per cent					
15–24 yrs	46,5	45,5	48,1	50,5	49,8	51,5
25–34 yrs	26,0	26,0	27,9	28,9	29,6	29,3
35–44 yrs	13,5	15,7	16,2	17,4	17,7	17,9
45–54 yrs	10,4	10,0	10,8	12,0	12,1	12,4
55–64 yrs	5,6	6,8	6,3	7,3	6,0	6,9
All ages	**22,3**	**22,8**	**23,9**	**24,9**	**24,9**	**25,1**
Labour force participation rate						
15–24 yrs	29,3	30,4	27,8	25,9	25,2	25,2
25–34 yrs	74,6	76,2	73,9	71,8	71,9	72,5
35–44 yrs	77,8	78,3	77,2	75,6	75,8	76,6
45–54 yrs	70,1	69,9	69,0	67,6	68,0	68,2
55–64 yrs	44,8	43,9	41,9	40,2	40,5	40,8
All ages	**57,2**	**58,0**	**56,1**	**54,3**	**54,4**	**54,8**
Absorption rate						
15–24 yrs	15,7	16,5	14,4	12,8	12,7	12,2
25–34 yrs	55,2	56,4	53,3	51,1	50,6	51,2
35–44 yrs	67,3	66,0	64,7	62,4	62,4	62,9
45–54 yrs	62,8	63,0	61,5	59,6	59,8	59,7
55–64 yrs	42,2	40,9	39,2	37,3	38,0	38,0
All ages	**44,4**	**44,8**	**42,7**	**40,8**	**40,8**	**41,0**

Between 2007 and 2012, the unemployment rate among young people aged 15–24 years rose by a larger margin than among the other age groups. This was accompanied by a decline in the labour force participation rate and the absorption rate among those aged 15–24 years

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[6] Gallart, Maria Antonia, ILO/Cinterfor, 2008. Skills, Productivity and Employment Growth: The case of Latin America

Figure 3.13: Unemployment rate by age and sex, 2007 and 2012

	Men	15-24 yrs	25-34 yrs	35-44 yrs	45-54 yrs	55-64 yrs	Women	15-24 yrs	25-34 yrs	35-44 yrs	45-54 yrs	55-64 yrs
2007		41,1	20,9	10,5	9,0	6,4		52,8	32,0	16,8	11,9	4,5
2012		47,1	25,6	16,3	12,9	8,1		56,9	33,8	19,7	11,8	5,2
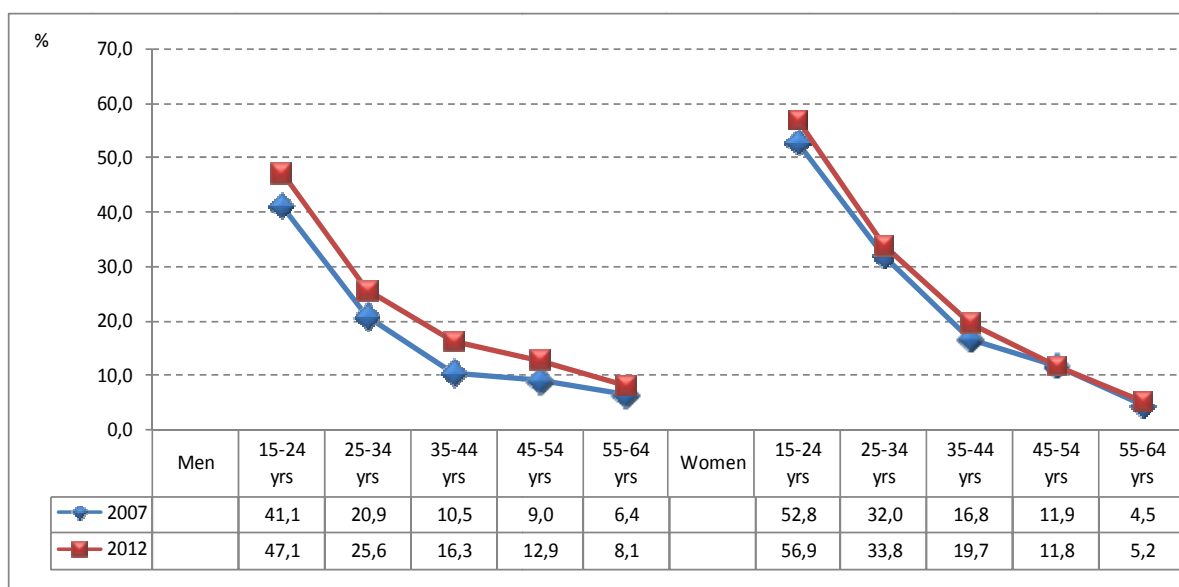
Irrespective of age, Figure 3.13 shows that the unemployment rate among both men and women was higher in 2012 compared with 2007. And notably, the rate among women aged 55–64 years is actually lower than that of men in the same age group.

Figure 3.14: Key labour market rates by age, 2012

	15-24yrs	25-34yrs	35-44yrs	45-54yrs	55-64yrs	All ages
Unemployment rate	51,5	29,3	17,9	12,4	6,9	25,1
Absorption rate	12,2	51,2	62,9	59,7	38,0	41,0
LFPR	25,2	72,5	76,6	68,2	40,8	54,8
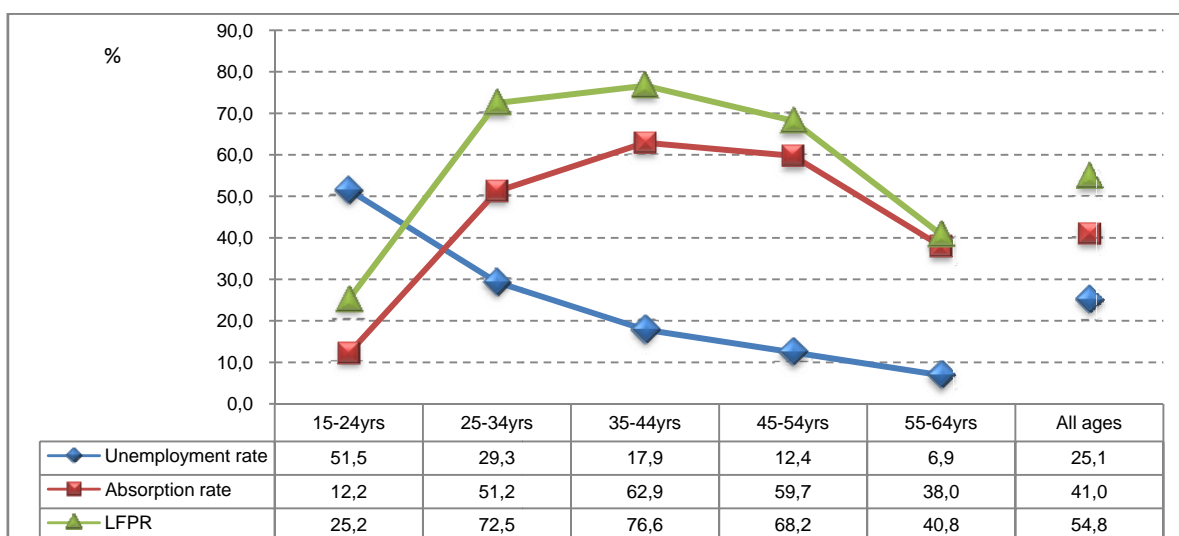
LFPR: labour force participation rate

Figure 3.14 shows that in 2012, the unemployment rate decreased with age and was lowest among those aged between 55 and 64 years. On the other hand, both the absorption and participation rates increased with age, reaching both their peaks at the age group 35–44 years and gradually declining after the age of 44 years.

Provincial labour market indicators

Provincial disparities in the South African labour market are large, as evidenced by the difference between the highest and lowest unemployment rates, absorption rates, and labour force participation rates across the nine provinces. These disparities arise from many sources – some of which relate directly to the different economic circumstances facing each province. In this regard, differences in the industrial breakdown and the share of male and female-dominated industries as well as the level of urbanisation are likely to be important contributing factors to provincial labour market outcomes.

Figure 3.15: Unemployment rate by province, 2007 and 2012
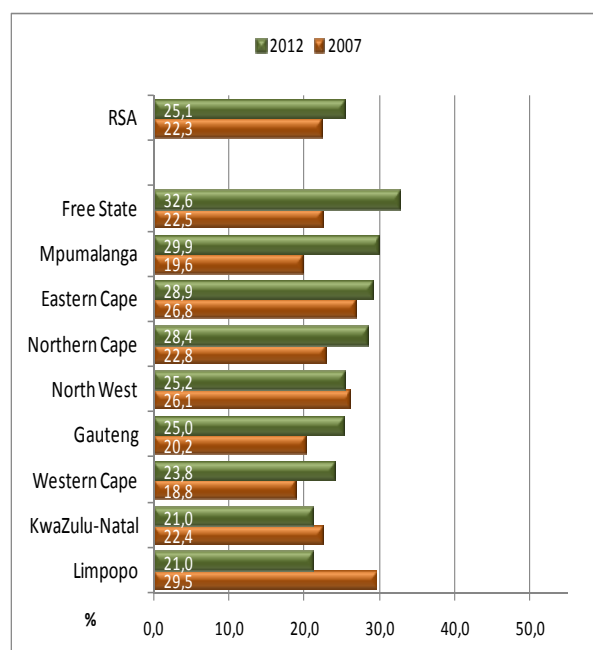
Figure 3.16: Absorption rate by province, 2007 and 2012
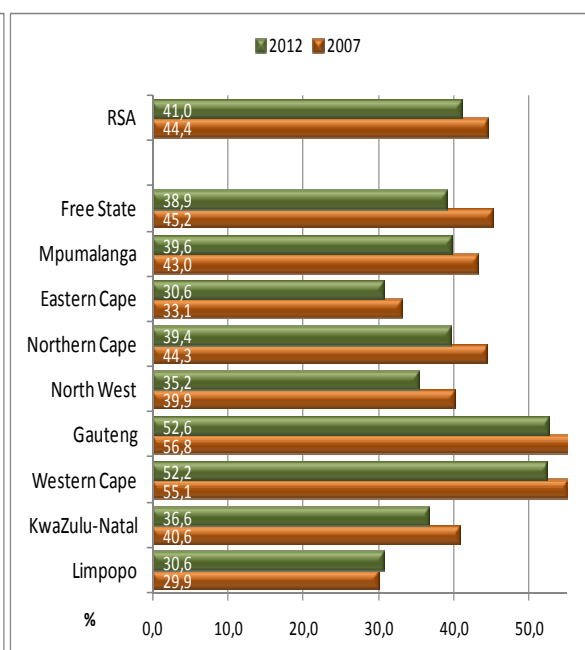
Figure 3.15 indicates that the unemployment rate in 2012 was lowest in KwaZulu-Natal and Limpopo and highest in Free State and Mpumalanga. The biggest increase in the unemployment rate was observed in Mpumalanga where the unemployment rate increased by 10,3 percentage points, while Limpopo recorded the biggest decline (down by 8,5 percentage points). Figure 3.16 indicates that absorption rates declined in 2012 compared to 2007 in all provinces except Limpopo, where the rate rose by 0,7 of a percentage point. The highest reduction in the absorption rate was observed in Free State where it declined by 6,3 percentage points between 2007 and 2012 on account of the reduction in employment opportunities during this period.

Figure 3.17: Unemployment rate by province and sex, 2012
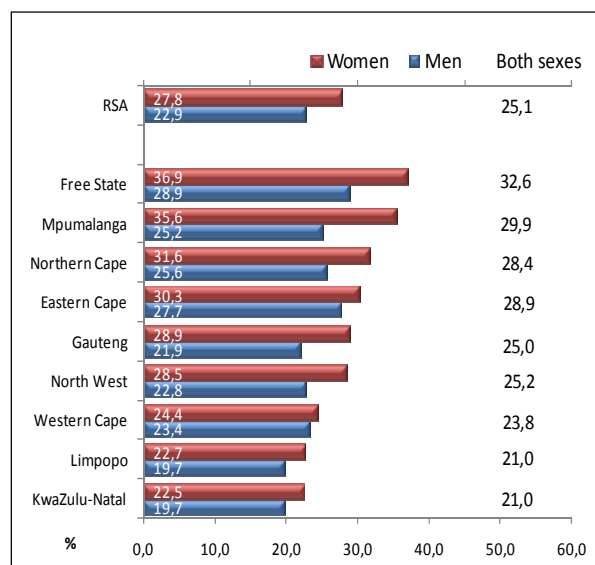
Figure 3.18: Absorption rate by province and sex, 2012
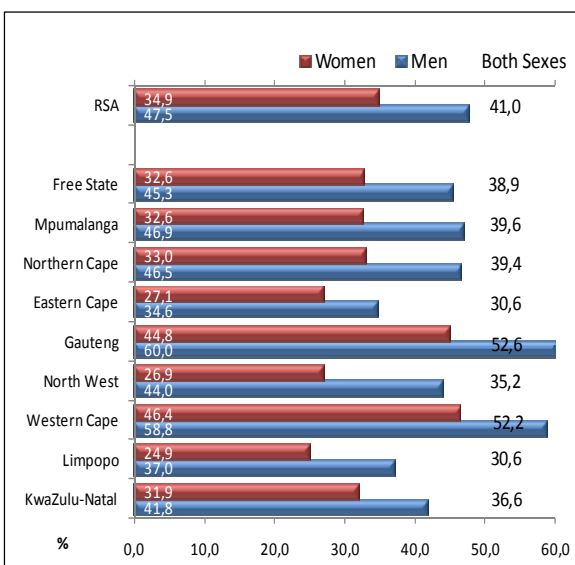
In every province, the unemployment rate among women was higher than that of men in 2012 (Figure 3.17) while absorption rates among women were lower than of men (Figure 3.18). The gap between male and female unemployment rates was highest in Mpumalanga, Free State and North West where the number of employed women per 100 employed men was lowest.

Educational attainment

It is generally expected that the completion of higher levels of education improves job prospects. However, the unemployment rate was lower among people who had not completed primary education than for those in every other education category except those with tertiary qualifications (Table 3.6 and Figure 3.19). This perhaps unexpected outcome is explained by a closer examination of the profile of those without formal education. Many such individuals tend to be older and work in unskilled positions in industries such as agriculture and private households. Lower unemployment rates among those with low education levels may also be as a result of better educated persons being in a stronger position to demand jobs which pay higher wages.

Table 3.6: Summary measures by level of educational attainment, 2007–2012

	2007	2008	2009	2010	2011	2012
Unemployment rate			Per cent			
Primary not completed	18,5	19,8	20,8	22,3	20,7	21,5
Primary completed	24,2	23,9	23,2	24,1	25,3	25,1
Secondary not completed	28,9	29,2	30,5	31,5	31,7	32,1
Secondary completed	22,6	24,1	25,5	26,6	27,1	26,4
Tertiary	7,2	7,7	8,4	9,2	8,8	9,5
RSA	**22,3**	**22,8**	**23,9**	**24,9**	**24,9**	**25,1**
Absorption rate						
Primary not completed	39,9	38,3	34,7	31,4	31,7	32,0
Primary completed	37,4	36,1	35,0	31,9	30,9	32,0
Secondary not completed	34,4	34,3	32,4	30,9	30,8	31,0
Secondary completed	55,5	55,9	52,7	50,3	49,6	49,9
Tertiary	82,0	83,0	81,3	79,1	79,6	78,9
RSA	**44,4**	**44,8**	**42,7**	**40,8**	**40,8**	**41,0**

Figure 3.19: Trend in unemployment rate by level of education, 2007–2012

	2007	2008	2009	2010	2011	2012
Some primary	18,5	19,8	20,8	22,3	20,7	21,5
Primary completed	24,2	23,9	23,2	24,1	25,3	25,1
Some secondary	28,9	29,2	30,5	31,5	31,7	32,1
Secondary completed	22,6	24,1	25,5	26,6	27,1	26,4
Tertiary	7,2	7,7	8,4	9,2	8,8	9,5
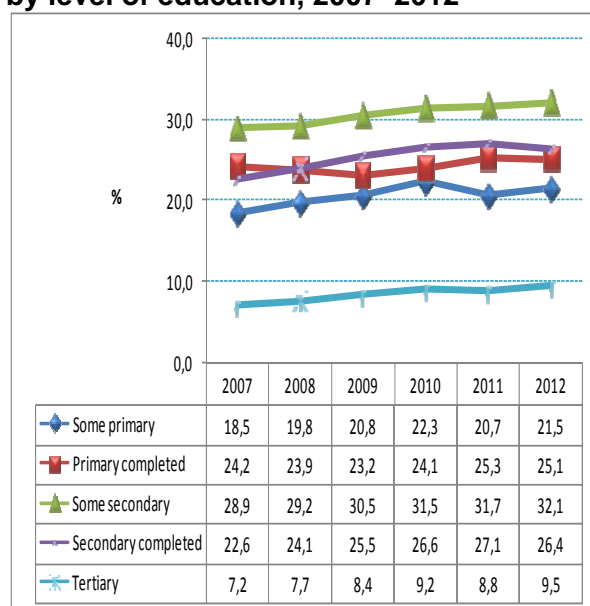
Figure 3.20: Unemployment rate by level of education and sex, 2012

	Less than primary	Complete primary	Some secondary	Complete secondary	Higher
Men	23,1	23,0	29,0	23,1	7,9
Women	19,3	27,9	36,0	30,3	11,2
Both sexes	21,5	25,1	32,1	26,4	9,5
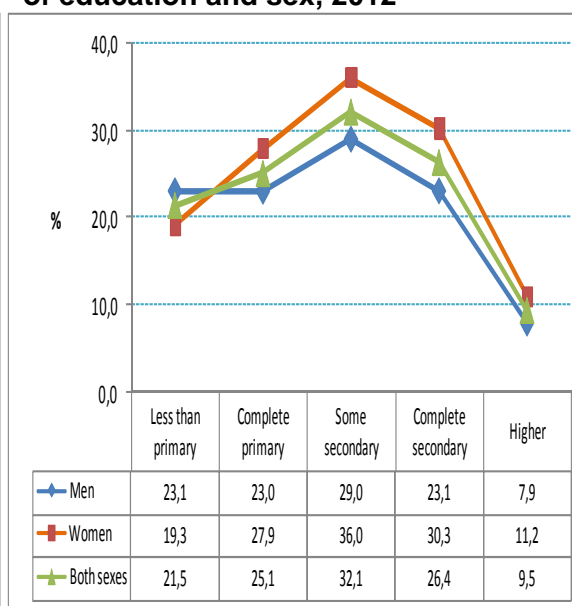
There is a gender-specific pattern in the unemployment rate by level of education (Figure 3.20). The unemployment rate was higher for women than for men at education levels higher than complete primary. The gender gap was largest among those with only some secondary education and among those who had completed secondary education.

Labour market outcomes in the SADC region

The structure of economies in the SADC region differs and as such the composition of the labour market also differs. As a consequence, caution should be exercised when comparing labour market indicators within the SADC region. The purpose of this section is to highlight the challenges faced in comparing South African labour market indicators to other countries in the SADC region.

A comparison of key labour market indicators across countries relies on the use of similar definitions of employment and unemployment in each country. For many developing countries – including several SADC countries – production for own consumption, e.g. subsistence farming, makes a substantial contribution to total household consumption. In these countries production for own consumption is regarded as employment while in South Africa it is not. Caution should thus be exercised when comparing levels of employment, unemployment and inactivity across countries, as differences could be a reflection of the diverse methodological approaches in the estimation of labour market indicators. Secondly, data from other countries in the region are not always readily available since labour force surveys are not conducted regularly.

Table 3.7: Key labour market indicators by country, 2011 and 2012

Country	LFPR (15–64 yrs) 2011	LFPR (15–64 yrs) 2012	Unemployment rate (15 yrs +) 2011	Unemployment rate (15 yrs +) 2012	Absorption rate (15 yrs+) 2011	Absorption rate (15 yrs+) 2012	Working age (15–64 yrs) 2011	Working age (15–64 yrs) 2012
	Per cent						Thousand	
Angola	70,9	70,9	8,0	7,9	64,3	64,3	10 057	10 399
Botswana	79,0	79,2	17,1	17,6	63,6	63,3	1 292	1 310
Democratic Republic of Congo	71,8	71,9	7,6	7,4	65,9	66,1	34 744	35 856
Lesotho	67,3	67,5	25,0	26,3	49,5	48,7	1 288	1 311
Malawi	82,6	82,6	7,5	7,6	76,8	76,8	7 846	8 092
Mauritius	64,5	64,7	8,0	7,3	54,8	55,3	934	941
Mozambique	84,7	84,6	7,9	7,9	77,9	77,7	12 625	12 946
Namibia	66,2	66,4	37,6	34,7	40,1	42,0	1 401	1 435
South Africa	54,4	54,8	24,7	25,0	38,2	38,4	32 494	32 979
Swaziland	58,2	58,5	22,6	23,0	44,0	43,9	706	720
Tanzania, United Republic of	90,6	90,5	4,2	4,3	85,5	85,4	24 048	24 747
Zambia	79,7	79,6	15,8	15,4	66,8	67,0	6 792	6 976
Zimbabwe	87,4	87,5	4,3	4,4	82,5	82,6	7 347	7 582

Source: ILO key indicators of the labour market (7th edition)

In 2012, the unemployment rate among SADC countries ranged from 4,3% in Tanzania to 34,7% in Namibia. The rate in South Africa (24,7%) was the third highest after Namibia (34,7%) and Lesotho (26,3%). Absorption rates within the region ranged from 42,0% (Namibia) to 85,4% (Tanzania). At 39,6%, the absorption rate for South Africa was lower than elsewhere in the SADC region. But as discussed earlier, employment outcomes in South Africa refer only to market production activities and do not include own account activities such as subsistence farming.

The South African working-age population is among the highest in the region (33,2 million), along with Congo at 35,9 million and Tanzania at 24,7 million. However, the labour force participation rate (LFPR) in South Africa (56,0%) is the lowest in the region.

Discouraged work-seekers

Analysis in this section focuses on the number of discouraged work-seekers as a percentage of persons that are not economically active. It should be noted that only four data points are included (see breaks in series in Appendix 1: Technical notes).

Table 3.8: Discouraged work-seekers by sex and population group, 2008–2012

	2008 Men	2008 Women	2009 Men	2009 Women	2010 Men	2010 Women	2011 Men	2011 Women	2012 Men	2012 Women
	Thousand									
Black African	427	644	612	839	821	1 060	935	1 168	942	1 208
Other groups	22	37	36	44	56	61	60	74	1 055	1 316
Total	**448**	**681**	**648**	**883**	**877**	**1 121**	**995**	**1 242**	**996**	**1 272**
	As a percentage of the not economically active									
Black African	9,9	10,1	13,1	12,4	16,3	14,9	18,0	16,4	18,0	16,9
Other groups	2,6	2,4	4,3	2,9	6,4	3,9	6,5	4,7	5,9	4,0
Total	**8,8**	**8,6**	**11,7**	**10,6**	**14,8**	**12,9**	**16,2**	**14,3**	**16,2**	**14,5**

Table 3.8 shows that among both men and women, the number of discouraged work-seekers has been on the rise since 2008. This upward trend is reflected in the steady increase in the percentage of the not economically active population that is discouraged.

Table 3.9: Discouraged work-seekers by province, 2009–2012

	2009		2010		2011		2012	
	Thousand	% of NEA	Thousand	% of NEA	Thousand	% of NEA	Thousand	% of NEA
Western Cape	32	3,2	41	3,8	33	2,9	30	2,7
Eastern Cape	313	14,0	365	15,6	372	15,8	414	17,2
Northern Cape	29	9,0	40	11,7	35	10,4	31	9,4
Free State	90	11,5	88	11,3	93	11,8	80	10,0
KwaZulu-Natal	425	12,6	528	14,7	573	15,7	581	15,8
North West	114	12,1	151	14,7	228	20,9	226	20,6
Gauteng	187	8,6	281	12,3	274	11,9	282	11,9
Mpumalanga	116	11,6	187	17,7	209	19,8	239	23,1
Limpopo	224	11,6	317	15,2	419	19,6	385	18,4
South Africa	**1 532**	**11,1**	**1 998**	**13,7**	**2 237**	**15,1**	**2 268**	**15,2**

Table 3.9 shows that in 2012, the percentage of discouraged work-seekers in the not economically active population was highest in Mpumalanga (23,1%) and North West (20,6%) and lowest in Western Cape 2,7% and Northern Cape 9,4%. And compared with 2009, the percentage of discouraged work-seekers was higher in 2012 in every province except Western Cape and Free State.

The expanded definition of unemployment

This section focuses on labour market outcomes based on the expanded definition of unemployment. This broad measure only requires that unemployed individuals are available to work. It thus differs from the official definition used elsewhere in this report which also requires unemployed persons to have actively looked for work.

Table 3.10: Labour market indicators based on the expanded definition, 2007–2012

	2007	2008	2009	2010	2011	2012
	Thousand					
Working age	**30 311**	**30 967**	**31 494**	**32 007**	**32 494**	**32 959**
Labour force	20 815	19 862	20 056	20 349	20 792	21 207
Employed	13 467	13 867	13 455	13 061	13 265	13 523
Unemployed	7 347	5 995	6 601	7 288	7 528	7 684
Not economically active	9 496	11 105	11 439	11 658	11 701	11 752
	Annual change					
Working age		**656**	**527**	**513**	**487**	**465**
Labour force		-953	194	293	443	415
Employed		400	-412	-394	204	258
Unemployed		-1 352	606	687	240	156
Not economically active		1 609	334	219	43	51
	Per cent					
Unemployment rate	35,3	30,2	32,9	35,8	36,2	36,2
Employed / population ratio (Absorption)	44,4	44,8	42,7	40,8	40,8	41,0
Labour force participation rate	68,7	64,1	63,7	63,6	64,0	64,3

Based on the expanded definition – the number of unemployed persons declined by 1,4 million in 2008 and then rose for four successive years to reach 7,7 million by 2012 (Table 3.10). This rising trend in unemployment coupled with falling employment in 2009 and 2010 and only a modest recovery in 2011 and 2012 reflected the tight labour market conditions in the aftermath of the global recession. As a result, Table 3.10 and Figure 3.21 show that the expanded unemployment rate was lowest in 2008 at 30,2% after which it rose steadily to reach 36,2% in 2011 and remained at that level in 2012.

Reflecting the trends in employment and unemployment shown in Table 3.10, the labour force participation rate was highest in 2007 at 68,7% and remained below 65,0% every year

thereafter. And as discussed earlier, the absorption rate declined - by 3,4 percentage points over the period 2007 to 2012.

Figure 3.21: Labour market rates based on the expanded definition, 2007–2012

	2007	2008	2009	2010	2011	2012
Unemployment rate	35,3	30,2	32,9	35,8	36,2	36,2
Absorption rate	44,4	44,8	42,7	40,8	40,8	41,0
LFPR	68,7	64,1	63,7	63,6	64,0	64,3
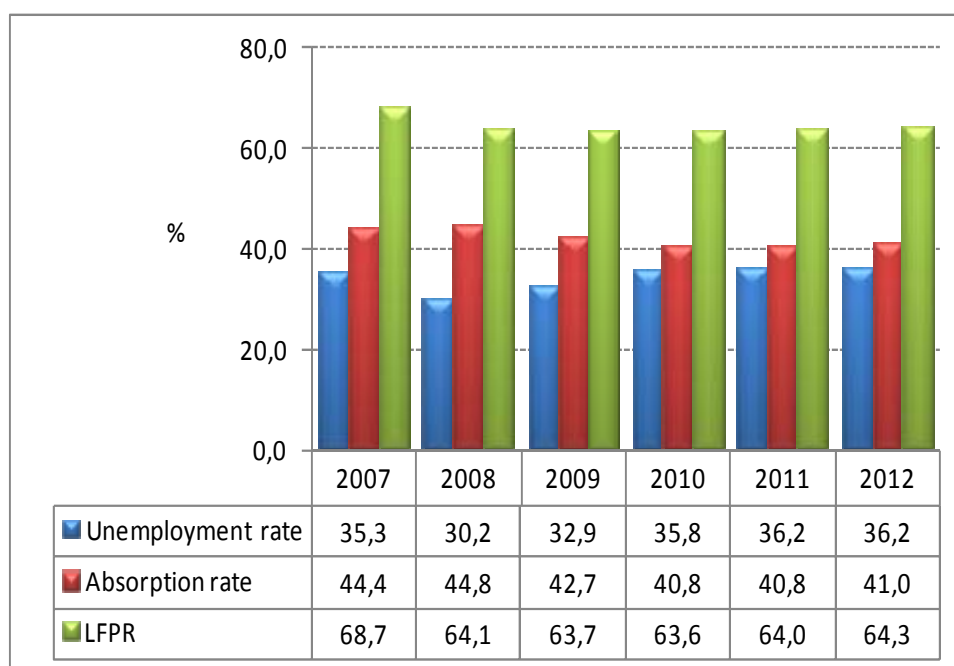
Note: LFPR refers to the labour force participation rate

Summary and conclusion

The analysis in this chapter has shown that in the South African economy, differences in the age structure and the quality of labour supply by population group have been important explanatory factors in the labour market outcomes over the period 2007 to 2012. Differences in the composition of the workforce by sex, skill levels and province are also contributing factors to labour market outcomes.

After two successive years of contraction, employment rebounded in 2011 and 2012, but in 2012 employment levels were only 56 000 above those reached in 2007. Despite the upturn in employment in the post-recession period, unemployment rose steadily over the period 2007–2012. By 2012, the unemployment rate had risen by 2,8 percentage points above the 2007 level. In addition, the expanded unemployment rate rose by 6,0 percentage points over the period 2008 to 2012.

In every year, the unemployment rate was higher among women compared with men while the absorption rate was lower among women compared with their male counterparts. In terms of population group, over the 2007–2012 period, every year the unemployment rate was highest among the black African population group and lowest among the white population group. Black African women and youth aged 15–24 years experienced the highest unemployment rates in the country. In addition, absorption and participation rates among persons aged 15–24 years were considerably lower than those for older age groups, reflecting, in part, the high proportion of young people who were still in full-time education.

In 2012, the unemployment rate was lowest in KwaZulu-Natal and Limpopo and highest in Free State and Mpumalanga. And in every province, the unemployment rate among women was higher than that of men. The gap between male and female unemployment rates was

highest in Mpumalanga, Free State and North West where the number of employed women per 100 employed men was among the lowest in the country.

There is a gender-specific pattern in the unemployment rate by level of education. The unemployment rate is higher for women than for men at all education levels except those with levels of education attainment below primary.

Unemployment has become a source of growing concern, in part because historically, those who have been particularly hard hit include women and young people. The unemployment rate among each of these groups is higher than among men and older persons, and their jobs are highly vulnerable to adverse economic shocks. In light of this, bridging the gap in the demand and supply of youth and female employment will continue to be a key labour market challenge.

In terms of educational attainment, the underlying differences among various population groups were still well entrenched in 2012. In this regard, 42,4% of the white labour force had tertiary education qualifications (either a degree or a certificate/diploma of at least six months' duration with matric) compared with 28,0% of the Indian/Asian labour force, 12,4% of the black African labour force and 11,5% of the coloured labour force. The dominance of black Africans in the working-age population, coupled with their educational outcomes, is likely to impact on the speed of labour market adjustment that is necessary to align supply to changing market demands.

Among both men and women, the number of discouraged work-seekers has been on the rise since 2008. This upward trend is reflected in the steady increase in the percentage of the not economically active population that is discouraged. In 2012, the percentage of discouraged work-seekers in the not economically active population was highest in Mpumalanga (23,1%) and North West (20,6%) and lowest in Western Cape (2,7%) and Northern Cape (9,4%). And compared with 2009, the percentage of discouraged work-seekers was higher in 2012 in every province except Western Cape and Free State.

The structure of economies in the SADC region differs and as such the composition of the labour market also differs. As a consequence, caution should be exercised when comparing labour market indicators within the SADC region since employment results typically include subsistence agriculture and such activities are not counted as employment in South Africa.

Chapter 4
Government job creation programmes
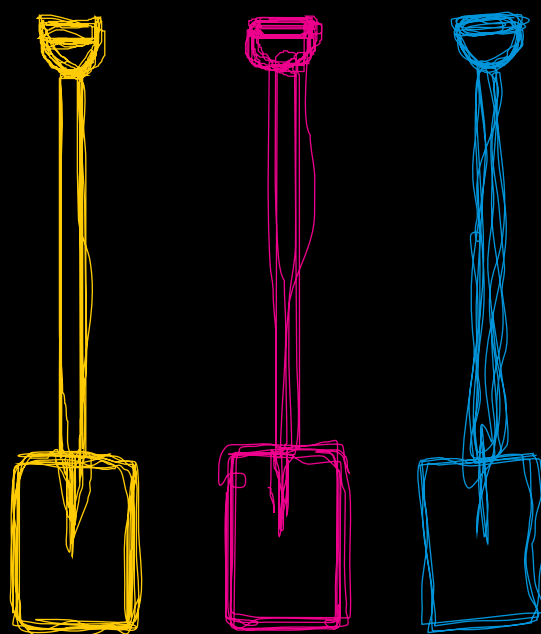
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Chapter 4: Government job creation programmes

Background

High levels of poverty and unemployment pose major challenges in South Africa. According to the Living Conditions Survey conducted by Statistics South Africa in 2009, 52,3% of South Africans live below the poverty line of R577 per month. As discussed in greater detail in Chapter 3 of this report, high unemployment rates, particularly among the youth, women and the black African population group, are characteristic features of the situation in South Africa. To address this, the South African government introduced several job creation programmes, including the Expanded Public Works Programme (EPWP) aimed at equipping unemployed youth with the necessary skills and experience needed in the labour market.

Introduction

The analysis in this chapter focuses on EPWP and other government job creation programmes for the period 2011 and 2012 among persons aged 15 to 64 years. The chapter first establishes the awareness of respondents about the EPWP and then profiles those who participated in EPWP and other government job creation programmes. It concludes by identifying industry, occupation and sectors in which those who participated in such programmes were employed. The reference period for EPWP and other government job creation programmes was 12 months prior to the survey interview.

Figure 4.1: Awareness about EPWP
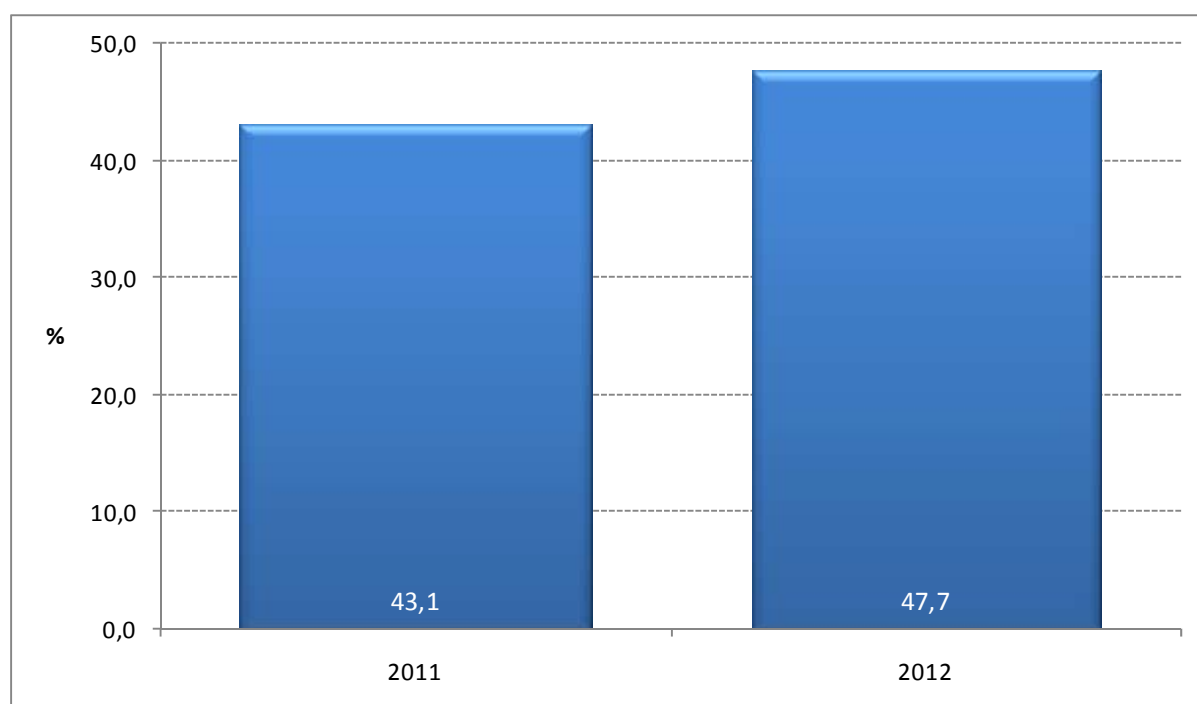
Figure 4.1 shows that 43,1% of the working-age population (15–64 years) had heard about EPWP in 2011. One year later, this had increased to 47,7%.

Characteristics of those who participated in government job creation programmes

Figure 4.2: Those who participated in government job creation programmes by sex
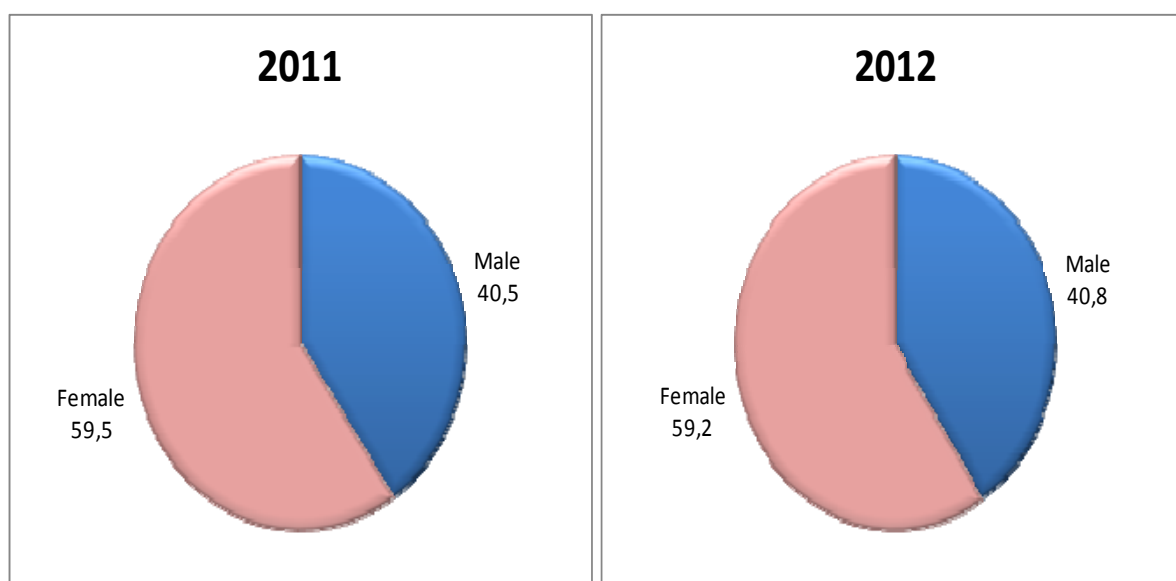
Figure 4.3: Those who participated in government job creation programmes by age
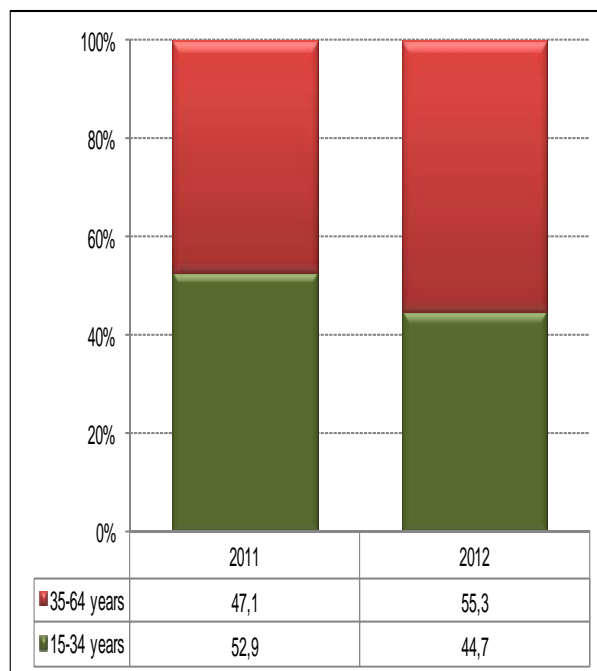
Figure 4.4: Those who participated in government job creation programmes by level of education
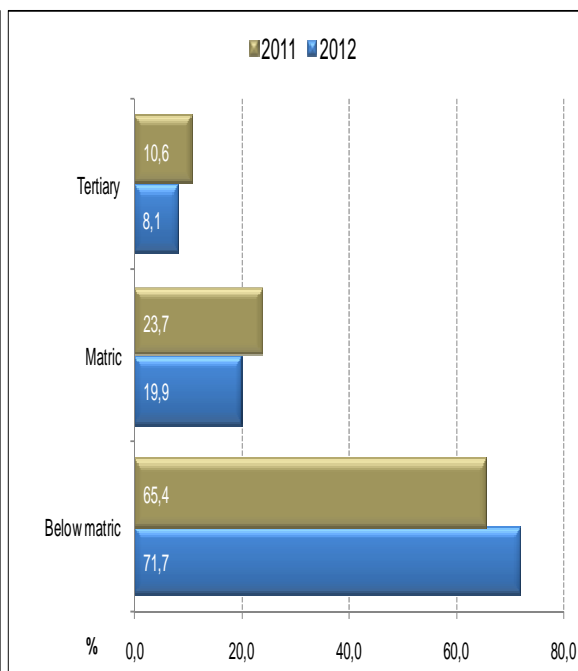
As depicted in Figures 4.2, 4.3 and 4.4, those who participated in EPWP and other government job creation programmes were mainly women (just under 60% in both 2011 and 2012). In 2011, 52,9% of them were youth (aged 15–34 years), but in 2012 a different picture is observed where adults (aged 35–64 years) accounted for a bigger share. In terms

of the level of education attainment, the majority did not have matric (65,4% in 2011 and 71,7% in 2012).

Figure 4.5: Those who participated in government job creation programmes by population group and sex

	Men	Women	Both sexes		Men	Women	Both sexes
		2011				2012	
■ Other	16,4	14,9	15,5		15,5	8,5	11,4
■ Black /African	83,6	85,1	84,5		84,5	91,5	88,6
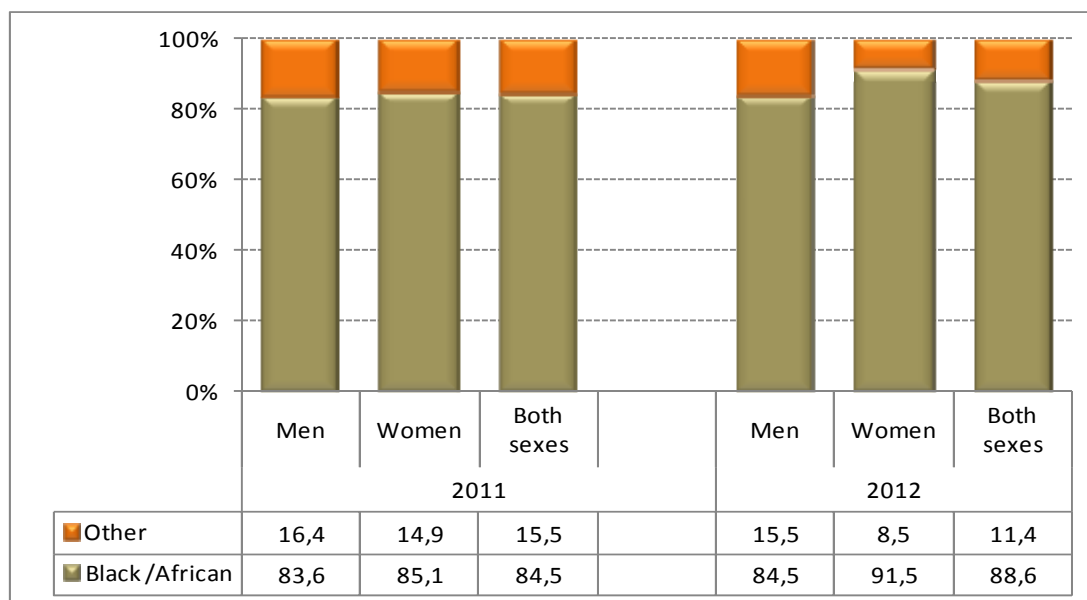
Figure 4.5 shows that the majority of those who participated in EPWP and other government job creation programmes were black Africans (more than 80,0%), irrespective of sex. However, the share of black African women was higher than that of their male counterparts.

Figure 4.6: Those who participated in government job creation programmes by province

	KZN	EC	GP	FS	LP	WC	MP	NW	NC
■ 2011	29,1	17,6	23,3	5,7	9,7	6,6	2,1	3,7	2,1
■ 2012	30,8	15,8	13,2	12,9	8,3	7,8	4,6	3,6	2,9
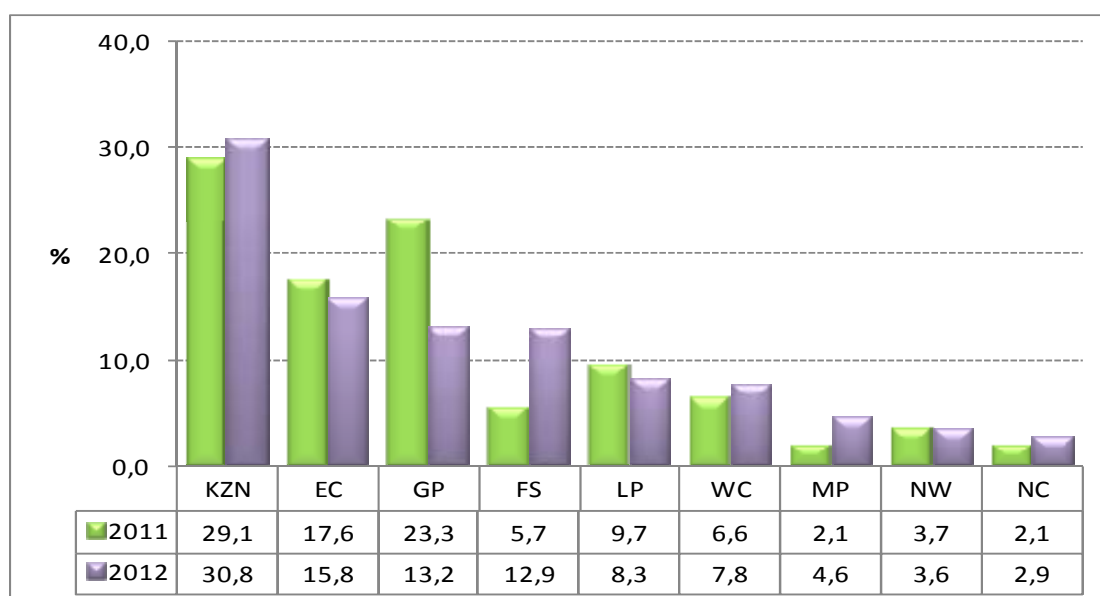
Figure 4.6 shows that among those who reported that they had participated in the programme during the 12 months before the survey interview, 30,8% were residing in KwaZulu-Natal, 15,8% in Eastern Cape and 13,2% in Gauteng at the time of the survey in

2012. Only 2,9% were residing in Northern Cape (the smallest province in terms of population size). The proportion of those who participated in the programme who were residing in Gauteng in 2012 was 10,1 percentage points lower than in 2011.

Figure 4.7: Those who participated in government job creation programmes by labour market status
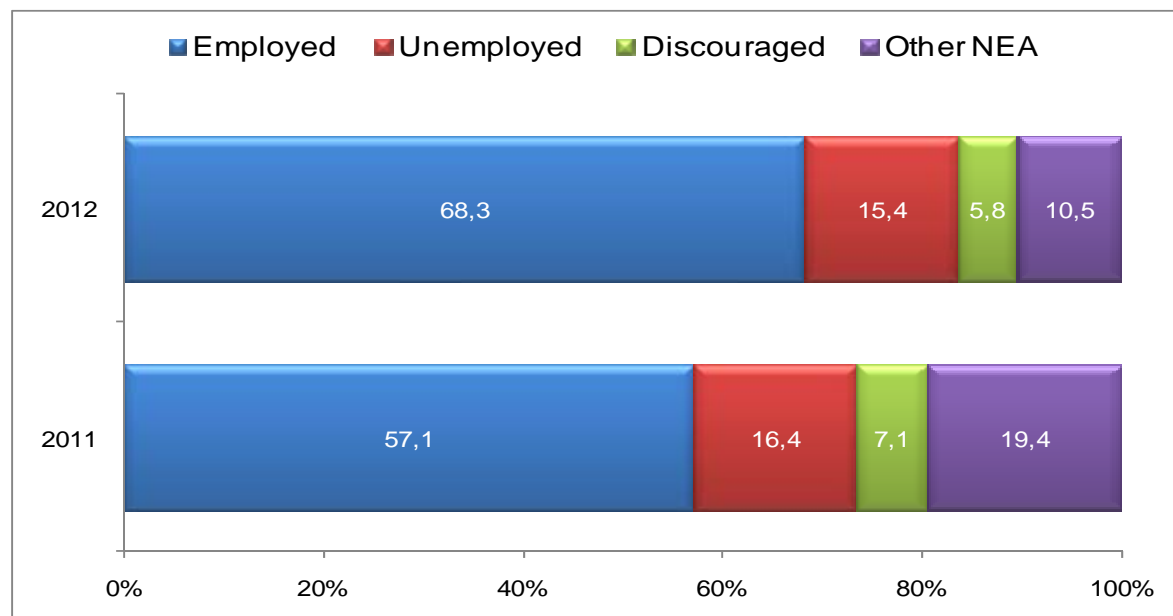
Of those who participated in the Expanded Public Works Programme or other government job creation programmes, the majority were in the labour force. Figure 4.7 shows that, of those who participated, 57,1% were employed in 2011, and in 2012 the share had increased to 68,3%. A sizeable number were also in search of work (over 15% in both years). However, there were those who were discouraged from looking for work (7,1% in 2011 and 5,8% in 2012).

Employment by industry and occupation

Figure 4.8: Employment by industry

	2011	2012
Tertiary	57,4	65,7
Secondary	38,5	29,7
Primary	4,1	4,6
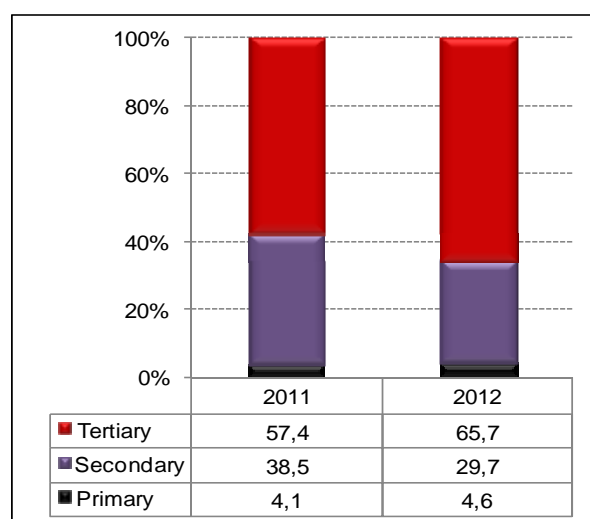
Figure 4.9: Employment by occupation

	2011	2012
Low skilled	67,7	72,7
Semi skilled	21,8	19,6
High skilled	10,5	7,7
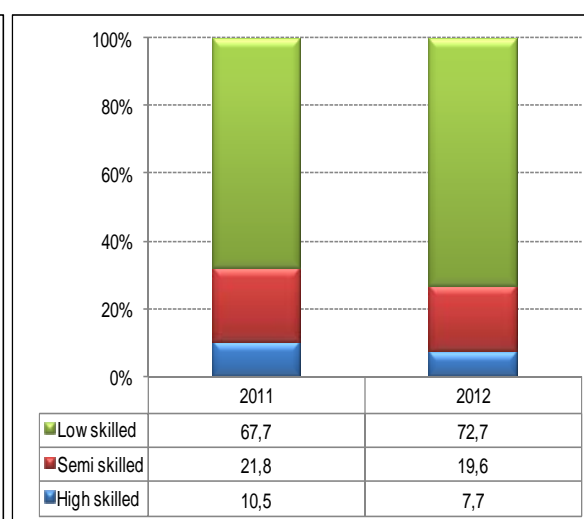
According to Figure 4.8 and Figure 4.9, in both 2011 and 2012, the majority of those who were employed and participated in the Expanded Public Works Programme or other government job creation programmes were in the Tertiary industry (57,4% and 65,7% respectively), and about around seven in every ten were in low-skilled occupations.

Figure 4.10: Employment by sector

	Formal sector	Informal sector	Agriculture	Private hh
2011	80,8	11,4	3,9	3,9
2012	82,7	6,6	4,6	6,2
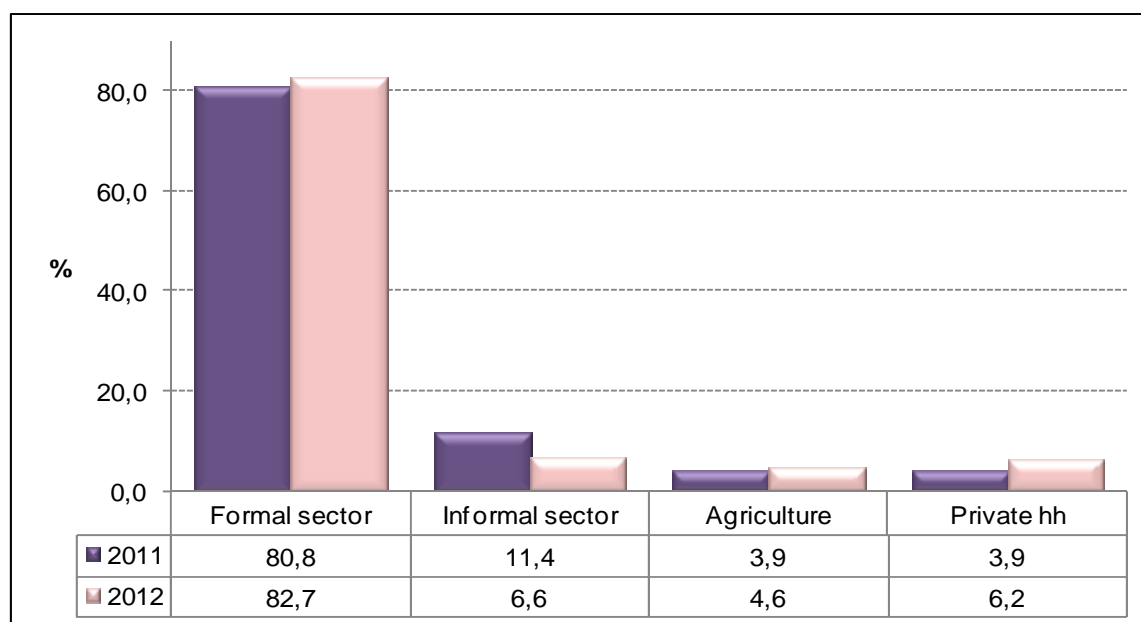
Figure 4.10 shows that, the majority of those who participated in the Expanded Public Works Programme or other government job creation programmes and were employed, had jobs in the formal sector (80,8% in 2011 and 82,7% in 2012). Compared to 2011, the share of informal sector employment among those who participated in EPWP and other government job creation programmes decreased by 4,8 percentage points from 11,4% to 6,6% in 2012.

Summary and conclusion

To address concerns about poverty and unemployment, the South African government introduced several job creation programmes, including the Expanded Public Works Programme (EPWP) aimed at equipping unemployed youth with the necessary skills and experience needed in the labour market.

The analysis in this chapter highlights the following:
As many as 44,7% of those who participated in such programmes in 2012 were young people aged 15–34 years.

- Participation was dominated by women, black Africans, and persons with education levels below matric.
- Among those who participated in the programme, 30,8% resided in KwaZulu-Natal in 2012.
- Almost 70% of those who participated in 2012 were employed.
- Of those who were employed, the majority were in the Tertiary industry; they were mainly in low-skilled occupations and were employed in the formal sector.

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Employment
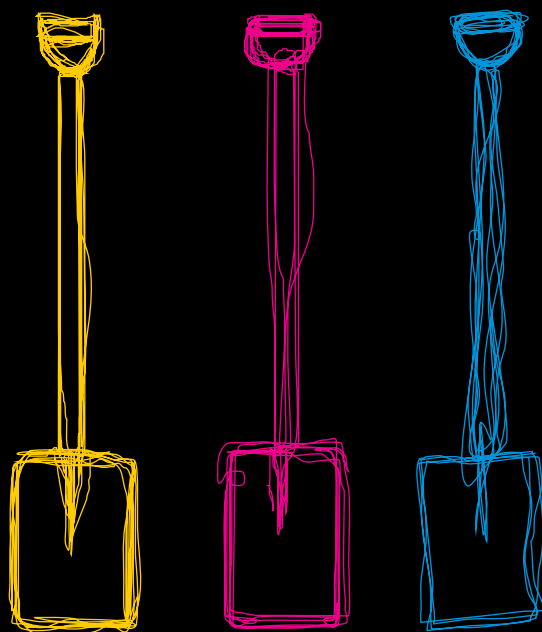
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Chapter 5: Employment

5.1 A profile of the employed

Key labour market concepts

Persons are considered to be **employed** if they have engaged in any kind of economic activity for at least one hour in the reference period. Also included are persons who, during the reference period, were temporarily absent from work/business but definitely had a job/business to return to.

Only individuals that are engaged in *market production activities* and government services are considered to be employed.

Economic activities are activities that contribute to the production of goods and services.

Market production activities refer to work that is done usually for pay or profit, whereas **production for own final use** refers to work that is done for the benefit of the household, e.g. subsistence farming (production of fruit/vegetables for own consumption). The QLFS collects information on these activities.

Occupations[1] in this chapter have been grouped by hierarchy from the way they appear in QLFS statistical release publications. A classification of skills categories is drawn from Bhorat, H & Oostuizen, M in 'Employment shifts and the "jobless growth" debate' Chapter in 'Human Resource Development Review 2008, Education, Employment and Skills in South Africa', editors A. Kraak & K. Press, HSRC Press:

> **Skilled occupations classification:** comprises managers, professionals and technicians.

> **Semi-skilled occupations classification:** comprises clerks, sales and services, skilled agriculture, crafts and related trades, plant and machine operators.

> **Low-skilled occupations classification:** comprises elementary work.

> **Domestic workers** are classified separately.

Industry classification is as follows:

> **Primary sector:** Agriculture and Mining.

> **Secondary sector:** Manufacturing, Utilities and Construction.

> **Tertiary sector:** Trade, Transport, Finance, Social and personal services and Private households

 Mining: note that mining is a very clustered industry, hence the industry might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

Employed persons may be described as **fully employed** if they do not want to work more hours than they currently do; or **underemployed** if they would like to work more hours than they currently do. This measure of time-related **underemployment** indicates that the hours of work of an employed person are less than what that person is willing and available to take. In essence, time-related underemployment measures situations of partial lack of work, and thus complements statistics on unemployment.

Underemployment in the QLFS is derived from four questions, namely total hours usually worked, for those respondents with one or multiple jobs, a question on whether the respondent would have liked to work more hours, provided that the extra hours had been paid and a question on availability to start extra work. Thus, if the total hours worked per week are less than 35 hours and a person wants to work more hours and is available to start work in the next four weeks, they are classified as underemployed.

The measurement of hours worked: The labour force framework gives priority to employment over unemployment and economically inactivity. Thus employment takes precedence over other activities, regardless of the amount of time devoted to it during the reference period, which in some cases may be only one hour (ILO). The QLFS would thus classify a person as employed when they have worked for only one hour during the reference week.

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[1]Stats-SA classifies occupations as prescribed by the South African Standard Classification of Occupations (SASCO).

Background

In South Africa, as in most countries with labour force surveys, only individuals that are engaged in market production activities are considered to be employed (see QLFS Guide[2]). People counted as employed are those who did one or more hours of work in the reference week (the week before the interview). Also, the employed include those who were temporarily absent from a job or business to which they would definitely return. Chapter 10 of this report analyses the time spent on other forms of work based on the Time Use Survey conducted by Stats SA in 2010.

Introduction

The objective of this chapter is to analyse employment outcomes in the South African labour market. The analysis will also examine trends in employment by comparing the results of 2007 with those of 2012. These trends are assessed with reference to industry and occupational categories as well as by various other descriptors of employment (age, sex, province and population group).

Figure 5.1: Employment trends by sex, 2007–2012

Thousand (Broken scale)

	2007	2008	2009	2010	2011	2012
Men	7 523	7 866	7 562	7 390	7 481	7 623
Women	5 944	6 000	5 894	5 671	5 783	5 900
Both sexes	13 467	13 867	13 455	13 061	13 265	13 523
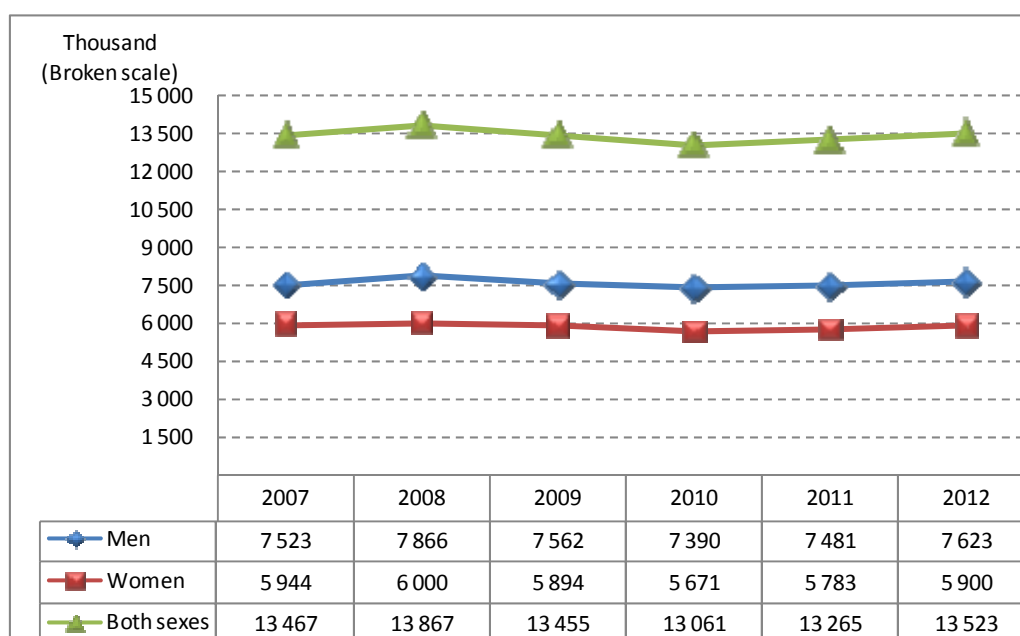
Figure 5.1 shows that in the aftermath of the 2010 recession, employment levels in 2012 were barely above the levels achieved in 2007 and somewhat lower than the peak reached in 2008. Similar patterns to the overall trend occurred among both men and women. However, as discussed in Chapter 3, whereas the number of employed men rose from 7,5 million in 2007 to 7,6 million in 2012, there was a contraction in employment levels among women over the same period.

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[2]See Report-02-11-01 – Guide to the Quarterly Labour Force Survey (QLFS), August 2008. http://statssa-web:9999/publications/Report-02-11-01/Report-02-11-01August2008.pdf

Table 5.1: Distribution of employed persons, 2007 and 2012

	Men	Women	Both sexes	Men	Women	Total
	Employment (Thousand)			Share of employment (%)		
2007						
Age						
15–24 yrs	918	620	1 538	59,7	40,3	100,0
25–34 yrs	2 609	1 937	4 547	57,4	42,6	100,0
35–44 yrs	1 939	1 694	3 633	53,4	46,6	100,0
45–54 yrs	1 383	1 209	2 592	53,4	46,6	100,0
55–64 yrs	674	484	1 158	58,2	41,8	100,0
Total	**7 523**	**5 944**	**13 467**	**55,9**	**44,1**	**100,0**
Population group						
Black African	5 299	4 191	9 490	55,8	44,2	100,0
Coloured	806	702	1 508	53,4	46,6	100,0
Indian/Asian	286	159	445	64,3	35,7	100,0
White	1 132	892	2 024	55,9	44,1	100,0
Total	**7 523**	**5 944**	**13 467**	**55,9**	**44,1**	**100,0**
2012						
Age						
15–24 yrs	757	508	1 265	59,8	40,2	100,0
25–34 yrs	2 603	1 917	4 520	57,6	42,4	100,0
35–44 yrs	2 202	1 797	3 999	55,1	44,9	100,0
45–54 yrs	1 392	1 162	2 553	54,5	45,5	100,0
55–64 yrs	669	516	1 185	56,5	43,5	100,0
Total	**7 623**	**5 900**	**13 523**	**56,4**	**43,6**	**100,0**
Population group						
Black African	5 423	4 175	9 598	56,5	43,5	100,0
Coloured	792	697	1 489	53,2	46,8	100,0
Indian/Asian	304	187	491	61,9	38,1	100,0
White	1 104	841	1 944	56,8	43,2	100,0
Total	**7 623**	**5 900**	**13 523**	**56,4**	**43,6**	**100,0**

The share of male employment in total employment stood at 56,4% in 2012, with female shares at 43,6%. Compared to 2007, the male share in total employment had increased at the expense of female shares which stood at 55,9% and 44,1% respectively in 2007. The employment distribution by age and gender shown in Table 5.1 suggests that in 2012, while men had a higher share in employment across all age categories, the highest share of employment among women occurred between the ages of 45 to 54 years of age (45,5%). Women's share of employment in 2012 was the lowest in the age group 15 to 24 years at 40,2%, similar to their share in 2007 of 40,3%. By population group, in 2012, female shares of employment were the lowest among the Indian population group at 38,1%, and highest among the coloured population group at 46,8%. A similar pattern was observed in 2007.

Figure 5.2: Employment trends by educational level, 2007 and 2012
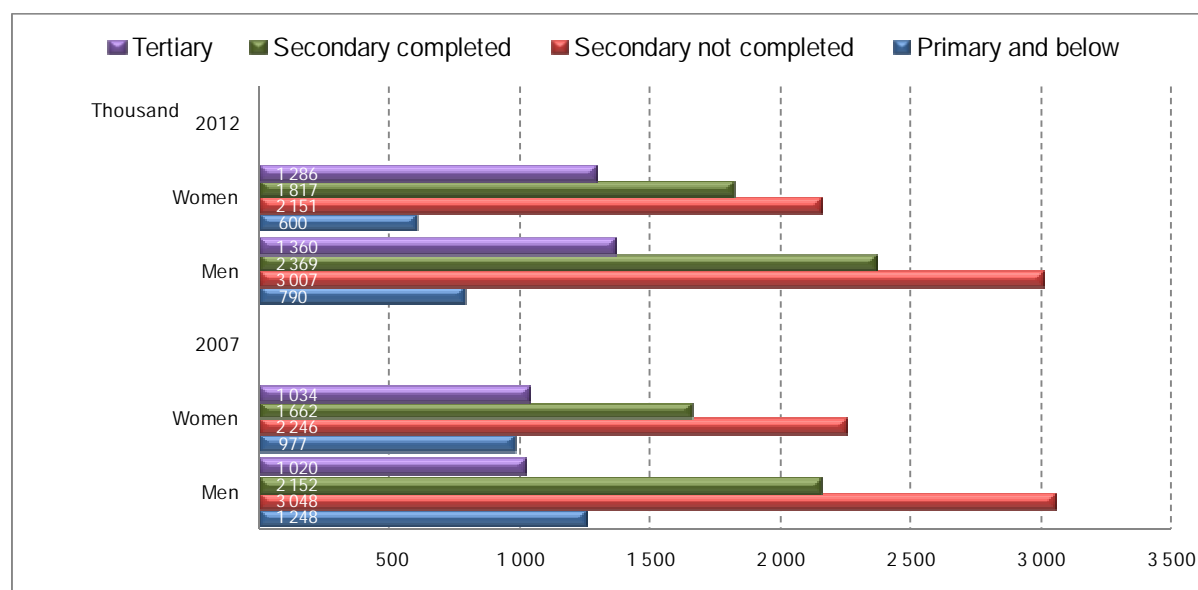
Employment amongst women with 'Less than primary' education declined over the period 2007 to 2012, as 377 000 jobs were lost. However, this was fewer than the 458 000 jobs lost amongst men in this educational category, positively affecting the gender gap for women. Among both men and women with tertiary education, employment rose (by 340 000 among men and 252 000 among women). Over this period, the gender gap remained stable in the 'Secondary completed' category, while women with secondary completed as well as those with tertiary qualifications increased their share in employment. In the 'Secondary not completed' category, employment shares for women declined at the expense of men.

Employment by industry and occupation

Between 2007 and 2012, employment increased in four of the ten industries (Table 5.2) as total employment expanded by 56 000 over the period.

Table 5.2: Employment by industry, 2007–2012

	2007	2008	2009	2010	2011	2012
Industry			**Thousand**			
Agriculture	737	786	686	639	614	660
Mining	367	330	317	305	311	350
Manufacturing	1 960	1 990	1 853	1 739	1 766	1 714
Utilities	86	97	98	90	86	98
Construction	1 051	1 161	1 133	1 060	1 054	1 026
Trade	3 342	3 179	2 975	2 927	2 995	2 976
Transport	717	785	764	774	762	806
Finance	1 459	1 691	1 768	1 656	1 711	1 773
Services	2 490	2 634	2 670	2 727	2 849	2 989
Private households	1 258	1 209	1 187	1 140	1 113	1 126
Total	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**

Tables 5.2 and Table 5.3 show that over the period 2007 to 2012, the largest declines in employment occurred in the Trade industry (down from 3,3 million in 2007 to 3,0 million in 2012 – by 366 000 jobs), Manufacturing (from 2,0 million in 2007 to 1,7 million in 2012 – down by 246 000) and Private households (from 1,3 million in 2007 to 1,1 million in 2012 – down by 132 000). In 2010, except for Trade, these were among the industries which suffered the largest contractions in employment (Table 5.2 and Table 5.3). The largest increases in employment between 2007 and 2012 occurred in the Service industry (up from 2,5 million in 2007 to 3,0 million in 2012 – by 499 000 jobs). Finance also posted relatively large job gains over the same period (up by 314 000 jobs).

Table 5.3: Annual percentage change in employment by industry, 2007–2012

Industry	2007	2008	2009	2010	2011	2012
			Per cent			
Agriculture		6,8	-12,7	-6,9	-3,9	7,6
Mining		-10,0	-4,0	-3,8	2,2	12,4
Manufacturing		1,5	-6,9	-6,2	1,5	-2,9
Utilities		12,7	1,1	-7,6	-4,9	14,1
Construction		10,4	-2,4	-6,4	-0,5	-2,7
Trade		-4,9	-6,4	-1,6	2,3	-0,6
Transport		9,4	-2,7	1,3	-1,6	5,8
Finance		15,9	4,5	-6,3	3,3	3,7
Services		5,8	1,4	2,1	4,5	4,9
Private households		-3,9	-1,8	-4,0	-2,4	1,2
Total		3,0	-3,0	-2,9	1,6	1,9

Employment in the Construction industry declined for four consecutive years between 2009 and 2012, with the largest annual decline of 6,4% occurring in 2010 with only a modest increase occurring in 2012. The number of persons in Private households has also been declining every year since 2008. The Trade industry also felt the impact of the global recession, contracting for three consecutive years on an annual basis between 2008 and 2010, but in 2011 the sector expanded by 2,3% year-on-year and then employment levels declined again – by 0,6% in 2012.

Employment distribution by industry and province

Table 5.4: Share of employment by industry and province, 2012

	WC	EC	NC	FS	KZN	NW	GP	MP	LP	RSA
Industry					Per cent					
Agriculture	6,6	4,4	16,0	8,8	3,7	4,5	1,4	9,3	9,9	4,9
Mining	0,2	0,1	6,0	3,7	0,8	16,1	0,7	6,7	6,9	2,6
Manufacturing	15,6	12,6	4,2	8,3	15,2	7,8	14,5	8,8	6,7	12,7
Utilities	0,5	0,5	1,1	0,7	0,5	0,7	0,6	2,4	0,9	0,7
Construction	7,6	9,4	6,2	6,7	8,5	6,1	6,6	7,4	9,2	7,6
Trade	21,2	24,1	15,7	20,9	21,2	20,3	21,9	24,7	24,5	22,0
Transport	5,3	5,4	3,3	4,0	7,6	4,1	6,6	5,4	5,0	6,0
Finance	15,8	8,8	8,8	9,5	11,5	8,2	18,8	9,2	5,8	13,1
Services	21,1	26,4	29,7	24,6	22,0	23,6	21,1	16,6	22,9	22,1
Private households	6,1	8,2	9,1	12,8	9,0	8,6	7,8	9,5	8,2	8,3
Total	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**	**100,0**

In 2012, the Services industry made the largest contribution to total employment at both national level and in provinces such as Eastern Cape, Northern Cape, Free State, KwaZulu-Natal and North West – accounting for around one in every four jobs in several of these provinces (Table 5.4).

Figure 5.3: Employment by industry and sex, 2012
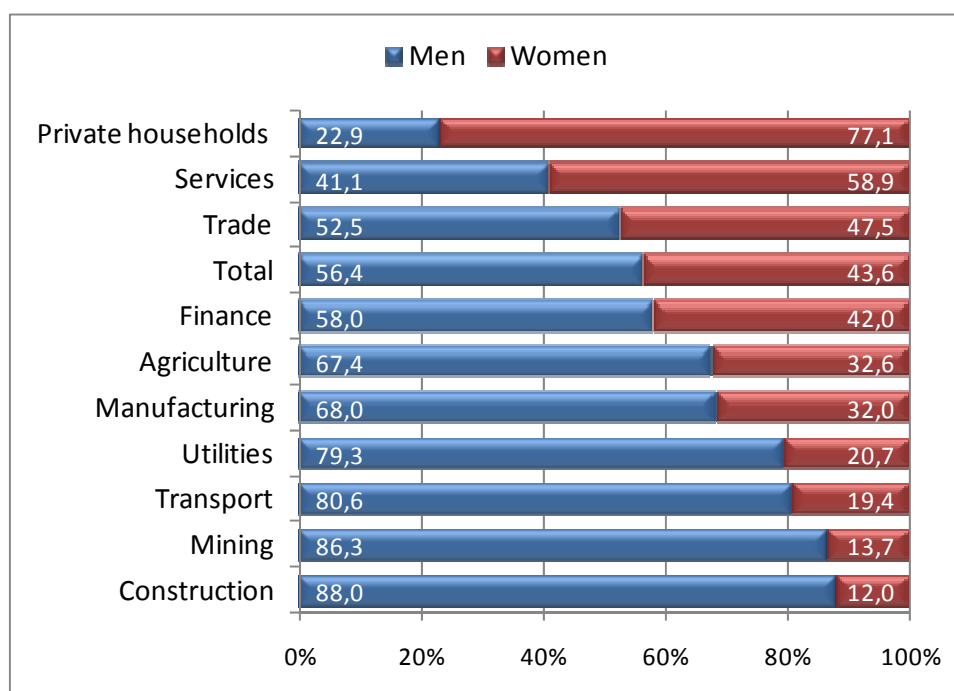
Figure 5,3 shows clear gender biases in the employment prospects of men and women by industry. In 2012, in the male-dominated Construction, Mining, and Transport industries men

accounted for more than 80,0% of total employment. In comparison, women accounted for 77,1% of those employed in Private households and 58,9% of those employed in the Service industry. The Trade industry is the most equitable in terms of gender outcomes – employing 52,5% of men and 47,5% of women.

Table 5.5: Employment by occupation, 2007–2012

	2007	2008	2009	2010	2011	2012
	Thousand					
Manager	976	1 048	1 041	1 051	1 130	1 093
Professional	563	764	716	730	755	792
Technician	1 439	1 488	1 538	1 459	1 467	1 534
Clerk	1 380	1 475	1 463	1 447	1 412	1 415
Sales and services	1 755	1 784	1 838	1 869	1 946	1 996
Skilled agriculture	105	108	90	88	68	64
Craft and related trade	1 995	1 956	1 732	1 597	1 622	1 627
Plant and machine operator	1 176	1 205	1 184	1 116	1 119	1 126
Elementary	3 059	3 083	2 920	2 824	2 868	2 989
Domestic worker	1 019	954	935	880	877	887
Total	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**

The largest job-gains by occupation over the period 2007 to 2012 occurred among Sales and Service workers (up by 241 000 from 1,8 million in 2007 to 2,0 million in 2012). Professionals increased by the second highest amount (up by 229 000 from 563 000 in 2007 to 792 000 in 2012). Over the same period, job losses were highest among Craft and related workers (down by 368 000 from 2,0 million in 2007 to 1,6 million in 2012) (Table 5.5).

Table 5.6: Annual percentage change in employment by occupation, 2007–2012

	2007	2008	2009	2010	2011	2012
		Annual rate of change				
Manager		7,3	-0,7	1,0	7,6	-3,2
Professional		35,7	-6,3	1,9	3,5	4,9
Technician		3,4	3,4	-5,2	0,6	4,6
Clerk		6,9	-0,9	-1,1	-2,5	0,2
Sales and services		1,6	3,0	1,7	4,1	2,6
Skilled agriculture		3,2	-17,1	-1,8	-22,5	-6,7
Craft and related trade		-2,0	-11,4	-7,8	1,6	0,3
Plant and machine operator		2,5	-1,8	-5,7	0,3	0,6
Elementary		0,8	-5,3	-3,3	1,6	4,2
Domestic worker		-6,4	-2,0	-5,8	-0,3	1,0
Total		**3,0**	**-3,0**	**-2,9**	**1,6**	**1,9**

In 2008, except for Craft and related workers and people engaged in domestic work, all occupation categories enjoyed positive employment growth – ranging from 35,7% among Professionals to 0,8% among Elementary workers. In the two subsequent years, annual job losses were widespread across the whole spectrum of occupations – except Technicians and Sales personnel in 2009 and Managers, Professionals and Sales and services personnel in 2010 (Table 5.6).

Figure 5.4: Employment by occupation and province, 2012

	MP	LP	NW	NC	FS	KZN	EC	WC	GP		RSA
Other occupations	83,6	82,8	81,2	80,7	80,5	76,9	75,6	71,4	68,0		74,7
Skilled occupations	16,4	17,2	18,8	19,3	19,5	23,1	24,4	28,6	32,0		25,3
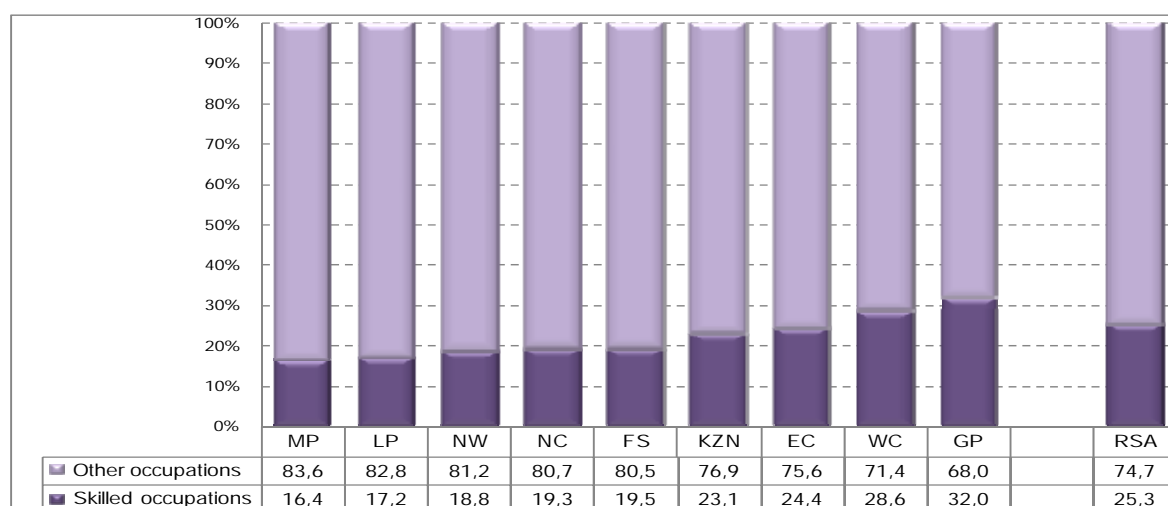
Figure 5.4 shows that the most urbanised provinces – Western Cape and Gauteng – offer the best employment opportunities for skilled personnel[3]. In 2012, as many as one in every three employment positions in Gauteng (32,0%) were categorised as skilled while in Western Cape one in every four (28,6%) positions were in that category.

Occupation by sex, industry and population group

Table 5.7 disaggregates skilled occupations by gender to highlight the gender biases which continue to occur in more skilled occupations. Of those workers classified in 2012 as Managers, 68,7% were men and 31,3% were women. In addition, 56,5% of Professionals were men while only 43,5% were women. In contrast, the majority of Technicians were women (55,1%)

Table 5.7: Managers, professionals and technicians by sex, 2007–2012

	2007	2008	2009	2010	2011	2012
Women			Thousand			
Manager	309	311	314	312	351	342
Professional	284	353	331	332	349	345
Technician	791	813	823	802	817	846
Men						
Manager	667	736	727	738	779	751
Professional	279	411	385	398	406	447
Technician	648	676	716	657	650	688
All						
Manager	976	1 048	1 041	1 051	1 130	1 093
Professional	563	764	716	730	755	792
Technician	1 439	1 488	1 538	1 459	1 467	1 534
			Per cent			
Proportion of women						
Manager	31,7	29,7	30,2	29,7	31,0	31,3
Professional	50,4	46,2	46,2	45,4	46,2	43,5
Technician	55,0	54,6	53,5	55,0	55,7	55,1

Table 5.7 indicates that the proportion of female managers declined by 0,4 of a percentage point between 2007 and 2012. Interestingly, women have consistently accounted for a higher proportion of occupations in the Technician category, while among Professional occupations the distribution between men and women is more even.

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[3]More skilled occupations include Manager, Professional and Technician occupations.

Figure 5.5: Employment by occupation and population group, 2012

	Black/African	Coloured	Indian/Asian	White
Skilled occupation	16,7	25,6	49,9	61,2
Other occupations	83,3	74,4	50,1	38,8
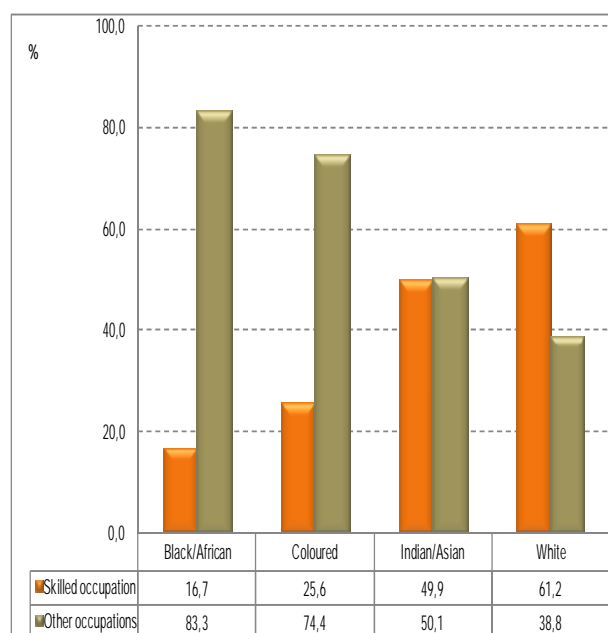
Figure 5.6: Employment by occupation and industry, 2012

	PH Holds	Agriculture	Mining	Construct	Trade	Manufactur	Transport	Utilities	Finance	Services
Skilled occupations	0,1	5,4	12,3	13,6	16,1	19,9	25,7	32,9	40,4	47,5
Other occupations	99,9	94,6	87,7	86,4	83,9	80,1	74,3	67,1	59,6	52,5
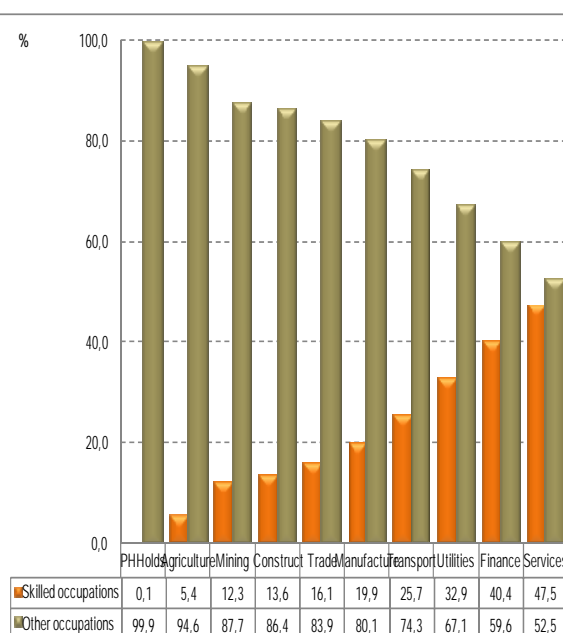
Employment by occupation and population group (Figure 5.5) shows that in 2012, the proportion of the white population group employed in skilled occupations (61,2%) was higher than that of all other population groups. Indian/Asian persons followed at 49,9%, while the black African population was least likely to be employed in high-skilled occupations (16,7%). Figure 5.6 also shows that the Services industry had the highest percentage of skilled jobs (47,5%), followed by Finance (40,4%) and Utilities (32,9%). Skilled occupations were the least likely to be found among those working in Private households and in Agriculture.

Hours of work

The routinely published QLFS employment estimates show the number of persons aged 15–64 years who worked for *one or more hours* in the reference week, or who were temporarily absent from work. As a result, every employed person does not supply the same volume of work to the South African economy since the number of hours worked varies, with some employed persons working 5 hours in the reference week and others 55 hours. Those temporarily absent from work do not contribute any hours at all. To measure the volume of work absorbed by the South African economy more precisely, it is necessary to consider the hours that people work. The QLFS measure for individual hours worked ranges from 0 (temporarily absent) to 124 per week. Thus in line with this measurement, individuals who worked for one hour in the reference week would be considered employed.

Table 5.8: Number of employees by actual hours worked, 2012

Average actual hours worked in the reference week	2012	
	Number of employed persons	Percentage of total employment
	Thousand	Per cent
1 hour or less	0	0,00
2 –5 hours	15	0,13
6 – 10 hours	94	0,83
11–15 hours	80	0,71
16–20 hours	274	2,43
21–25 hours	317	2,82
26–30 hours	250	2,23
31–35 hours	630	5,60
36–40 hours	4 359	38,73
41–45 hours	2 096	18,62
46–50 hours	1 510	13,42
>50 hours	1 630	14,48

Table 5.8 highlights that despite the fact that individuals are classified as employed even if they worked for only one hour in the reference week, persons who fell into this category account for less than 1% of total employment. Even if an upper bound of employees working less than an average of 15 hours per week is considered, the share of total employment only rises to 1,67%.

Figure 5.7: Average weekly hours worked by sex, 2007–2012

	2007	2008	2009	2010	2011	2 012
Men	46,9	46,7	46,0	45,8	45,7	45,5
Women	42,6	42,1	41,6	41,5	41,8	41,2
Average	45,0	44,7	44,1	43,9	44,0	43,6
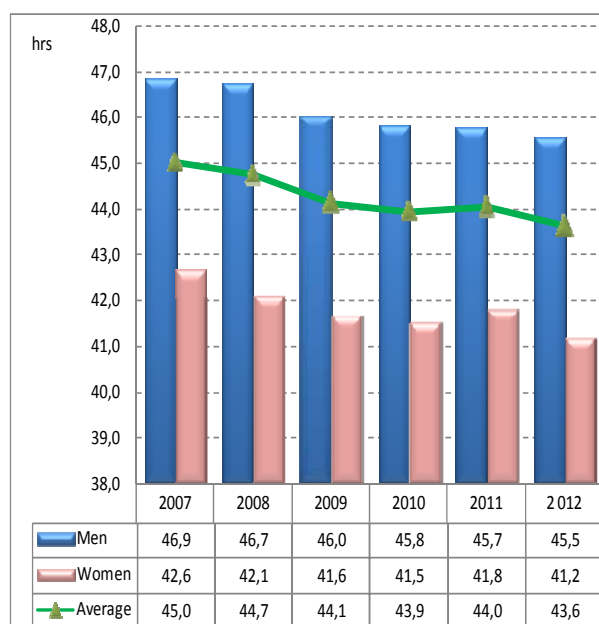
Figure 5.8: Total employment and average weekly hours worked, 2007–2012

	2007	2008	2009	2010	2011	2012
Employed	13 467	13 867	13 455	13 061	13 265	13 523
Average hours worked	45,0	44,7	44,1	43,9	44,0	43,6
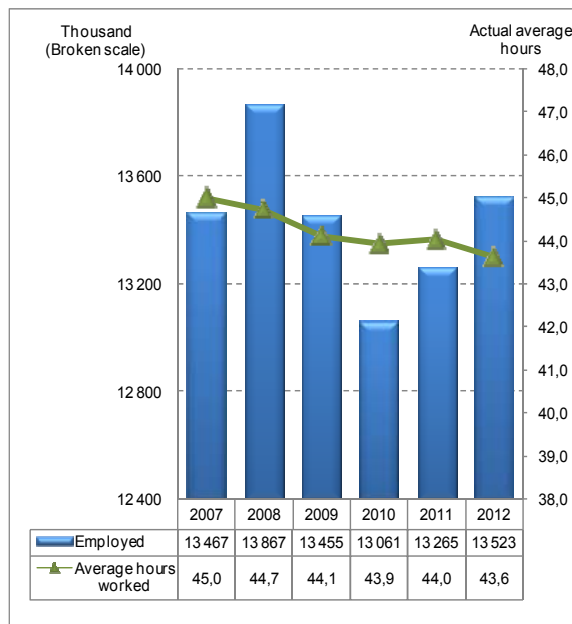
The results on average hours worked by gender in Figure 5.7 indicate that women work fewer hours than men. This may be related to the fact that women are more likely to be employed in part-time employment. The difference in hours worked between men and women remained the same at 4,3 hours in both 2008 and 2012. Between 2011 and 2012, overall average hours worked fell by 0,4 of an hour (approximately 24 minutes). At the 2012 employment level of 13,5 million, this increase of 0,4 of an hour suggests a loss of 5 490 200 hours in the production of goods and services in the economy over the period.

Up until 2009, a period of strong economic growth coincided with robust employment growth, such that average hours worked remained around the 45-hours-a-week mark (Table 5.9).

Table 5.9: Employment, average weekly hours and volume of hours, levels and change in hours worked, 2007–2012

	2007	2008	2009	2010	2011	2012
Employment	13 467	13 867	13 455	13 061	13 265	13 523
Average hours	45,0	44,7	44,1	43,9	44,0	43,6
Total hours	**599 984**	**609 104**	**581 922**	**561 463**	**574 596**	**578 637**
		Percentage change				
		2007–2008	2008–2009	2009–2010	2010–2011	2011–2012
Employment		3,0	-3,0	-2,9	1,6	1,9
		Change in hours (%)				
Average hours		-0,7	-1,3	-0,5	0,2	-0,9
Total hours		**1,5**	**-4,5**	**-3,5**	**2,3**	**0,7**

Table 5.9 also illustrates how changes in employment and average hours worked interact to determine changes in total labour input to the economy. Over the period 2007–2008, employment expanded by 3,0% year-on-year, while average hours worked declined by 0,7, which was less than the expansion in employment, resulting in total hours supplied to the economy expanding by a marginal 1,5%. In contrast, 2009–2010 saw both employment and average hours worked decline (by 2,9% and 0,5% respectively), resulting in a decline of 3,5% in aggregate hours worked.

Figure 5.9: Total employment and 40-hour equivalent employment, 2007–2012
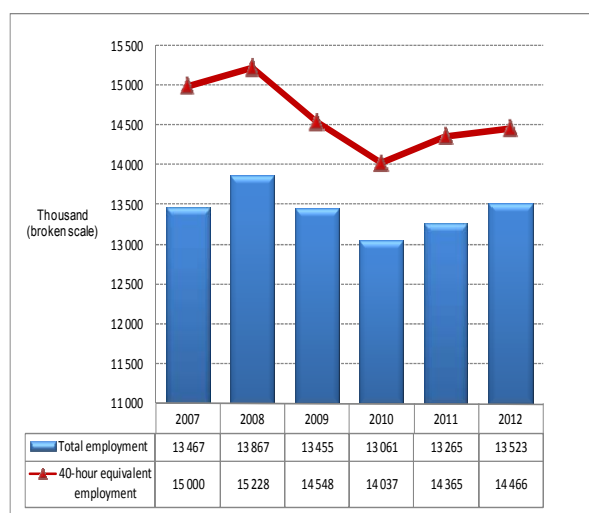
Figure 5.10: Average weekly hours worked by primary, secondary and tertiary industries, 2007–2012
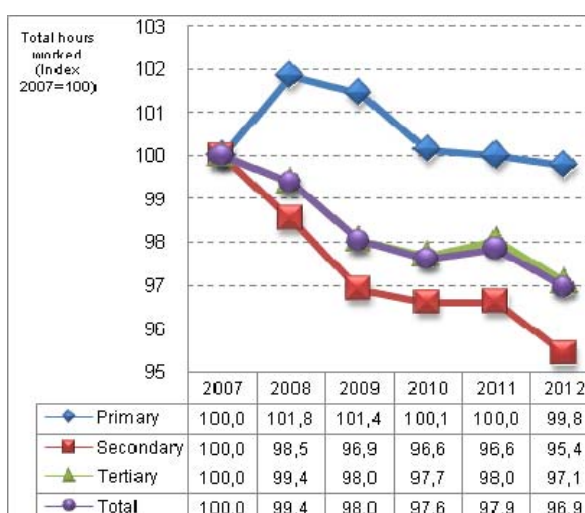
While total hours worked reflects labour input to the economy, interpreting these large numbers is a difficult undertaking. In order to provide for an improved measure of total annual hours worked, the annual hours worked are expressed in terms of an equivalent number of persons working a 40-hour week as shown in Figure 5.9 above.[4] The gap between total employment and the 40-hour equivalent employment declined from 1,5 million in 2007 to 943 000 in 2012. During 2012, on average, a total of 578 637 hours per week were worked or a 40-hour equivalent employment of 14,5 million, resulting in a gap of 0,9 million (Table 5.9 and Figure 5.9).

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[4]The equivalent number of persons working a 40-hour week (40-hour equivalent employment level) is calculated by dividing the total annual hours worked by 40.

Hours worked by industry differ considerably, driven by factors such as the labour intensity of the sector and the experience of the workforce as determined by their education and skills levels. By constructing an index of hours worked by industry, a useful visual representation of the trends in average hours worked since 2007 can be obtained. Hours worked in the primary sector increased between 2007 and 2008, then declined sharply over the crisis period (2009 to 2010) and continued the downward trend in the following two years (Figure 5.10). The secondary sector experienced large declines between 2008 and 2009, and by 2012, average hours worked had fallen to the lowest levels over the period 2007 to 2012. In the tertiary sector, despite a modest improvement in average hours worked in 2011, a relatively large decline in 2012 resulted in a substantially lower level than occurred in 2007.

Table 5.10: Average hours worked in a week by industry, 2007–2012

Industry	2007	2008	2009	2010	2011	2012
	Average hours worked					
Agriculture	45,1	47,2	47,3	46,3	46,6	46,3
Mining	48,4	46,8	45,9	46,3	45,4	45,7
Manufacturing	44,6	43,9	43,3	43,3	43,4	42,9
Utilities	43,6	43,4	42,5	43,6	43,0	42,9
Construction	44,2	43,5	42,6	42,1	42,0	41,5
Trade	47,6	48,7	48,4	48,3	48,3	47,6
Transport	50,9	52,5	51,7	50,9	50,7	49,8
Finance	47,0	45,9	45,4	45,2	44,8	44,9
Services	42,1	41,4	40,9	40,8	41,4	41,2
Private households	38,6	35,2	34,1	34,2	34,5	34,1
Total	**45,0**	**44,7**	**44,1**	**43,9**	**44,0**	**43,6**

Between 2011 and 2012, total hours worked declined marginally by 0,4 of an hour, driven by a fall in hours worked in every industry except Mining (up 0,3 of an hour), and Finance (up 0,1 of an hour). In that year, the Transport and Trade industries had the most serious decline in hours of work lost (down by 0,9 of an hour and 0,7 of an hour respectively)

Since 2007, workers in the Transport industry have worked the longest average hours each week amongst all industries, while the shortest average hours worked occurred in Private households. Between 2007 and 2012, the industries with the largest declines in average hours worked were Private households (down by 4,5 hours) and Mining and Construction (each down by 2,7 hours). Agriculture was the only industry in which average hours worked increased (up by 1,2 hours).

Figure 5.11: Average hours worked in a week by sector, 2007–2012

	2007	2008	2009	2010	2011	2012
Formal	45,6	45,0	44,4	44,1	44,2	43,9
Informal	46,3	47,7	47,5	47,6	47,7	46,6
Agriculture	45,1	47,2	47,3	46,3	46,6	46,3
Private hholds	38,6	35,2	34,1	34,2	34,5	34,1
Average	45,0	44,7	44,1	43,9	44,0	43,6
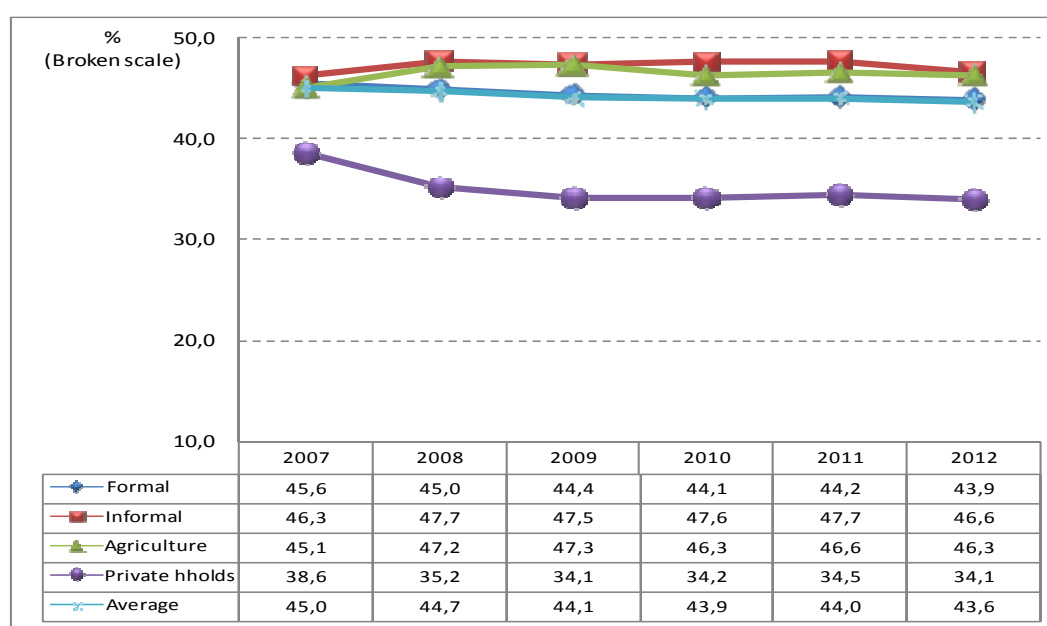
Between 2008 and 2010, a period characterised by weak labour market conditions, the decline in average weekly hours worked was highest in Private households (1 hour), followed by the formal sector and Agricultural industry where average hours worked declined by 0,9 hours. In 2012, total average hours worked fell by 0,4 hours on an annual basis, largely on account of declines in both the informal sector (by 1,1 hours) and in the formal sector (by 0,3 of an hour) (Figure 5.11).

Underemployment

Persons are classified as underemployed if they worked less than 35 hours during the reference week and reported that they were available to work more hours.

The statistical measurement of underemployment and inadequate employment focuses on two types of underemployment, namely time-related underemployment, which is due to insufficient hours of work, and inadequate employment situations, which are due to other limitations in the labour market which affect the performance and well-being of workers. Stats SA, like many other national statistical offices, measures only time-related underemployment (see Guide to QLFS[5]).

Characteristics of the underemployed

Figure 5.12: Underemployment by population group, sex, province and age, 2008 and 2012
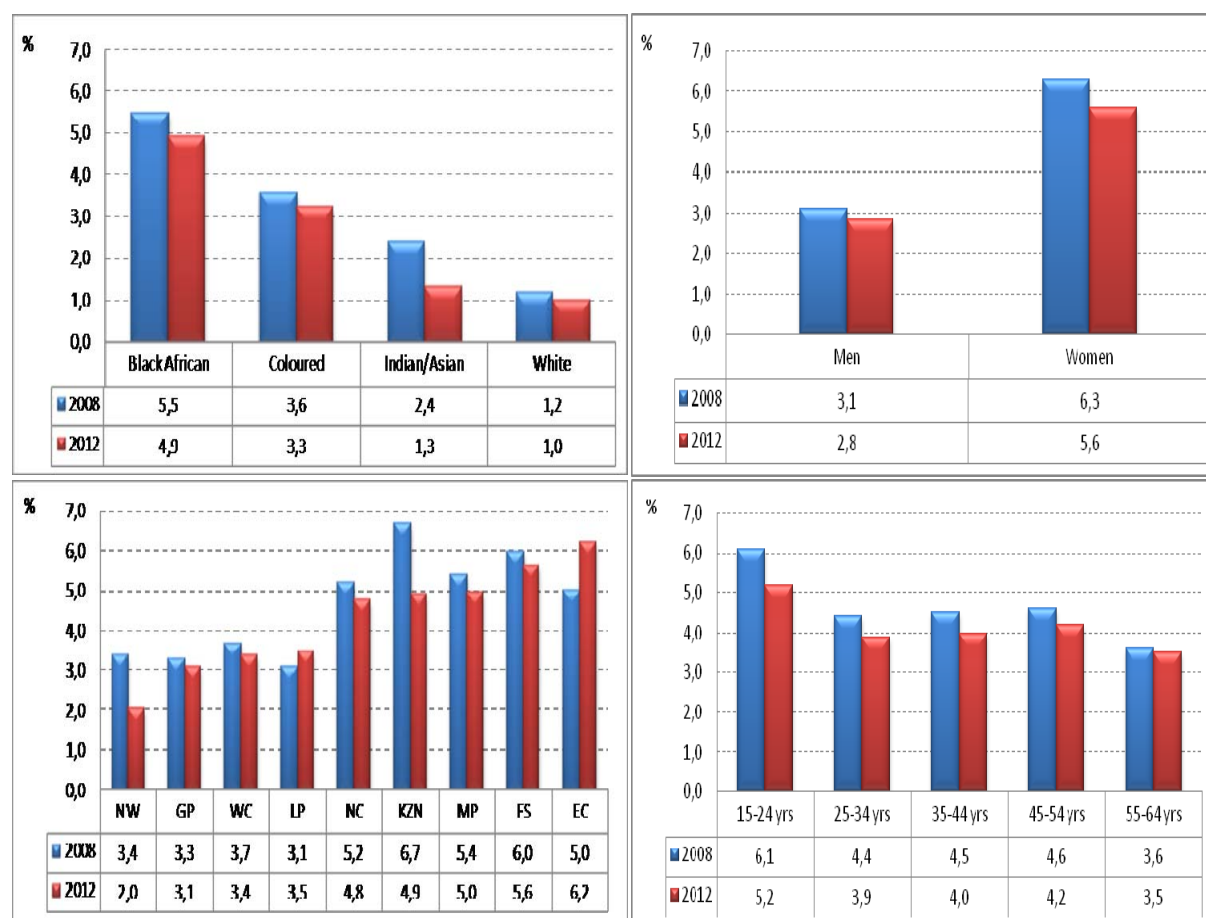
	Black African	Coloured	Indian/Asian	White
2008	5,5	3,6	2,4	1,2
2012	4,9	3,3	1,3	1,0

	Men	Women
2008	3,1	6,3
2012	2,8	5,6

	NW	GP	WC	LP	NC	KZN	MP	FS	EC
2008	3,4	3,3	3,7	3,1	5,2	6,7	5,4	6,0	5,0
2012	2,0	3,1	3,4	3,5	4,8	4,9	5,0	5,6	6,2

	15-24 yrs	25-34 yrs	35-44 yrs	45-54 yrs	55-64 yrs
2008	6,1	4,4	4,5	4,6	3,6
2012	5,2	3,9	4,0	4,2	3,5

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[5]Report-02-11-01 - Guide to the Quarterly Labour Force Survey (QLFS), August 2008. http://statssa-web:9999/publications/Report-02-11-01/Report-02-11-01August2008.pdf

Figure 5.12 shows interesting patterns and trends in the incidence of underemployment between 2008 and 2012. Amongst all population groups, the incidence of underemployment declined over the period, with the largest declines observed amongst the Indian/Asian (1,1 percentage points) and the black African (0,6 of a percentage point) groups. The incidence of underemployment for women declined by 0,7 of a percentage point over the period, while that of youth between the ages of 15 to 24 declined by 0,9 of a percentage point. At provincial level, trends in underemployment were more varied; while KwaZulu-Natal and North West saw a decline of 1,8 and 1,4 percentage points respectively, in provinces such as Eastern Cape and Limpopo, the incidence of underemployment increased.

Underemployment and hours worked

Figure 5.13: Underemployment by hours worked per week, 2008 to 2012
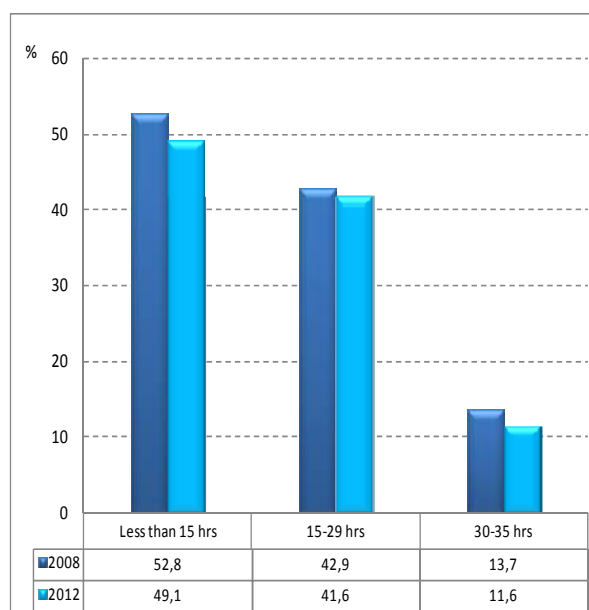
Figure 5.14: Underemployment by occupation, 2008 and 2012

	Less than 15 hrs	15-29 hrs	30-35 hrs
2008	52,8	42,9	13,7
2012	49,1	41,6	11,6
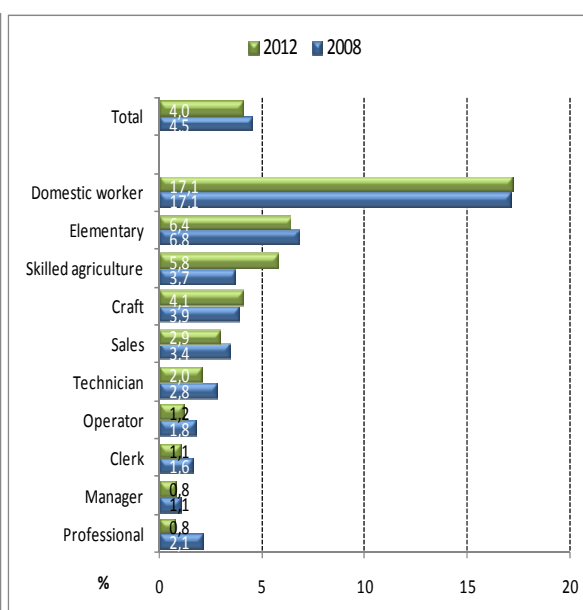
Over the period 2008 to 2012, the incidence of underemployment by hours worked declined across all categories of hours worked, most notably for those employees who worked less than 15 hours a week on average. In 2012, 49,1% of all underemployed workers worked less than 15 hours per week, while around 2 out of 5 worked 15 to 29 hours a week. For those workers working 30 to 35 hours a week, only one in every ten was underemployed (Figure 5.13).

By occupational group, in both 2008 and 2012, the incidence of underemployment remained concentrated amongst lower skilled occupations such as Domestic workers (17,1%) and Elementary occupations. Over the period 2008 to 2011, the incidence of underemployment declined amongst all occupational categories, except for workers in the Skilled agriculture category - which rose by 2,1 percentage points and Craft workers up by 0,2 of a percentage point.

Underemployed workers and industry

The incidence of underemployment also varies by industry.

Table 5.11: Incidence of underemployment by industry and skills level, 2012

Industry	High-skilled	Semi-skilled	Low-skilled	Domestic work
	Per cent			
Primary industries	0,0	1,8	2,2	
Secondary industries	1,1	7,8	14,2	
Tertiary industries	5,5	8,4	22,8	
Private households	0,0	9,2	21,0	17,1

As could be expected, the incidence of underemployment was highest amongst low-skilled occupations in the Secondary (14,2%) and Tertiary (22,8%) industries as well as in Private households (17,1%).

Figure 5.15: Underemployment by industry, 2008 and 2012
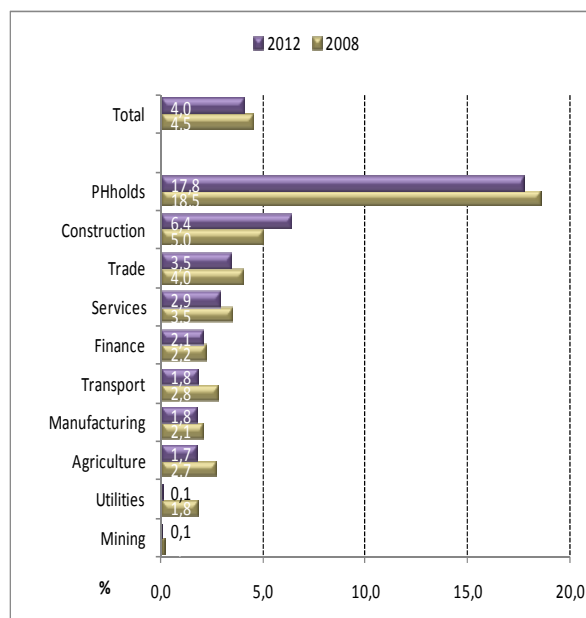
Figure 5.16: Underemployment by monthly income earned, 2012
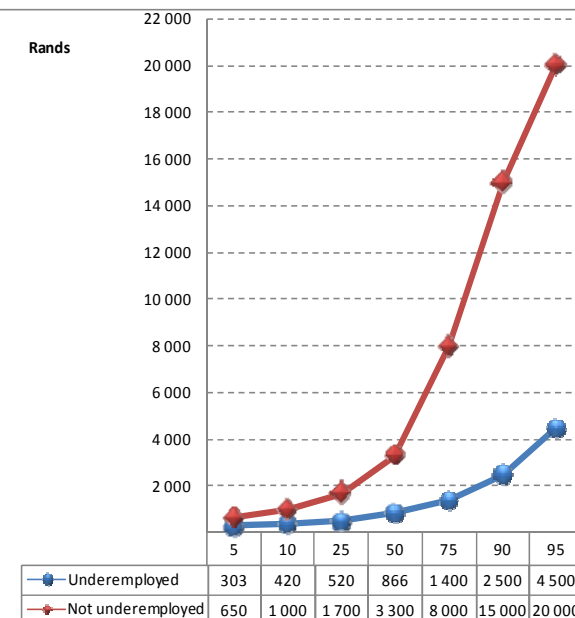
Between 2008 and 2012, the incidence of underemployment declined in all industries except Construction. The Agriculture, Transport and Utilities industries had the largest declines (Figure 5.15). Among the top earners in 2012, Figure 5.16 shows that the underemployed earned a monthly income of less than R5 000 compared to the R20 000 or more for persons who were not underemployed.

Employee benefits

The likelihood that an individual would have access to benefits is closely tied to the type of work they do, as well as the sector in which they are employed. This section presents findings regarding some of the benefits to which South African employees are entitled from the employer, namely pension fund contributions, UIF, medical aid and paid leave. The analysis identifies employee benefits by demographic variables such as sex and age, and focuses on the relationship between access to benefits and the number of hours worked by employees. The section ends with an assessment of benefits in relation to an individual's occupation and the industry in which they are employed.

Figure 5.17: Access to benefits, 2007–2012

%	2007	2008	2009	2010	2011	2012
Pension	50,3	45,2	46,1	45,8	47,5	48,7
Paid Leave	59,1	57,6	60,4	62,4	65,7	63,9
UIF	63,6	55,5	57,0	56,3	57,1	59,3
Medical Aid	29,4	28,7	30,4	31,8	31,7	32,6
Written Contract	70,9	75,2	77,9	78,6	79,4	80,5
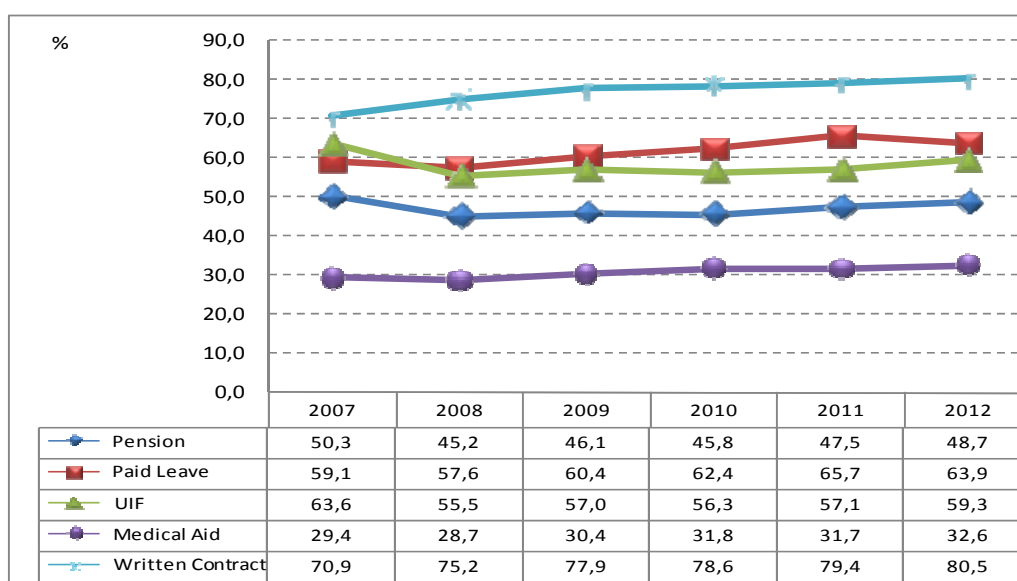
Note. The percentages only include those employees who have access to benefits.

Figure 5.17 shows that over the period 2007–2012, a written contract has been the most accessible benefit for employees, with coverage of over 80% in 2012, followed by paid leave and UIF. Medical aid has been the least accessible benefit with only 32,6% of employees entitled to this benefit in 2012, rising from 29,4% in 2007. Over this period, the proportion of employees with access to paid leave, medical aid and written contracts increased. Written contract coverage increased by close to 10 percentage points and paid leave by 4,8 percentage points between 2007 and 2012, while entitlements to pension and UIF declined by 1,6 and 4,3 percentage points respectively. On an annual basis, access to all benefits increased in 2012, with the exception of access to paid leave which declined by 1,8 percentage points. The largest increase in employee coverage in 2012 was observed in UIF benefits which increased by 2,2 percentage points year-on-year.

Employee benefits by sex, age, educational level and hours worked

Figure 5.18: Proportion of male employees with access to benefits, 2007–2012

%	2007	2008	2009	2010	2011	2012
Pension	36,7	34,3	34,2	33,9	34,7	35,3
Paid Leave	41,5	40,8	41,8	43,1	44,6	43,0
UIF	44,5	39,2	39,6	39,0	38,9	40,3
Medical Aid	21,5	21,4	22,2	23,2	22,8	23,4
Written Contract	48,5	52,0	52,4	52,8	52,7	52,7
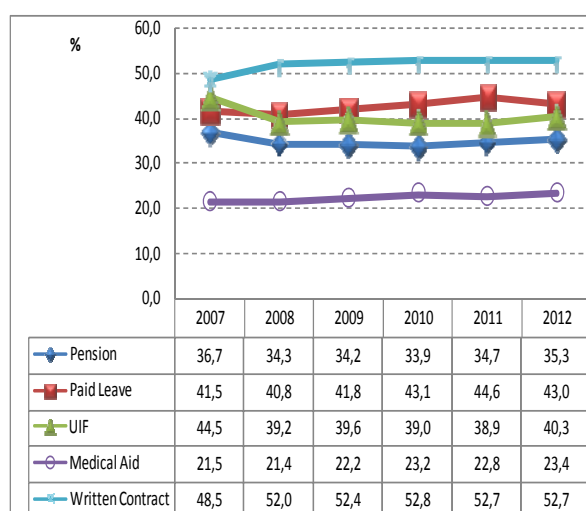
Figure 5.19: Proportion of female employees with access to benefits, 2007–2012

%	2007	2008	2009	2010	2011	2012
Pension	24,3	23,0	23,8	23,6	24,3	24,9
Paid Leave	28,2	28,7	30,3	31,0	32,6	31,6
UIF	28,5	23,6	24,7	24,3	25,0	26,4
Medical Aid	15,3	15,7	16,8	17,5	17,6	17,8
Written Contract	33,3	36,4	38,2	38,3	39,0	39,7
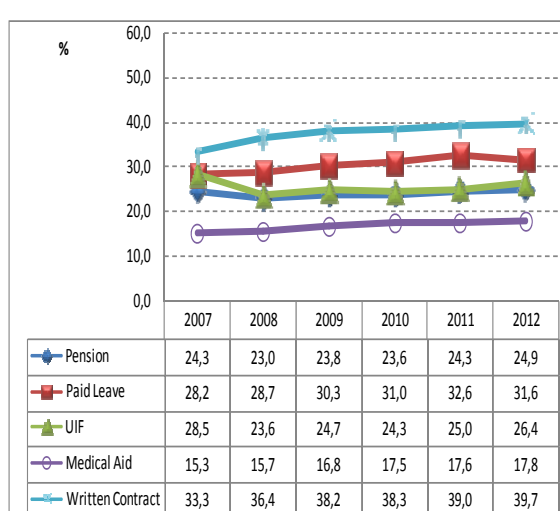
Note. The percentages only include those employees who have access to benefits. Refers to formal sector excluding agriculture and private households.

Figures 5.18 and 5.19 indicate that over the period 2007 to 2012, the proportion of men with access to benefits remained consistently higher than that of women. Over the same period, access to benefits increased for both men and women in respect of paid leave, medical aid and written contracts but declined in terms of pension entitlements among men and UIF contributions among both men and women.

Table 5.12: Employees with benefits by educational level, 2007 and 2012

	Pension	Paid leave	UIF	Medical aid	Written contract
2007			Per cent		
No schooling	28,3	33,0	43,8	8,5	47,7
Less than primary completed	30,9	38,4	48,6	10,2	50,6
Primary completed	33,3	40,5	53,1	10,9	54,6
Secondary not completed	40,8	50,9	62,7	17,7	65,0
Secondary completed	57,4	67,0	74,1	34,0	80,2
Tertiary	81,1	88,2	65,0	69,1	90,7
2012			Per cent		
No schooling	18,8	36,8	40,9	8,3	51,1
Less than primary completed	25,5	43,0	48,3	10,6	58,8
Primary completed	26,8	42,3	50,9	10,6	60,3
Secondary not completed	34,7	51,5	59,3	15,8	71,5
Secondary completed	54,6	70,5	67,8	35,3	89,0
Tertiary	79,3	89,2	54,3	71,6	97,6

Note. The percentages only include those employees who have access to benefits.

In both 2007 to 2012, employees with a secondary or lower educational level were less likely to have access to almost all benefits (except UIF) compared to employees with a tertiary education (Table 5.12). Over the same period, a decline in the number of employees with access to pension and UIF benefits occurred across all education levels.

Table 5.13: Employees with benefits by hours worked, 2008 and 2012 (formal sector excluding agriculture and domestic work)

Hours worked per week	Pension	Paid leave	UIF	Medical aid	Written contract
			Per cent		
2008					
Less than 30 hrs	19,8	30,6	33,0	13,0	73,6
30–39 hrs	62,2	70,1	29,7	52,0	89,2
40–45 hrs	63,9	76,1	65,8	42,6	91,8
More than 45 hrs	47,1	59,9	66,7	25,4	83,2
Total	**57,4**	**69,5**	**62,7**	**37,1**	**88,5**
2012					
Less than 30 hrs	15,0	28,6	36,8	8,5	80,9
30–39 hrs	64,2	75,4	31,4	55,8	93,9
40–45 hrs	65,4	79,6	69,9	46,0	94,8
More than 45 hrs	52,2	67,9	70,5	30,2	87,9
Total	**60,2**	**74,6**	**66,8**	**41,2**	**92,5**

Note. The percentages only include those employees who have access to benefits.

The types of benefits to which employees are entitled vary considerably by the number of hours they worked each week. Table 5.13 indicates that between 2008 and 2012, with the exception of written contracts and UIF, the proportion of employees who worked less than 30 hours per week declined for all benefits. For employees who worked 30 to 39 hours per week, benefit coverage increased (pension entitlements rose by 2,0 percentage points; paid leave rose by 5,3 percentage points; UIF by 1,7 percentage points; medical aid by 3,8 percentage points; and written contracts by 4,7 percentage points). For employees who

worked 40 to 45 hours per week as well as those who worked more than 45 hours per week, access to all benefits rose over the period 2008 to 2012.

Figure 5.20: Employees with benefits by age, 2012 (formal sector non-agriculture)

	Pension	Paid leave	UIF	Medical aid	Written contract
15-34yrs	49,4	67,3	70,0	30,5	89,9
35-64yrs	68,9	80,5	64,2	49,7	94,5
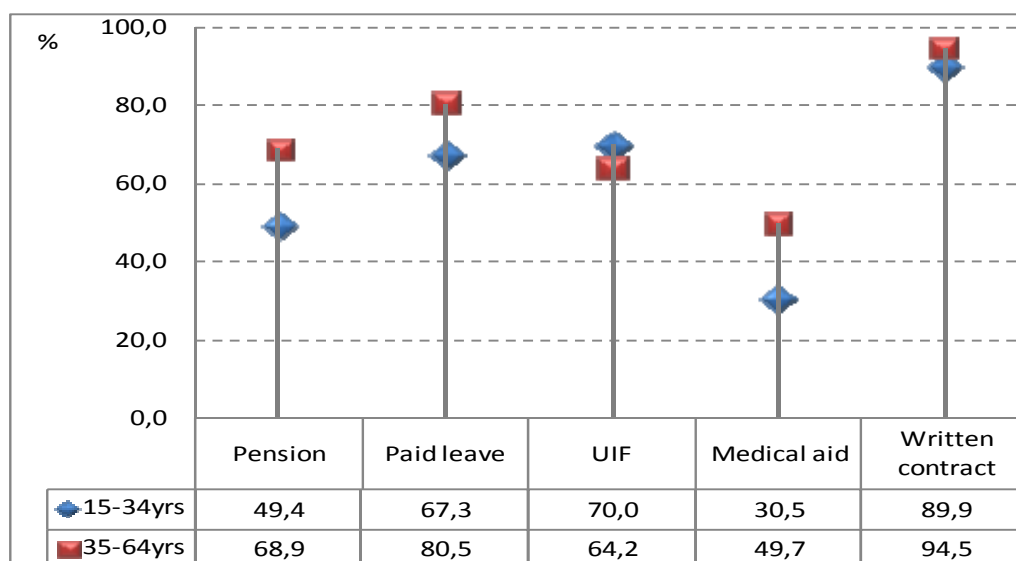
Note. The percentages only include those employees who have access to benefits.

Figure 5.20 shows that in 2012, older employees (aged 35 to 64 years), were more likely to be entitled to benefits than younger employees. In particular, the proportion of older employees with access to pensions and medical aid was 19,5 percentage points higher than that for youth. While medical aid coverage was low across all age groups, older employee coverage was 49,7% while that of employees between the ages of 15 to 34 years was only 30,5%. With regard to UIF contributions paid by employers, 70,0% of employees aged 15 to 34 years had access to this benefit compared with 64,2% of older employees.

Access to benefits by occupation and industry

Table 5.14: Employees with benefits by occupation, 2007 and 2012

	Skilled	Semi-skilled	Low-skilled	Domestic workers
2007	Per cent			
Pension	77,3	53,2	34,3	9,0
Paid leave	85,3	62,2	41,8	21,6
UIF	67,8	70,8	58,7	27,0
Medical aid	62,0	27,2	13,6	0,9
Written contract	89,6	75,5	59,5	28,6
2012	Per cent			
Pension	75,7	50,8	29,8	4,1
Paid leave	87,3	66,5	46,5	22,3
UIF	58,2	66,7	56,8	25,2
Medical aid	65,5	30,1	12,4	0,4
Written contract	97,1	85,5	72,0	21,4

Note. The percentages only include those employees who have access to benefits.

Table 5.14 shows that the benefits accessible to different skills levels vary. Over the period 2007 and 2012, the proportion of employees that were entitled to pension contributions from their employer declined across all skills levels. Domestic workers' access to benefits declined for all benefits except for paid leave, despite the inclusion of this group of workers in the UIF Contributions Act only since 1 April 2003. For skilled and semi-skilled employees,

access to UIF benefits declined by 9,6 and 4,1 percentage points respectively, which could point to a rise in the number of employees such as civil servants in these skill categories who do not qualify for UIF.

Table 5.15: Employees with benefits by industry, 2007 and 2012

	Primary industries	Secondary industries	Tertiary industries
2007	**Per cent**		
Pension	45,5	48,4	51,6
Paid leave	55,3	55,9	60,7
UIF	71,3	70,5	60,2
Medical aid	24,7	23,5	32,0
Written contract	69,5	70,7	71,1
2012	**Per cent**		
Pension	41,1	49,9	49,3
Paid leave	59,8	63,6	64,4
UIF	71,0	75,6	53,3
Medical aid	29,6	26,5	34,8
Written contract	77,7	84,4	79,6

Note. The percentages only include those employees who have access to benefits.

Between 2007 and 2012, the proportion of employees with access to pension benefits in the primary and tertiary industries declined, but rose by 1,5 percentage points in the secondary industries (Table 5.15). In all industries employee entitlements to paid leave increased, most notably amongst the secondary sector where access increased from 55,9% to 63,6% or by 7,7 percentage points. While UIF coverage decreased for employees in the primary and tertiary industries, an increase of 5,1 percentage points in the proportion of employees in the secondary industries with access to UIF benefits was observed. Medical aid coverage also increased in every industry, while a written contract was the most prevalent benefit across all industries with employees in the secondary industries benefiting most from gains in coverage.

In 2012, employees working in primary industries were least likely to have access to pension and medical aid entitlements. Those employed in secondary industries were more likely to have access to pension, UIF and a written contract than employees in primary and tertiary industries. Employees in the tertiary industries enjoyed the highest coverage of paid leave and medical aid relative to persons working in primary and secondary industries.

5.2 The formal/informal sector in South Africa

Key labour market concepts

Informal sector: The informal sector has the following two components:

- Employees working in establishments that employ less than five employees, who do not deduct income tax from their salaries/wages; and
- Employers, own-account workers and persons helping unpaid in their household business who are not registered for either income tax or value-added tax.

Background

The formal sector has been dominant in the South African labour market. Informal sector employment on the other hand, is small, contributing under 20% to total employment. The sector is survivalist in nature, and according to Fryer and Vencatachellum (2004) consists

largely of unskilled individuals. The informal sector serves as an alternative entry to employment when formal sector jobs are difficult to find (Blaauw, 2005). It also serves as an alternative for vulnerable groups including women, and those with little or no education who have lost hope of finding work in the formal sector. Although the South African informal sector is small relative to other countries at a similar developmental stage, it is important as it provides employment to the most vulnerable groups and may serve as a stepping stone into formal sector employment.[6]The sector is also included in the estimates of GDP, as goods and services produced in this sector are regarded as completely legal and are aimed at providing employment and income (OECD, 2002).

Introduction

This section of the chapter focuses on employment in the formal and informal sectors by demographic characteristics (sex, age and population group) as well as by educational level and province. It concludes by analysing the industry in which people work by sector.

Employment by sector

Table 5.16: Employment by sector, 2007–2012

	2007	2008	2009	2010	2011	2012
			Thousand			
Formal	9 147	9 572	9 453	9 123	9 367	9 588
Informal	2 325	2 298	2 129	2 159	2 171	2 148
Agriculture	737	786	686	639	614	660
Private households	1 258	1 209	1 187	1 140	1 113	1 126
Total	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
			Annual change			
Formal		425	-119	-330	244	221
Informal		-27	-170	30	12	- 23
Agriculture		50	-100	-48	-25	46
Private households		-49	-22	-47	-28	13
Total		**399**	**-411**	**-395**	**204**	**258**
			Annual rate of change (%)			
Formal		4,7	-1,2	-3,5	2,7	2,4
Informal		-1,2	-7,4	1,4	0,6	-1,1
Agriculture		6,8	-12,7	-6,9	-3,9	7,6
Private households		-3,9	-1,8	-4,0	-2,4	1,2
Total		**3,0**	**-3,0**	**-2,9**	**1,6**	**1,9**

Note: Due to rounding, numbers do not necessarily add up to totals.

In 2012, employment in the formal sector increased by 2,4% year-on-year or 221 000 jobs. Over the same period, informal sector employment fell by 1,1% or 23 000 jobs, after a modest increase of 0,6% the previous year. In 2012, employment in private households rose by 1,2% after four successive annual contractions (Table 5.16).

Employment in agriculture rebounded by 7,6% in 2012 after three successive years of decline.

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[6]"Why has unemployment risen in the new South Africa", Banerjee et al, NBER Working paper 13167, June 2007. The authors find that around 12% of those initially working in the informal sector will transition to the formal sector within a 6-month period.

Employment by sector and sex

Figure 5.21: Formal sector employment by sex, 2007–2012
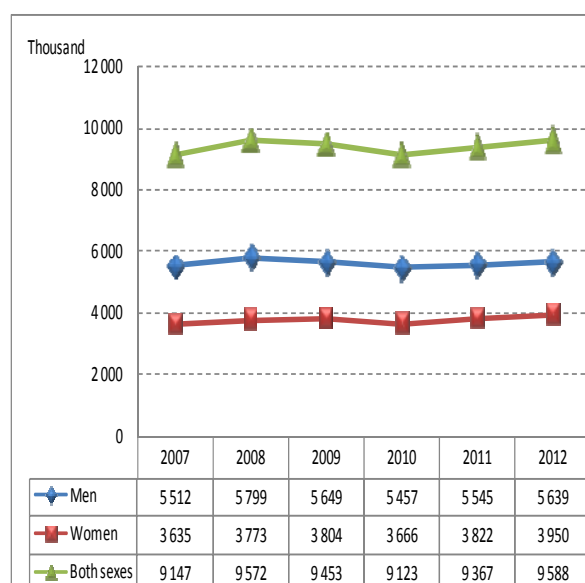
Figure 5.22: Informal sector employment by sex, 2007–2012

Thousand	2007	2008	2009	2010	2011	2012
Men	5 512	5 799	5 649	5 457	5 545	5 639
Women	3 635	3 773	3 804	3 666	3 822	3 950
Both sexes	9 147	9 572	9 453	9 123	9 367	9 588

Thousand (Broken scale)	2007	2008	2009	2010	2011	2012
Men	1 244	1 268	1 184	1 250	1 273	1 282
Women	1 082	1 030	945	909	898	866
Both sexes	2 325	2 298	2 129	2 159	2 171	2 148
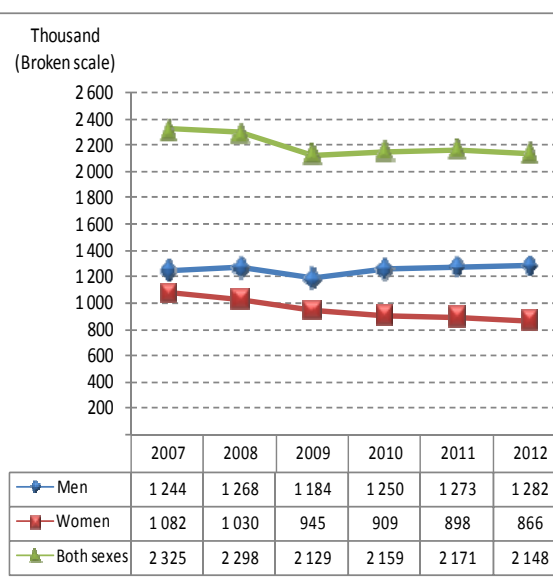
Figure 5.21 shows that after two successive years of decline in 2009 and 2010, employment in the formal sector, increased for both men and women in 2011 and 2012. However, in each year the number of men employed in the formal sector was higher than that of women.

On the other hand, informal sector employment among men surpassed by a small margin the levels reached in 2007, while among women employment declined for the fifth consecutive year.

Formal and informal sector employment by education

Figure 5.23: Formal and informal sector employment (excluding agriculture and private households) by education, 2012

	No schooling	Below primary	Primary completed	Below secondary	Secondary completed	Tertiary
Formal sector	27,0	38,2	42,4	61,3	82,8	94,7
Informal sector	27,9	25,7	24,4	21,6	12,1	4,1
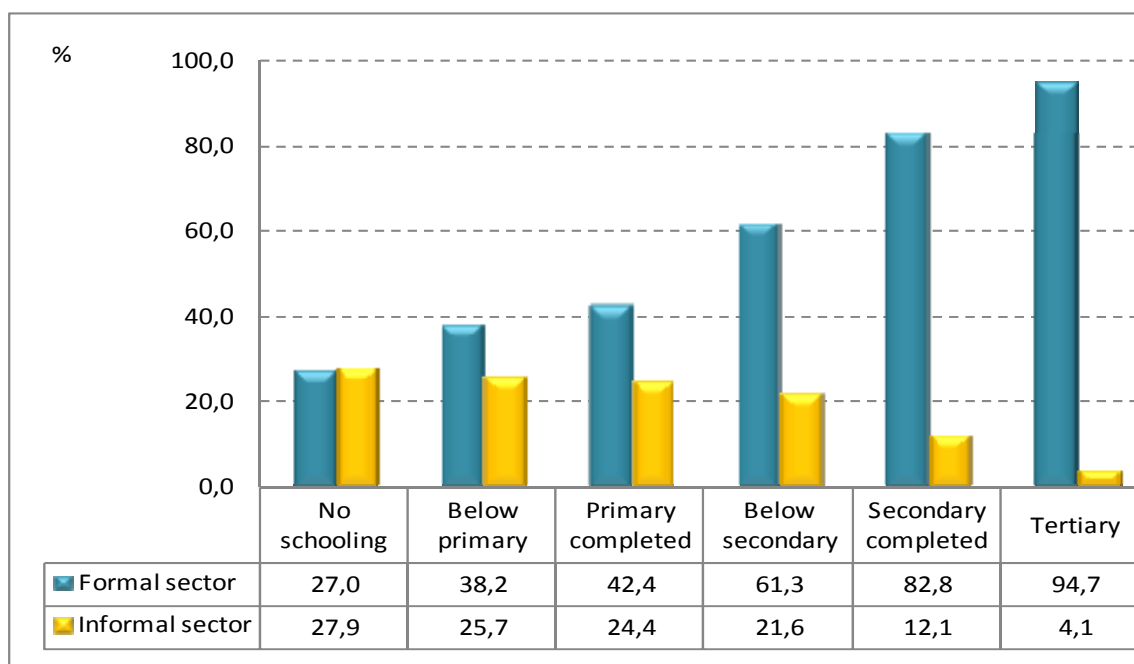
Note: Percentages were calculated based on total employment, which includes agriculture and private households.

Figure 5.23 indicates that in 2012, among those with tertiary education, 94,7% were employed in the formal sector and only 4,1% were employed in the informal sector. As educational attainment increases, the likelihood of being in the formal sector increases, while the likelihood of being in the informal sector decreases.

Informal sector employment by population group

Table 5.17: Formal and informal sector employment by population group, 2007–2012

	2007	2008	2009	2010	2011	2012
Formal sector			Thousand			
Black African	5 738	6 022	5 935	5 705	5 965	6 188
Coloured	1 136	1 172	1 167	1 118	1 125	1 165
Indian/Asian	398	429	420	453	438	440
White	1 874	1 950	1 931	1 847	1 839	1 795
Total	**9 147**	**9 572**	**9 453**	**9 123**	**9 367**	**9 588**
Informal sector						
Black African	2 065	2 007	1 848	1 864	1 881	1 881
Coloured	125	146	154	148	154	122
Indian/Asian	36	37	37	46	44	50
White	100	108	89	101	92	94
Total	**2 325**	**2 298**	**2 129**	**2 159**	**2 171**	**2 148**

Note: Due to rounding, numbers do not necessarily add up to totals.

Table 5.18: Formal and informal sector employment by population group, 2007–2012

	2008	2009	2010	2011	2012
Formal sector		Percentage change			
Black African	4,9	-1,4	-3,9	4,6	3,7
Coloured	3,1	-0,4	-4,2	0,6	3,6
Indian/Asian	7,8	-2,1	7,8	-3,1	0,4
White	4,0	-1,0	-4,3	-0,4	-2,4
Total	4,7	-1,2	-3,5	2,7	2,4
Informal sector		Percentage change			
Black African	-2,8	-7,9	0,9	0,9	0,0
Coloured	16,8	5,7	-3,7	4,0	-20,6
Indian/Asian	3,1	0,3	23,4	-5,5	15,1
White	8,0	-17,2	13,0	-8,9	2,3
Total	-1,2	-7,4	1,4	0,6	-1,1

Tables 5.17 and 5.18 show that formal sector employment among black Africans expanded from 5,7 million in 2007 to 6,2 million in 2012 as a result of two successive annual increases in 2011 and 2012 of 4,6% and 3,7% respectively. Formal sector employment declined by 2,4% among the white population group in 2012 but rose among all other population groups. The Indian/Asian population group's employment in the informal sector rose by 15,1% in 2012 after falling by 5,5% in 2011.[7]

Formal sector employment among the coloured population increased by 3,6% between 2011 and 2012, but informal sector employment for this group declined by as much as 20,6% over the same period, following an increase of 4,0% in the previous year.

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[7]Large swings in the year-on-year changes for the Indian/Asian population group may result due to the small sample size.

Formal and informal sector employment by province

Figure 5.24: Formal sector employment by province, 2007 and 2012
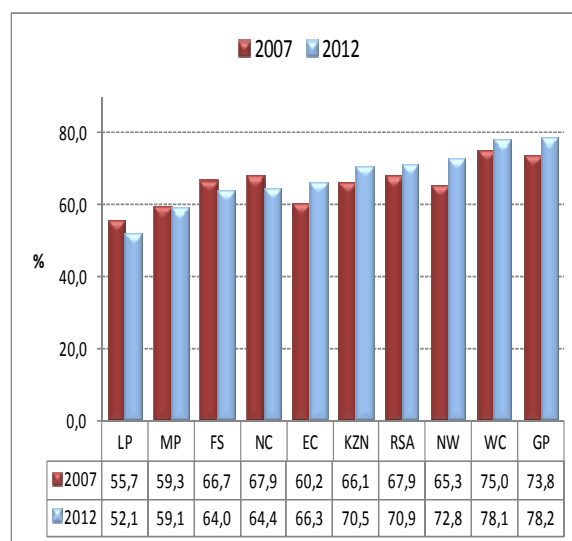
Figure 5.25: Informal sector employment by province, 2007 and 2012
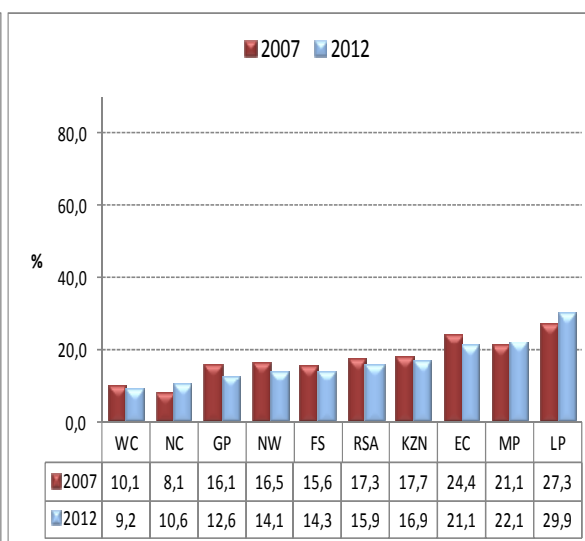
Figure 5.24 shows that formal sector employment accounted for the largest share of total employment in Gauteng, Western Cape and North West. Between 2007 and 2012, formal sector employment increased in five of the nine provinces with the biggest increases observed in North West (up by 7,5 percentage points) and Eastern Cape (up by 6,1 percentage points).

Figure 5.25 indicates that in both 2007 and 2012, in Limpopo, Mpumalanga and Eastern Cape, informal sector employment accounted for the largest share of total employment compared with the other provinces, with Western Cape and Northern Cape having the least shares. Between 2007 and 2012, informal sector employment contracted in all provinces except Northern Cape, Limpopo and Mpumalanga. The biggest decline in the share of the informal sector in total employment was observed in Gauteng, Eastern Cape and North West - down by more than two percentage points in each of these provinces.

Formal and informal sector employment by occupation

Figure 5.26: Formal sector employment by occupation, 2007–2012
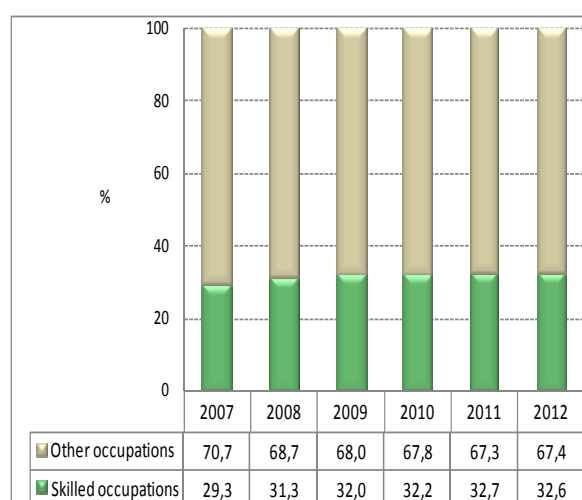
Figure 5.27: Informal sector employment by occupation, 2007–2012
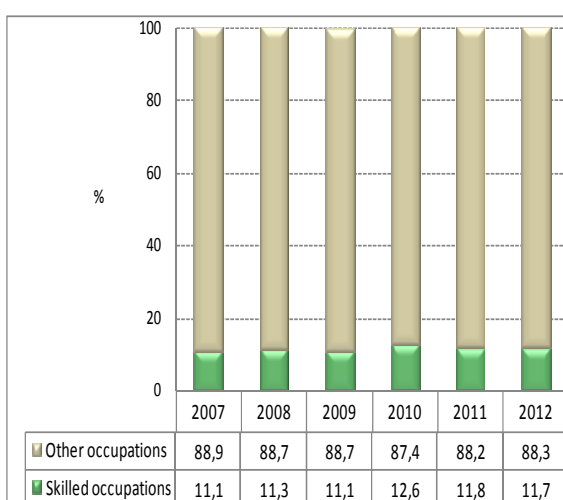
Note: Excludes agriculture and private households.

Figure 5.26 indicates that while there was a larger proportion of persons in semi-skilled occupations in the formal sector compared to those in skilled occupations, the share of individuals working in semi-skilled occupations in the formal sector declined between 2007 and 2012. On the other hand, the proportion of persons working in skilled occupations in the formal sector increased over the same period, rising from 29,3% in 2007 to 32,6% in 2012, suggesting that employment creation over the period has been concentrated in skilled occupations.

Figure 5.27 shows that each year over the period 2007 to 2012, semi-skilled occupations accounted for over 87,0% of total informal sector employment, while skilled occupations accounted for around 13,0%. The shares of skilled occupations in both formal and informal sector employment were higher in 2012 than 2007, but by a larger margin in the formal sector.

Summary

After two successive years of decline in 2009 to 2010, employment in the formal sector increased by 2,7% in 2011 and an additional 2,4% in 2012. Informal sector employment declined by 1,1% between 2011 and 2012, after two consecutive increases in 2010 and 2011, and two years of contraction in the earlier period (2008 and 2009).

Men accounted for the largest portion of both formal and informal sector employment. The results further showed that individuals' chances of being employed in the formal sector increased with higher levels of education. In 2012, among the Indian/Asian and white population groups, informal sector employment increased year-on-year by 15,1% and 2,3% respectively. Except for the white population group, formal sector employment increased for all other groups.

Formal sector employment provided the most jobs in Gauteng, Western Cape and North West. And between 2007 and 2012, employment in this sector increased in five of the nine provinces with the biggest increase observed in North West (up by 7,5 percentage points) and Eastern Cape (up by 6,1 percentage points).

Over the period 2007 to 2012, there was a larger proportion of persons in semi-skilled occupations in formal sector employment compared with skilled occupations. However, the share of skilled occupations has risen in both the formal and informal sectors at the expense of semi-skilled occupations.

5.3 Monthly earnings of South Africans

Key labour market concepts

Distributions:

Top 5 (or 10 or 25) %: The earnings level at which 5% (or 10% or 25%) of all of the records have higher earnings.

Bottom 5 (or 10 or 25) %: The earnings level at which 5% (or 10% or 25%) of all the records have lower earnings.

Median: when the QLFS records are arranged from the one with the lowest earnings to the one with the highest, the median is the record where half the records have lower earnings than the median and half the records have higher earnings.

Distinguishing between earnings and incomes:

What the QLFS measures are the gross earnings of employees and the net earnings of employers and own-account workers. It is essential to distinguish this concept or earnings from the concept of income.

- Income is inclusive; it covers all sources of household revenue and includes not only earnings but also grants, other sources of revenue from government such as UIF, as well as investment income.
- Income is generally measured at household level (household income) while earnings are usually, as is the case here, measured for individual employed persons.

The degree of inequality observed in earnings distributions is almost certain to be less than the degree of inequality observed in income distributions. There are two reasons for this:

- The entire population aged 15 years and over is included in the income statistics, not just the employed population. The not employed portion of the population (about 60% of the population) will generally have much lower incomes because they have no earnings.
- People at the high end of the earnings distribution are more likely to also have investment income.

It is appropriate to compare the degree of inequality between income and earnings distributions if the objective is to measure that difference. However, it is inappropriate to judge the validity of income data or earnings data by comparing the two.

Background

Stats SA added earnings questions to the QLFS questionnaire from the third quarter of 2009. This was done with the aim of producing relative earnings data and earnings distributions. Relative earnings relate to the comparisons of the earnings of one socio-demographic group with earnings of other groups, for example, female-to-male-earnings ratios, population group ratios, and so forth, while earnings distributions measure inequality in the earnings distribution of any socio-demographic group, for example, are the earnings of men more unequally distributed than the earnings of women, or how does earnings inequality vary by province?

Because of their superiority when describing the distribution of earnings, and because of their much greater stability through time, Stats SA will use only medians and other quintiles in published data.

Introduction

The analysis in this section of the chapter focuses on relative earnings and earnings distributions. The focus is monthly earnings by demographic characteristics (sex, age and population group) as well as on the distribution of earnings by industry, occupation and province.

Table 5.19: Distribution of monthly earnings by status in employment, 2012

	No. of employed	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
	Thousand				Rand			
Total	**12 849**	**510**	**800**	**1 516**	**3 033**	**8 000**	**15 000**	**22 000**
Employees	11 059	600	866	1 516	3 100	8 000	15 000	20 000
Employers	622	600	1 000	2 500	7 583	20 000	35 000	50 000
Own-account workers	1 167	300	500	1 000	2 166	5 308	12 133	21 666

Due to rounding, numbers do not necessarily add up to totals.

Table 5.19 shows that of the 12,8 million paid workers in 2012; approximately 11,1 million (or 86,1%) were employees, while own-account workers and employers accounted for 9,1% and 4,8% of total paid employment respectively. The median monthly earnings were highest for employers at R7 583, followed by employees with their median at R3 100, while the lowest median monthly earnings were observed among own-account workers at R2 166. Thus the earnings profiles of employers and own-account workers differ substantially from those of employees. And the distributions of employers and own-account workers also differ substantially from each other.

Analysis based on all the employed would therefore yield less informative information on the relationship between socio-demographic characteristics and earnings, since these relationships are different for each status in employment. The analysis that follows will therefore be based on employees only.

Earnings by sex, employees

Table 5.20: Distribution of monthly earnings for employees by sex, 2011 and 2012

	No. of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
	Thousand				Rand			
2011								
Both sexes	**11 198**	**600**	**900**	**1 500**	**3 000**	**7 500**	**15 000**	**20 000**
Men	6 230	800	1 083	1 733	3 466	7 945	15 700	22 000
Women	4 968	500	700	1 300	2 500	7 000	13 000	16 500
2012								
Both sexes	**11 059**	**600**	**866**	**1 516**	**3 100**	**8 000**	**15 000**	**20 000**
Men	6 095	693	1 083	1 885	3 500	8 000	16 000	23 000
Women	4 964	500	720	1 300	2 600	7 300	14 000	18 000

Table 5.20 shows that the median monthly earnings for men were higher than those of women in both 2011 and 2012. The median earnings for men increased by R34 between 2011 and 2012 while those of women increased by R100 in the same period.

In 2012, men had median earnings of R3 500 compared to women (R2 600). Women in paid, employment earned 74,3% of what their male counterparts earned. In the bottom 10%, women earned R720 or less per month while their male counterparts earned R1 083 or less. In the top 10%, women earned R14 000 or more compared to men who earned R16 000 or more per month.

Earnings by population group, employees

Figure 5.28: Distribution of monthly earnings for employees by population group, 2012

Rand	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
Black African	510	800	1 400	2 500	5 500	12 000	16 000
Coloured	700	1 060	1 733	3 250	8 000	15 000	22 000
Indian/Asian	1 500	2 426	3 500	7 000	12 000	18 000	20 000
White	1 560	2 946	5 000	10 006	17 000	27 000	36 000
RSA	600	866	1 516	3 100	8 000	15 000	20 000
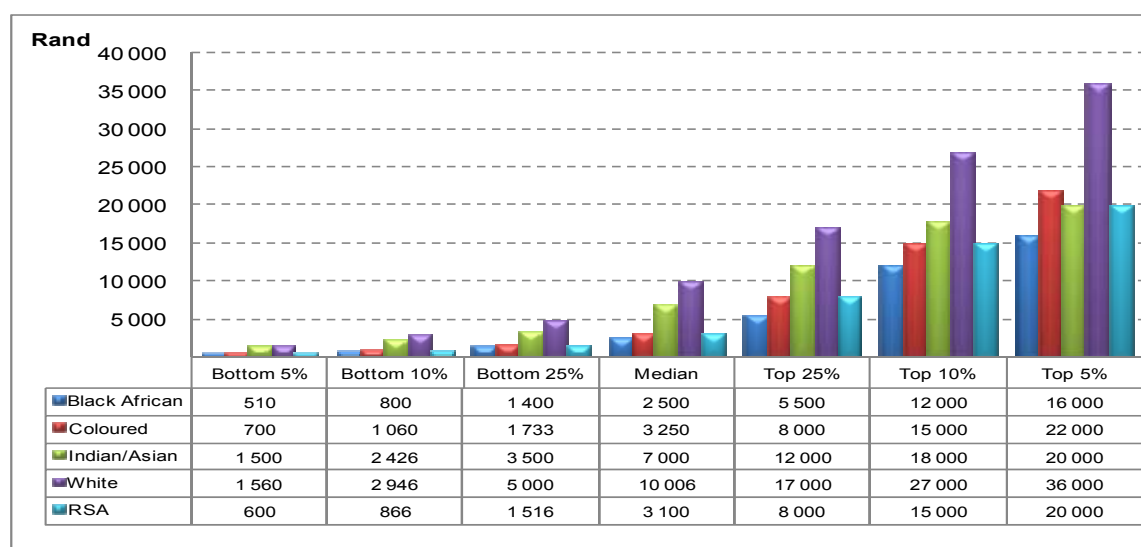
Figure 5.28 indicates that in 2012, the median monthly earnings of white (R10 006) and Indian/Asian (R7 000) employees were substantially higher than the median monthly earnings of their coloured (R3 250) and black African (R2 500) counterparts. Black African employees earned 25,0% of what employees in the white population earned; 35,7% of what Indian/Asian employees earned; and 76,9% of what employees in the coloured population earned. In the bottom 5%, black African employees earned R510 or less per month while employees in the white population earned R1 560 or less per month. In the top 5%, black Africans earned R16 000 or more compared to the white population who earned R36 000 or more per month.

Earnings by age, employees

Figure 5.29: Distribution of monthly earnings for employees by age, 2012

Rand	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
15-24 yrs	650	875	1 500	2 400	4 800	10 000	15 000
25-34 yrs	650	1 000	1 600	3 000	7 000	13 750	19 000
35-44 yrs	600	900	1 625	3 500	8 900	16 000	21 000
45-54 yrs	500	800	1 500	3 500	9 000	16 000	21 666
55-64 yrs	500	758	1 500	4 000	10 000	18 900	26 000
RSA	600	866	1 516	3 100	8 000	15 000	20 000
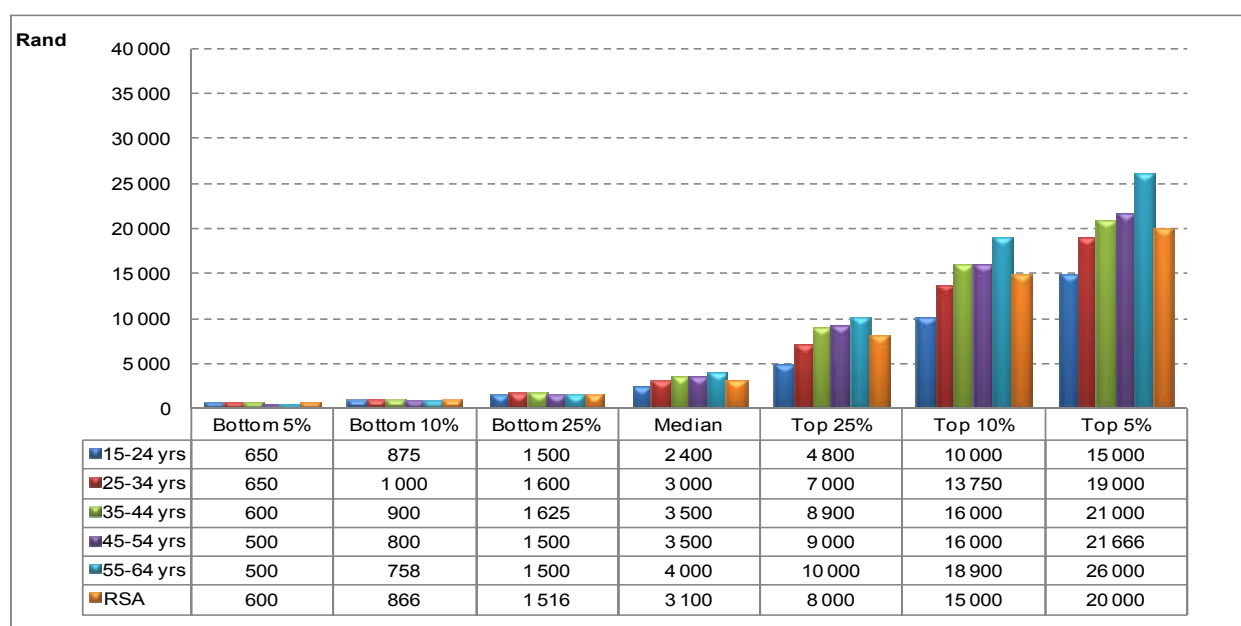
Figure 5.29 indicates that in 2012, the median monthly earnings for paid employees generally increased with age. The lowest median earnings were observed among employees aged 15–24 years (R2 400) and the highest were observed among employees aged 55–64 years (R4 000).

Employees in the prime age group (25–34 years) who were in the bottom 10% of the earnings scale earned R1 000 or less per month while those in the younger or older age groups earned R900 or less.

When comparing the youngest (15–24 years) and the oldest (55–64 years) employees, in the bottom 5% the younger employees earned more than the older employees, but in the top 5% the reverse is true and older employees earned more than the younger ones. Specifically, in the top 5%, those aged 15–24 earned R15 000 per month while those aged 55–64 years earned R26 000 per month.

Earnings by province, employees

Table 5.21: Distribution of monthly earnings by province, 2012

	No. of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
		Thousand				Rand		
South Africa	**11 059**	**600**	**866**	**1 516**	**3 100**	**8 000**	**15 000**	**20 000**
Western Cape	1 603	800	1 200	1 841	3 423	8 000	16 000	25 000
Eastern Cape	1 036	500	600	1 300	2 513	6 933	15 000	20 000
Northern Cape	249		600	1 260	2 000	5 900	12 000	17 000
Free State	624	500	693	1 200	2 166	6 000	12 000	16 000
KwaZulu-Natal	2 055	510	800	1 500	2 800	6 500	12 000	16 000
North West	602	700	1 000	1 603	3 500	7 500	14 166	18 000
Gauteng	3 373	700	1 200	2 163	4 200	10 000	18 000	25 000
Mpumalanga	750	650	866	1 400	2 600	6 017	14 044	19 800
Limpopo	767	500	700	1 100	2 000	6 500	13 700	16 000

Table 5.21 shows that the median monthly earnings were highest for employees in Gauteng at R4 200, followed by North West at R3 500, Western Cape at R3 423, and KwaZulu-Natal at R2 800. Employees in Limpopo and Northern Cape had the lowest median earnings at R2 000, followed by Free State at R2 166.

Earnings by occupation, employees

Table 5.22: Distribution of monthly earnings by occupation, 2011 and 2012

	No. of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
Occupation		Thousand				Rand		
2011								
All occupations	**11 198**	**600**	**900**	**1 500**	**3 000**	**7 500**	**15 000**	**20 000**
Skilled occupation	2 679	1 400	2 000	5 000	10 000	16 000	25 000	35 000
Semi-skilled occupation	5 319	800	1 100	1 800	3 198	6 000	10 500	14 500
Low-skilled occupation	2 325	480	600	1 083	1 600	2 721	4 800	6 200
Domestic workers	875	390	500	780	1 100	1 600	2 383	3 000
2012								
All occupations	**11 059**	**600**	**866**	**1 516**	**3 100**	**8 000**	**15 000**	**20 000**
Skilled occupation	2 627	1 200	2 166	5 000	10 123	16 000	25 000	35 000
Semi-skilled occupation	5 188	720	1 100	1 950	3 400	6 800	12 000	15 600
Low-skilled occupation	2 373	480	600	1 200	1 733	3 000	5 000	6 933
Domestic workers	872	400	520	800	1 200	1 733	2 400	3 000

Table 5.22 shows that in 2011 and 2012, the median monthly earnings of individuals employed in more skilled occupations were substantially higher than for those employed in less skilled occupations. In 2012 employees in more skilled occupations had median monthly earnings of R10 123 while domestic workers had median monthly earnings of R1 200.

Table 5.23: Median monthly earnings by occupation and sex, 2011 and 2012

	No. of employees (Thousand)		Median earnings (Rand)		Women-to-men ratio earnings
	Women	**Men**	**Women**	**Men**	
2011					
All occupations	**4 968**	**6 230**	**2 500**	**3 466**	**0,72**
Skilled occupation	1 320	1 358	9 000	11 000	0,82
Semi-skilled occupation	1 923	3 396	3 000	3 250	0,92
Low-skilled occupation	884	1 441	1 500	1 733	0,87
Domestic workers	840	35	1 100	1 100	1,00
2012					
All occupations	**4 964**	**6 095**	**2 600**	**3 500**	**0,74**
Skilled occupation	1 285	1 342	10 000	11 000	0,91
Semi-skilled occupation	1 923	3 265	3 033	3 500	0,87
Low-skilled occupation	917	1 456	1 600	1 900	0,84
Domestic workers	839	33	1 200	1 040	1,15

Table 5.23 shows that between 2011 and 2012, the monthly earnings gap between women and men declined from R966 to R900. The table also shows that this was largely attributable to the narrowing of the gap among skilled occupations from R2 000 in 2011 to R1 000 in 2012. The earnings gap widened among employees in low-skilled occupations (from R233 in 2011 to R300 in 2012) and among employees in semi-skilled occupations (from R250 to R467).

Earnings by industry, employees

Table 5.24: Distribution of monthly earnings by industry, 2012

	No. of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
	Thousand				Rand			
All industries	**11 059**	**600**	**866**	**1 516**	**3 100**	**8 000**	**15 000**	**20 000**
Agriculture	602	500	758	1 200	1 460	1 800	3 000	5 000
Mining	331	1 083	1 800	3 900	6 000	10 000	17 000	22 000
Manufacturing	1 453	800	1 200	1 950	3 500	7 300	14 733	20 000
Utilities	92	600	1 200	2 800	6 000	12 500	20 000	25 000
Construction	709	500	600	1 516	2 600	4 600	9 700	14 000
Trade	1 954	800	1 100	1 800	3 000	5 633	12 000	16 000
Transport	663	750	1 200	2 100	3 900	8 750	15 000	20 000
Finance	1 514	900	1 500	2 300	4 000	10 000	20 000	30 000
Services	2 642	600	1 000	2 500	6 500	12 500	18 000	24 000
Private households	1 096	400	500	800	1 200	1 733	2 500	3 250

Table 5.24 shows that in 2012, median monthly earnings were highest for employees in Services (R6 500) and Utilities and Mining (each with R6 000), followed by Finance at R4 000. The lowest median earnings were for employees in Private households (R1 200), followed by Agriculture at R1 460 and Construction at R2 600. In the bottom 5%, employees in Private households earned R400 or less while those in Mining earned R1 083 or less per month. In the top 5%, employees in Private households earned R3 250 or more compared to employees in Finance who earned R30 000 or more per month.

Earnings by union membership, employees

Figure 5.30: Distribution of monthly earnings by union membership, 2012

	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
Total	600	866	1 516	3 100	8 000	15 000	20 000
Union	1 000	1 500	3 000	6 000	11 282	16 740	21 000
No union	520	800	1 326	2 500	5 500	13 000	20 000
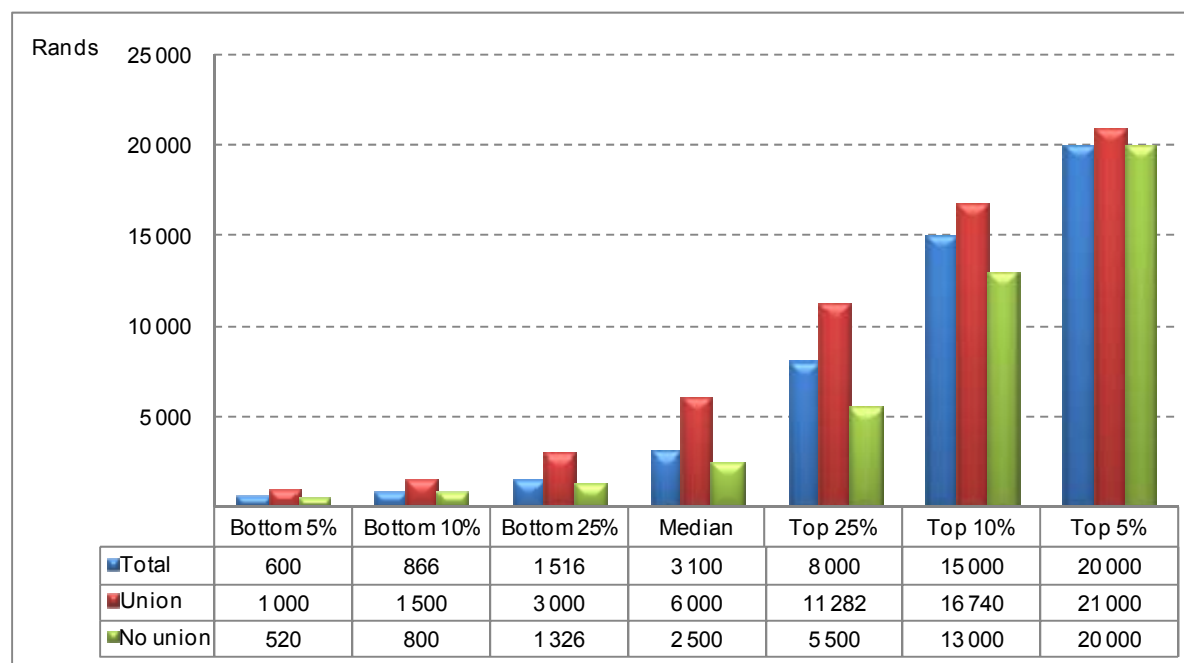
Figure 5.30 shows that median monthly earnings of unionised employees were substantially higher than those of non-unionised employees. With median monthly earnings of R6 000, unionised employees earned more than twice the amount earned by non-unionised employees (median monthly earnings of R2 500).

Summary

In 2011 and 2012, the monthly earnings for men were higher than those for women. In 2012, women in paid employment earned 70,0% of the median earnings of their male counterparts compared to 72% in 2011. The results further showed that in both 2011 and 2012, median monthly earnings for white and Indian/Asian populations were higher than the median earnings of their coloured and black African counterparts in 2011 and 2012.

The analysis also showed that the median earnings for paid employees increased with age. The highest median earnings were observed among employees aged 55–64 years and the lowest were observed among employees aged 15–24 years.

The province with the highest median earnings for employees was Gauteng, followed by Western Cape, while Limpopo and Northern Cape had the lowest median earnings.

The median earnings of unionised employees were higher than those of non-unionised employees.

5.4 Decent work

Key labour market concepts

According to the International Labour Organization (ILO), **Decent Work** involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organise and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men[8].

A 40–45-hour week is considered as the normal hours worked in a full-time job. Excessive hours are considered as a week in which more than 48 hours are worked, which equates a 6-day working week of 8 hours a week.

The Quarterly Labour Force Survey (QLFS) introduced for the first time, in 2008, indicators on decent work. Therefore, unlike in other sections, trend analysis examined in this section is mostly based on comparisons from the year 2008 to 2012.

Background

The concept of decent work was formulated by the ILO constituents based on the understanding that work is a source of personal dignity, family stability, peace in the community, democracies that deliver for people, and economic growth that expands opportunities for productive jobs and enterprise development. Decent work has four broad components, namely:

- Equal employment and income opportunities
- Standards and rights at work
- Social protection
- Social dialogue

While several indicators have been proposed by the ILO for the measurement of progress regarding decent work; only a few are presented in this report.

Equal employment and income opportunities

Employment and unemployment were discussed in Chapters 5 and 7 respectively. Disparities were evident in terms of gender, age and education. Those disparities are indicators of the asymmetry in employment opportunities among various groups. For example:

- Employment is higher among men compared to women
- More than 70,0% of managers are men
- The labour force participation rate of women is lower than that of men
- The unemployment rate for women is higher than that for men
- Women in paid employment earn 75,0% of what men earn
- Unemployment is higher among black Africans than among other population groups
- Unemployment is highest among the youth (aged 15–34 years).

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[8]Report on the EU contribution to the promotion of decent work in the world, SEC 2184, Brussels, 2008

All the above measure whether different groups have equal employment and income opportunities, but these will not be repeated in this section of the chapter as they have already been covered elsewhere in the report.

Figure 5.31: Proportion of workers with monthly earnings below ⅔ of median monthly earnings, excl. Agriculture, 2011 and 2012

	Men	Women	Both sexes
2011	28,0	42,9	34,6
2012	26,2	41,5	33,0
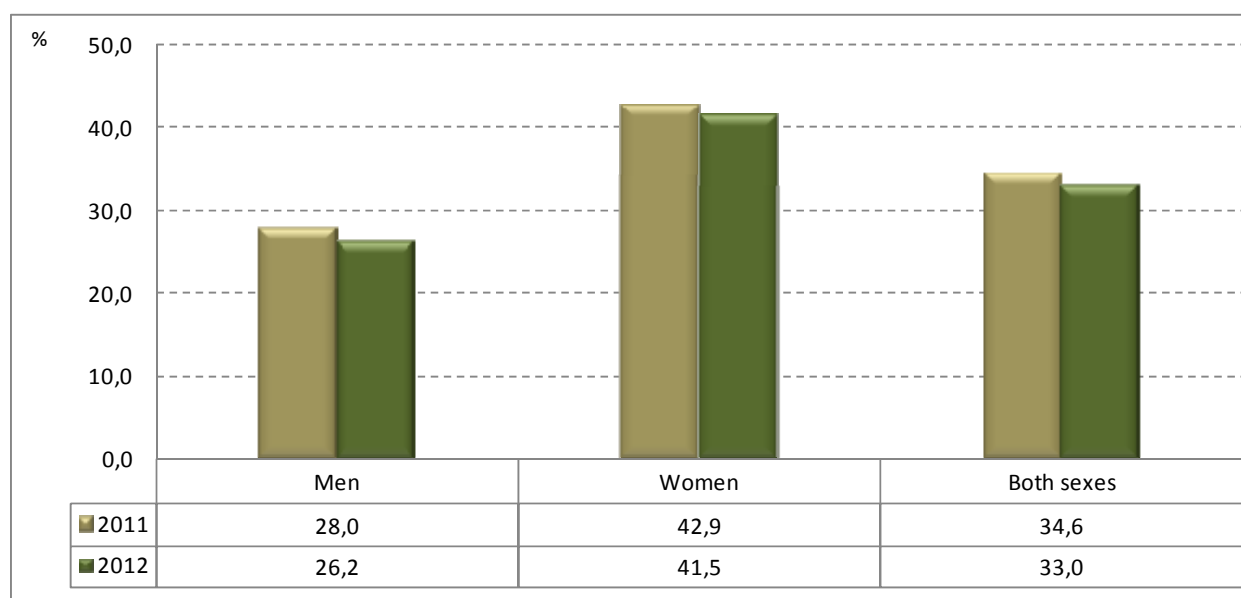
An important attribute of decent work is that workers should benefit from 'remunerative' employment, which is one element in the 'quality' of work. The determining figure that constitutes remunerative employment therefore mostly depends on each country's prevailing societal values and material prosperity[9]. However, for comparisons, the ILO recommends that the proportion of workers with monthly earnings below two-thirds (⅔) of median monthly earnings, excluding agriculture be used to measure the adequacy of remuneration.

Figure 5.31 suggests that in 2012, 33,0% of workers in the country (excluding agriculture) earned below ⅔ of median monthly earnings, which constitutes an decrease of 1,6 percentage points since 2011. Gender disparities are evident, with four out of every 10 women reporting earnings below ⅔ of the median monthly earnings compared to three out of 10 among men.

Rights and standards at work

According to the ILO, all workers, and in particular disadvantaged or poor workers, need representation, participation, and laws that work for their interests. Indicators which can be used to measure standards and rights at work include:

- Sick leave
- Maternity leave
- Hours of work
- Right of association (e.g. union membership)

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[9]http://www.ilo.org/public/english/revue/download/pdf/ghai.pdf

Figure 5.32: Entitlement of employees to paid sick leave, 2011 and 2012

%
(Broken scale)

	Men	Women	Both sexes
2011	68,2	66,4	67,4
2012	70,1	67,1	68,7
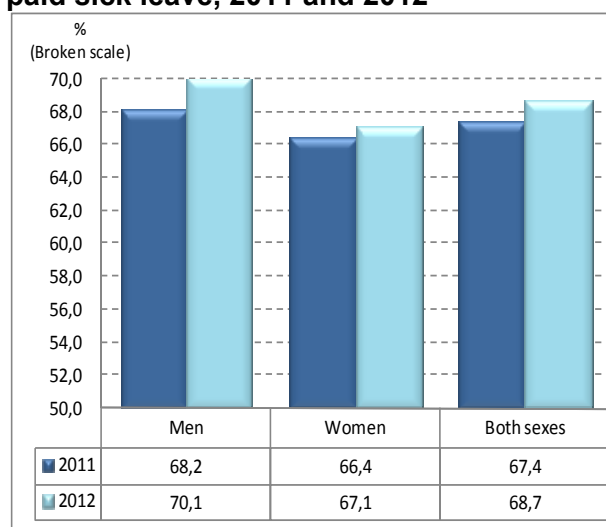
Figure 5.33: Entitlement of employees to maternity/paternity leave, 2011 and 2012

%
(Broken scale)

	Men	Women	Both sexes
2011	52,8	55,8	54,1
2012	52,2	55,3	53,6
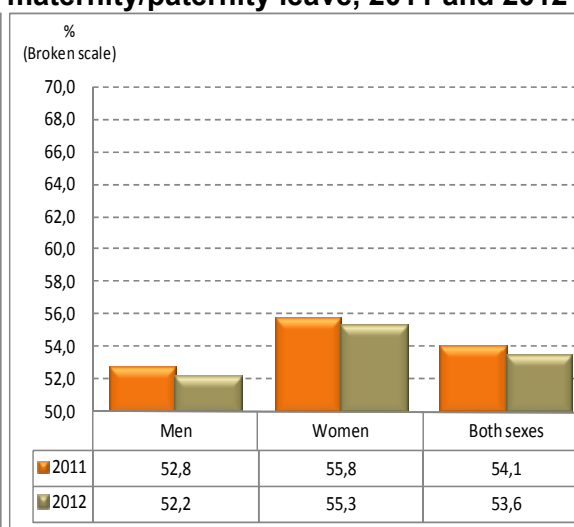
Employees were asked if they were entitled to paid sick leave. In 2012, as many as 68,7% of South African employees were entitled to paid sick leave benefits, leaving 31,3% without this benefit. On a gender basis the shares of benefits reflect that women were less likely to be entitled to paid sick leave, and the disparity by gender increased between 2011 and 2012.

Studies on the impact of maternity leave on health have found that maternity leave was associated with increased breastfeeding, lower infant mortality, higher rates of immunisations and health visits for babies, and lower risk of postpartum depression[10]. Female employees without this benefit were most likely to return to work early or were at risk of losing their jobs when they fell pregnant. Figure 5.33 suggests that in 2012, 53,6% of South African employees were entitled to maternity/paternity leave. As expected, a higher proportion among women was entitled to maternity benefits compared to men who were entitled to paternity leave. However, as many as 44,7% of women had jobs with no provision for maternity leave.

Figure 5.34: Excessive hours (workers with more than 48 hours per week), 2011 and 2012

%

	Men	Women	Both sexes
2011	27,8	18,8	23,9
2012	27,0	18,0	23,1
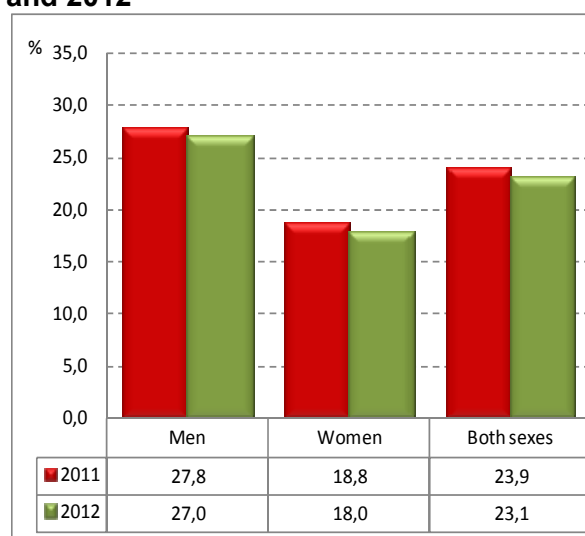
Figure 5.35: Proportion of employees who are members of a trade union, 2011 and 2012

%

	Men	Women	Both sexes
2011	31,1	26,4	29,0
2012	31,8	26,7	29,5

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[10]Source URL:http://www.hrw.org/news/2011/02/23/us-lack-paid-leave-harms-workers-children
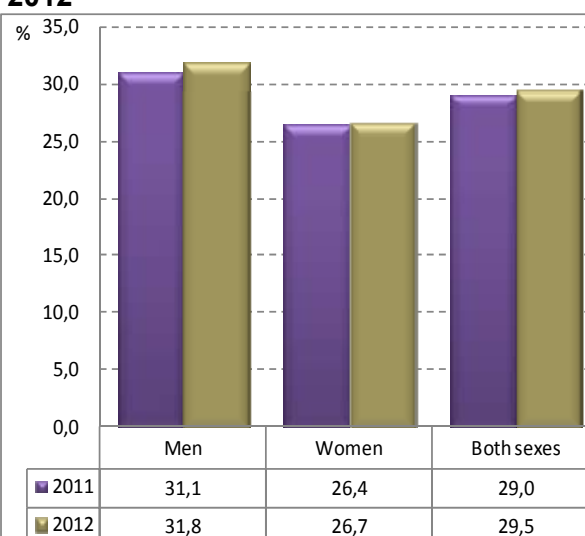
Figure 5.34 shows that in 2012, 23,1% of South African employees worked more than 48 hours per week. Male employees were more likley to work excessive hours compared to female employees.

The right to freedom of association is contained in the Labour Relations Act (Act No. 66 of 1995). On average, 29,5% of employees were members of a trade union in 2012 and the proportion of female employees was lower than the proportion of male employees.

Figure 5.36: Proportion of employees who are members of a trade union within industry, 2011 and 2012
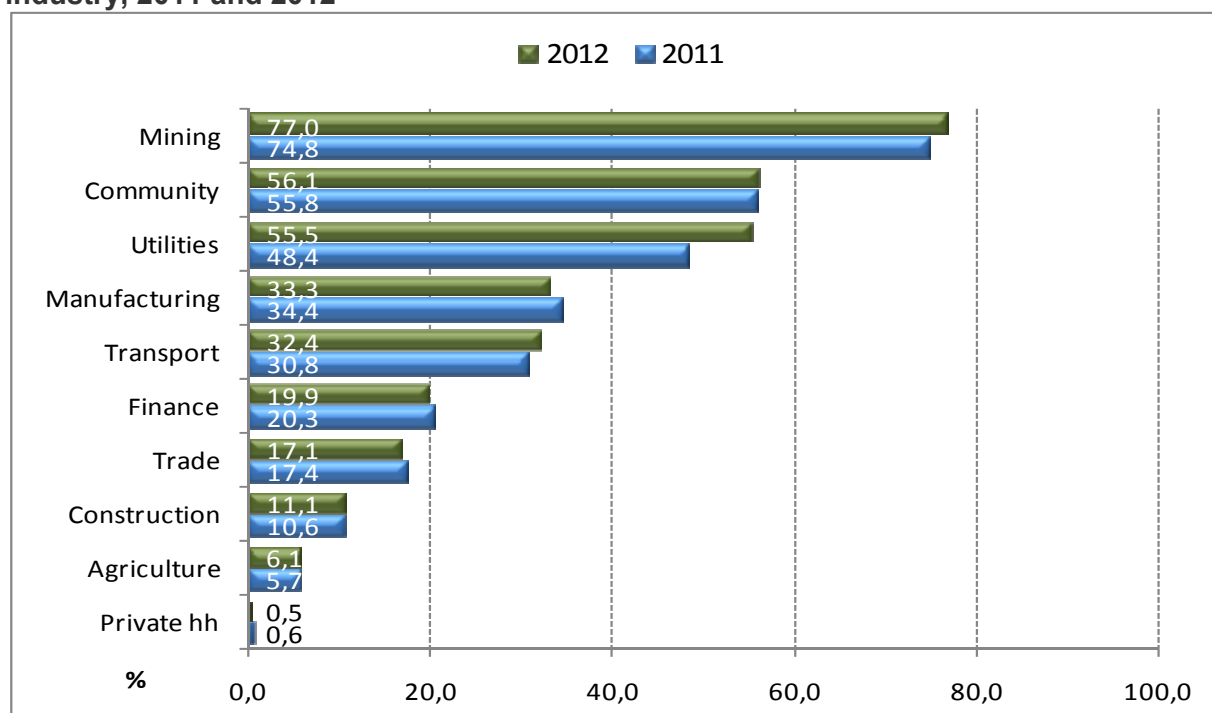
The degree of unionisation varies immensely by industry. In 2012, the Mining sector had the highest incidence of unionisation with more than three-quarters of its employees (77,0%) reporting membership of a union, followed by the Community and social services (56,1%) and Utilities (55,5%) industries. The lowest levels of unionisation were found amongst Private household employees (0,5%) and in the Agriculture industry (6,1%). Between 2011 and 2012, unionisation declined in Manufacturing, Finance, Trade and marginally in Private households but increased elsewhere. The largest increases in union density occurred in Utilities (up 7,1 percentage points} and Mining (up 2,1 percentage points).

Social protection

Social protection seeks the promotion of working conditions which are safe, provide for adequate compensation in the event of lost or reduced income, as well as access to adequate healthcare. Indicators which can be used to measure the extent of social protection include: access to medical aid and contribution to a pension fund.

Figure 5.37: Pension/retirement fund contribution by employer, 2008 and 2012

	Men	Women	Both sexes
2008	47,6	42,1	45,2
2012	51,6	45,1	48,7
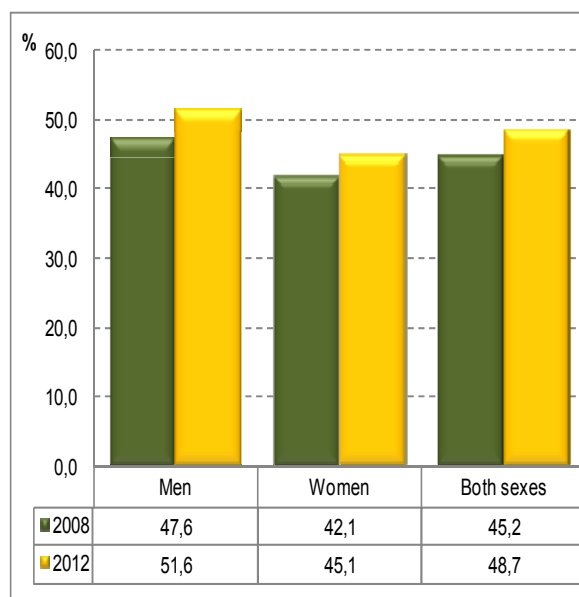
Figure 5.38: Entitlement to medical aid benefit from the employer, 2008 and 2012

	Men	Women	Both sexes
2008	29,1	28,1	28,7
2012	33,6	31,4	32,6
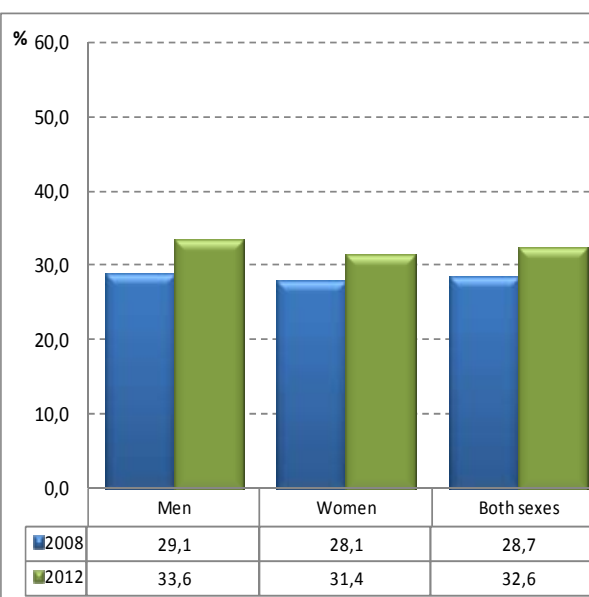
Between 2008 and 2012, the proportion of men and women for whom employers contributed to a pension/retirement fund increased by over three percentage points –from 45,2% to 48,7% (Figure 5.37). In 2012, 48,7% of employees worked for employers who made such contributions on their behalf. While 45,1% of women had an employer who provided such benefits, this proportion was 6,5 percentage points lower than the proportion of men who enjoyed the same benefit.

Over the period 2008 to 2012, the proportion of employees who were entitled to medical aid benefits increased by more than 3,0 percentage points for both men and women (Figure 5.38). In 2012, 32,6% of employees reported that they were entitled to medical aid benefits from their employer. The proportion amongst women who were entitled to this benefit was 2,1 percentage points lower than the proportion of men who had protection.

Figure 5.39: Proportion of employees who are entitled to medical aid benefits from the employer by race, 2008 and 2012

	Black/African	Coloured	Indian/Asian	White	Total
2008	22,4	29,1	39,4	56,5	28,7
2012	26,7	34,1	44,9	59,1	32,6
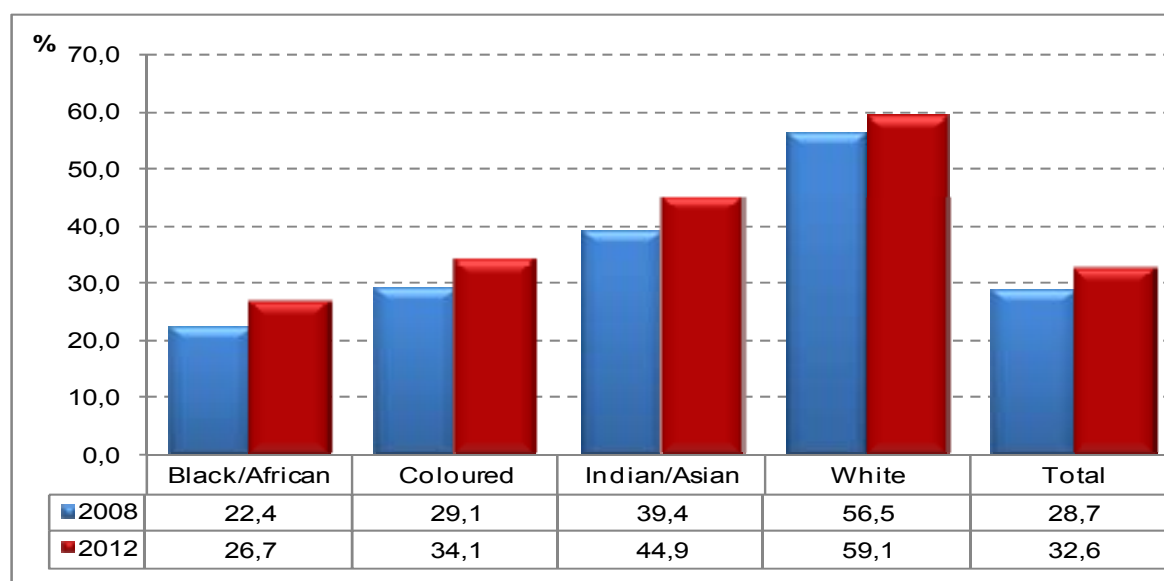
While overall employee coverage of medical aid was 32,6% in 2012, proportions differed within population groups, ranging from 26,7% among black African employees to 59,1% among white employees. Medical aid coverage remained highest amongst white employees for both 2008 and 2012, and the largest gain was observed among employees in the coloured and Indian/Asian population groups by 5,0 and 5,5 percentage points respectively (Figure 5.39).

Social dialogue

Figure 5.40: Annual salary increment by type of negotiations, 2011 and 2012

	Individual and employer	Collective bargaining	Employer only	No regular increment	Other
2011	14,1	31,6	48,2	5,6	0,5
2012	12,0	32,5	49,8	5,1	0,5
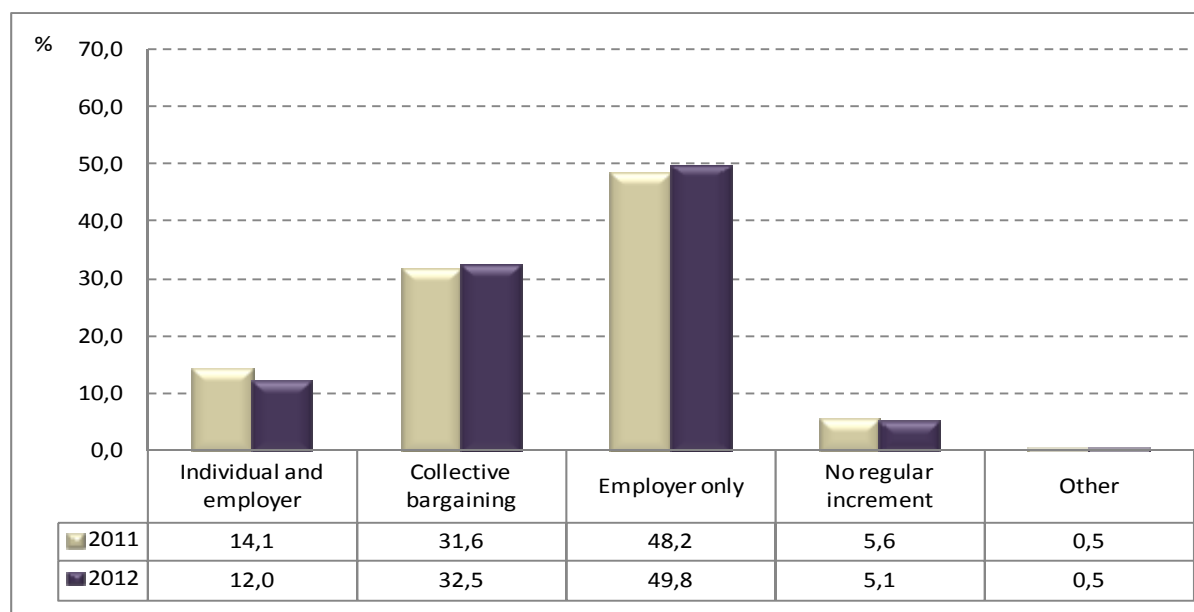
All employees were asked how their annual salary increment was determined. Only 31,6% indicated that it was negotiated by either a union or other collective bargaining councils; 48,2% indicated that the employer determined the increment unilaterally; while 5,6% indicated that they did not receive regular increments (Figure 5.40).

5.5 Job tenure

Key concepts

Job tenure is the length of time that employed persons have been with their current employer. It is measured as the length of time between two dates contained in the QLFS questionnaire – the year and month from the survey date and the year and month the employed person started with their current employer.

Interpretation of tenure data

- Job tenure, like hours worked and earnings, is a continuous measure. Summary statistics are therefore used in this section to calculate the length of time that employees have been with their current employer.
- It is expected that job tenure is generally higher among older workers than younger ones – particularly among the 15–24-year-old group. This is because those aged 15–24 years have been in the labour market too few years to have been able to accumulate long job tenure. Variations across groups in the proportion with short tenure therefore may simply reflect variations in the proportion of 15–24-year-olds.
- During recessions or economic downturns, the number of workers with long tenure could increase as a result of companies cutting costs by retaining workers with longer tenure at the expense of those with shorter tenure.

Background

In 2008, Stats SA included in its Quarterly Labour Force Survey (QLFS) questions on the month and year in which respondents began working for their employer or started running a business, i.e. 'job tenure'. However, this is the second time that analysis of job tenure is included in the annual report. The incidence of job tenure measures the duration of time that employees stay with one employer. Due to the greater stability of data achieved through time, the analysis of job tenure in this section is approached in a similar way as that used in the evaluation of earnings data. This means that medians and other quintiles of job tenure will be reported in this section.

Introduction

This section analyses the length of time an employee has worked for his or her current employer by socio-economic and demographic variables such as gender, age, population group, and level of education. Trends in the analysis of job tenure will also be assessed with reference to various descriptors of employment such as industry, occupation and sector as well as union membership.

Figure 5.41: Median monthly tenure of employees, 2009–2012

	2009	2010	2011	2012
Employees	11 388	11 026	11 210	11 468
Median job tenure	38	40	44	45
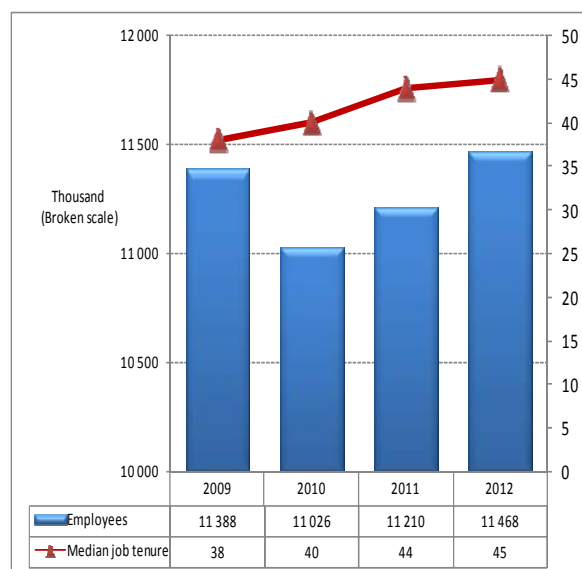
Figure 5.42: Median monthly employee tenure by sex, 2009–2012

	2009	2010	2011	2012
Men	39	41	45	46
Women	38	40	43	45
Both Sexes	38	40	44	45
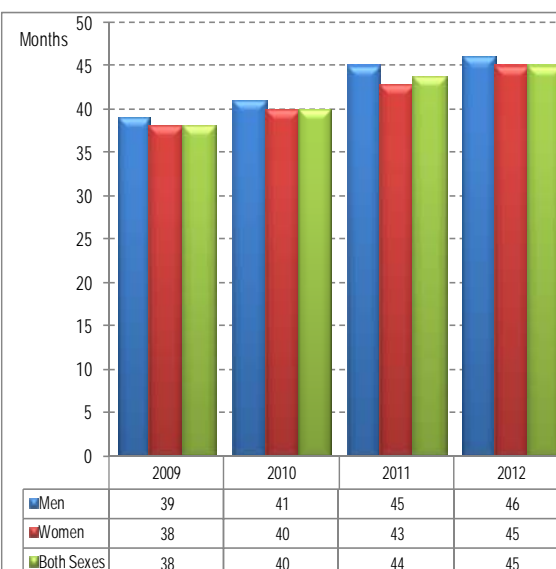
Figure 5.41 shows that after declining in 2010, the number of employees in South Africa has risen for two consecutive years. At the same time, the median job tenure for employees has been on the rise since 2009, with the highest increase observed between 2010 and 2011 (4 months).

Figure 5.42 presents the median number of months that employees had been with their current employer (median job tenure) by sex for the period 2009 to 2012. The results show that the median job tenure for both men and women has been increasing since 2009. However, job tenure among men has consistently been higher than that among women.

Table 5.25: Median monthly employee tenure with current employer by sex, 2012

	Number of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10 %	Top 5%
					Months			
Sex								
Men	6 336	2	4	14	46	114	232	303
Women	5 132	2	5	15	45	103	203	269
Total	**11 468**	**2**	**4**	**15**	**45**	**109**	**218**	**287**

Table 5.25 indicates that the median months worked by male employees (46 months) was higher than that of female employees (45 months). There were no gender differences in terms of employee tenure with the current employer in the bottom 5%. However, a different picture is observed in the higher quintiles. For instance, the number of months worked by male employees in the top 25% (114 months) was higher than that for women (103 months). The same pattern is observed in the top 10% and the top 5%.

Table 5.26: Median monthly employee tenure with current employer by population group, 2012

Population group	Number of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10 %	Top 5%
							Months	
Black African	8 124	2	4	13	40	93	196	269
Coloured	1 383	2	4	15	53	127	239	300
Indian/Asian	413	4	9	22	60	124	210	275
White	1 548	5	10	28	71	166	275	355
Total	**11 468**	**2**	**4**	**15**	**45**	**109**	**218**	**287**

Table 5.26 shows the distribution of job tenure by population group in 2012. The median tenure for the white population (71 months) was the highest, followed by Indian/Asian (60 months) and coloured (53 months) persons. The black African and coloured population groups had the lowest job tenure in the bottom 5%, and bottom 10%. In the top 5%, the white population group had the highest job tenure (355 months), followed by the coloured (300 months) and Indian/Asian (275 months) population groups.

Figure 5.43: Median monthly employee tenure with current employer by level of education, 2009 - 2012

	No schooling	Less than primary completed	Primary completed	Secondary not completed	Secondary completed	Tertiary
2009	54	39	38	30	36	60
2010	55	43	31	31	40	64
2011	64	43	38	32	43	70
2012	52	46	33	34	44	68
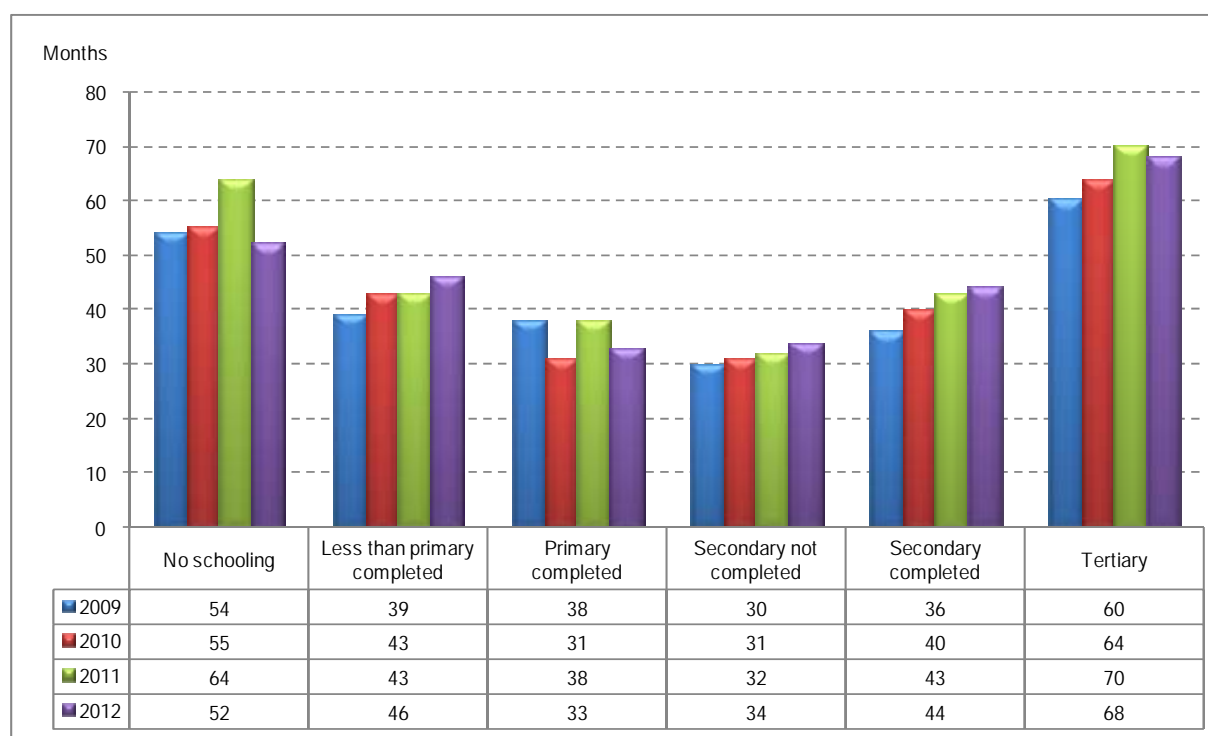
In 2012, the highest tenure was observed among employees who had attained tertiary education (68 months), followed by those with no education (52 months), whilst workers who did not complete primary education had the lowest job tenure (33 months). The median job tenure of workers who did not complete secondary education ranged from 30 months in

2009 to 34 months in 2012 and has generally been the lowest compared to other levels of education since 2009. Between 2009 and 2012, the highest increase in median job tenure was observed among employees with tertiary education and those who had completed secondary education (8 months).

Table 5.27: Median monthly employee tenure with current employer by occupation, 2009–2012

Occupation	Number of employees (2012)	2009	2010	2011	2012
		Median job tenure in months			
Manager	663	70	75	77	77
Professional	698	55	58	64	62
Technician	1 404	65	67	70	72
Clerk	1 393	45	45	49	54
Sales and services	1 684	28	33	35	38
Skilled agriculture	31	34	40	34	35
Craft and related trade	1 195	35	34	38	39
Plant and machine operator	1 076	43	46	52	49
Elementary	2 438	25	27	29	30
Domestic worker	885	25	24	28	30
Total	**11 468**	**38**	**40**	**44**	**45**

Table 5.27 shows that in 2012, workers in Managerial, Professional and Technical occupations had a higher median tenure than workers in other occupations (77, 62 and 72 months respectively). In contrast, workers in Elementary and Domestic work occupations had the lowest median tenure (each at 30 months). The results also show that the median tenure increased between 2011 and 2012 in all occupations except Managers, Professionals and Plant and machine operators. The highest increase was observed among Clerks (5 months).

Figure 5.44: Median monthly employee tenure with current employer by sector, 2009–2012

	2009	2010	2011	2012
Formal	44	46	50	52
Informal	15	16	17	17
Agriculture	28	31	35	32
Private households	23	23	26	28
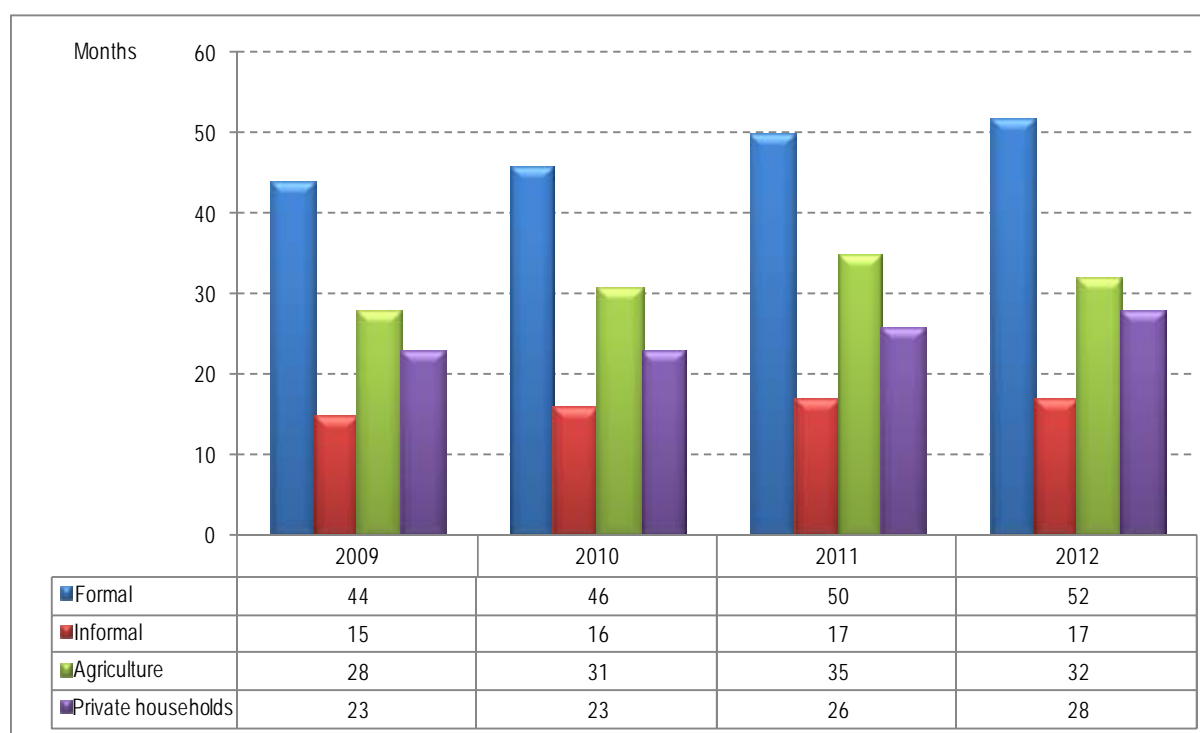
Figure 5.44 indicates that every year over the period 2009 to 2012, the median tenure was higher among employees in the formal sector than among those working in the informal sector or in Agriculture or Private households. The results show that the median tenure for employees in the formal sector increased from 44 months in 2009 to 52 months in 2012, and among employees in the informal sector from 15 months to 17 months over the same period. The median tenure for those employed in Private households increased from 23 months in 2009 to 28 months in 2012.

Table 5.28: Median monthly employee tenure with current employer by industry, 2009–2012

Industry	Number of employees (2012)	2009	2010	2011	2012
		Median monthly job tenure			
Agriculture	610	28	31	35	32
Mining	349	49	52	64	57
Manufacturing	1 516	49	53	55	57
Utilities	96	77	54	59	57
Construction	741	18	19	19	21
Trade	2 025	31	32	35	35
Transport	685	37	41	43	47
Finance	1 581	32	33	38	37
Community and social services	2 748	70	70	72	74
Private households	1 113	23	23	26	28
Total	**11 468**	**38**	**40**	**44**	**32**

There was an increase in job tenure from 2009 to 2012 in all industries except Utilities (Table 5.28). Employees in the Community and social services industry had the highest tenure each year over the period 2009 to 2012 while the lowest was among persons working in the Construction industry. The highest increase in job tenure over the period 2009 to 2012 was observed in the Transport industry (from 37 months in 2009 to 47 months in 2012) and the lowest occurred in the Construction industry– from 18 months in 2009 to 21 months in 2012.

Table 5.29: Median employee job tenure in months with the current employer by occupation, 2009-2012

	Number of employees (2012)	2009		2010		2011		2012	
		Male	Female	Male	Female	Male	Female	Male	Female
Manager	663	78	64	80	61	81	73	77	77
Professional	698	58	55	60	53	63	65	64	58
Technician	1 404	64	73	58	71	66	73	68	75
Clerk	1 393	52	44	48	44	52	47	58	52
Sales and services	1 684	32	27	36	28	38	31	41	34
Skilled agriculture	31	52	27	40	40	42	16	41	21
Craft and related trade	1 195	36	37	34	34	37	42	39	36
Plant and machine operator	1 076	44	51	46	45	53	49	49	52
Elementary	2 438	27	27	27	28	28	31	29	31
Domestic worker	885	20	28	21	25	22	28	36	30
Total	**11 468**	**41**	**40**	**41**	**40**	**45**	**43**	**46**	**45**

The results shown in Table 5.29 indicate that irrespective of gender, Managers, Professionals and Technicians were more likely to be with their current employer for a longer period than persons in other occupation categories. In addition, except among Technicians, job tenure was higher each year among men compared to among women. The highest

median tenure for male managers occurred in 2011 (81 months) whereas for female managers the highest was in 2012 (77 months).

Employees who were least likely to stay with their current employer were Domestic, Elementary and Skilled agriculture workers. In 2012 women employed in Skilled agriculture work (21 months) had the lowest median job tenure followed by men employed in Elementary jobs (29 months).

Table 5.30: Median employee job tenure in months with the current employer by occupation, 2009-2012

	2009		2010		2011		2012	
	Male	**Female**	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
Black/African	36	46	36	40	37	50	40	39
Coloured	51	70	53	68	50	51	52	54
Indian/Asian	35	45	35	45	60	62	53	67
White	61	57	50	57	72	67	73	69
Total	**41**	**40**	**41**	**40**	**45**	**43**	**46**	**45**

Table 5.30 above highlights interesting patterns in median job tenure by population group and gender. Over the period 2009 to 2012, the median job tenure increased among men in every population group whereas among women in the black African and coloured populations it declined by seven and 16 months respectively.

Summary and conclusion

Following robust employment growth in 2008 during which 400 000 jobs were created, employment contracted for two successive years with a loss of 806 000 jobs by 2010. Signs of a recovery were observed in 2011 and 2012 when 204 000 and 258 000 jobs were created each year respectively. As a result, over the period 2007 to 2012, job gains only amounted to 56 000 and employment levels were only marginally higher than in 2007.

In terms of employment creation by population group, over the period 2007 and 2012, employment growth was observed among black Africans for whom employment expanded from 9,5 million in 2007 to 9,6 million in 2012. Employment also expanded among the Indian/Asian population group, but declined over the same period among the white and coloured population groups. Gender equity concerns continued to plague the labour market with men having a disproportionate share of employment opportunities.

For those who bore the brunt of the job losses during the recession such as the youth and less educated, labour market conditions remain constrained. Employment for youth aged 15 to 34 years remained below the levels reached in 2007 since job-gains were concentrated in the 35–44-year age group. Employment declined over the period 2007 and 2012 among both men and women with 'Less primary completed' schooling compared to the expansion in employment among those with 'Secondary completed' and 'Tertiary' education. These trends suggest that vulnerabilities continue to remain for the less educated and the young.

The period 2008 to 2010 reflected broad-based employment losses across all sectors with the exception of the Community and social services industry where employment expanded by 93 000 jobs. By 2012, year-on-year employment growth of 1,9% was fuelled by an upturn in employment opportunities in all industries except Manufacturing, Construction, and Trade.

While job losses over the period 2008 to 2010 occurred across the whole of the skills spectrum, employment declines were concentrated among the low and semi-skilled occupations. In 2012, year-on-year job gains were observed among all the skills categories, except Managers (down by 3,2%) and Skilled agriculture workers (down by 6,7%).

Employment by hours worked revealed that less than 1% of all employees worked less than 10 hours in the reference week, suggesting that the employment definition of including those who have worked only 1 hour impacts negligibly on employment in South Africa. Women continued to work fewer hours than men, driven in part by their higher propensity to work in part-time jobs (employment for less than 35 hours in the reference week). Over the period 2007 to 2012, average hours worked was highest in the informal sector and in Agriculture, but for the economy as a whole, average hours worked in 2012 (43,6) was lower than in 2007 (45,0). The incidence of underemployment was highest among black Africans, women, the youth and the less educated as well as the unskilled.

In terms of employee entitlements to various benefits, over the period 2007 to 2012, a written contract was the most accessible benefit with over 80% of employees that had access to this benefit in 2012. In contrast, fewer than one in three employees were entitled to medical aid. Over the period 2007 to 2012, the entitlement to pension and UIF declined. Access to benefits was higher across all benefit types for better educated employees, the high-skilled, and those aged between 35 and 64 years. Coverage for a particular benefit varied quite significantly by sector, such that medical aid coverage for the primary sector was at 29,6% in 2012, but for the secondary and tertiary sector coverage was 26,5%, and 34,8% respectively.

Sectoral analysis highlighted the small size of the informal sector in South Africa relative to the formal sector. The informal sector contributed only 15,9% to total employment in 2012, down from 17,3% in 2007. Reflecting the pattern seen in formal sector employment, informal sector employment was dominated by men. Informal sector employment was also dominated by black Africans, such that in 2012, this population group accounted for 87,6% of total informal employment compared to a share of 64,5% in formal employment.

Median monthly earnings in South Africa in 2012 amounted to R3 033. The earnings of the bottom 5% amounted to 2,3% of the amount earned by the top 5% of employees, highlighting the large inequality in earnings in the South African labour market. Earnings inequality can be highlighted both within and between earnings by race group. At the bottom of the earnings distribution a white employee earned R1 560 per month while a black African employee earned R510. At the top of the distribution black Africans earned on average R16 000 per month and white employees R36 000 per month. Within the black African population group, an employee in the top 5% earned 31,4 times that of a black African employee in the bottom 5% of the distribution. A wage premium for union membership is evident, such that at the bottom of the earnings distribution a unionised employee earned R1 000 per month compared to R520 earned by a non-unionised employee.

In 2012, the median job tenure in South Africa was 45 months up from 44 months in 2011 and above the level of 38 months recorded in 2009. The median job tenure for both men and women has been increasing since 2009, but the job tenure of men has been consistently higher than that of women.

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Chapter 6
Migration
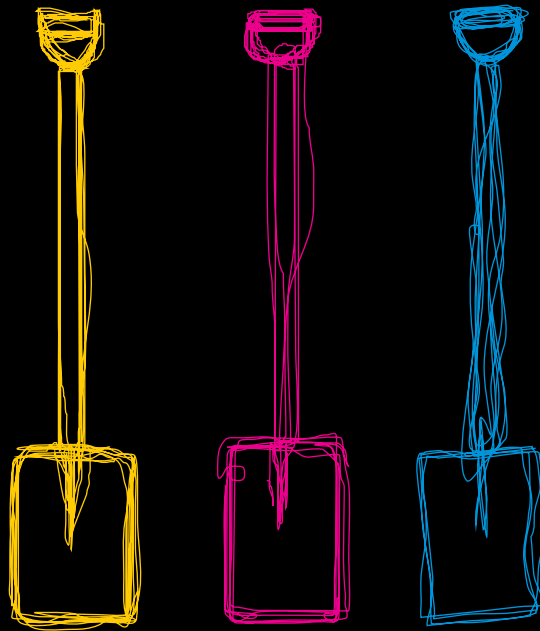
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Chapter 6: Migration

Background

Movement of persons from one geographical area to another is one of the aspects that contribute to population change – like births and deaths, migration also shapes our changing population. Migration is captured between provinces (inter-provincial migration) as well as between South Africa and other countries (international migration). Migration occurs for a range of reasons. People move from rural to urban areas, some move from one province to another, some even move to and from other countries. The reasons for moving include economic, social, studies, housing, and career or business opportunities etc.

In the third quarter of 2012, Statistics South Africa included questions on migration in the Quarterly Labour Force Survey. The main purpose was to establish if the main reason for people to move was related to work (to work or to look for work). The migration questions were posed to persons aged 15 years and above.

Introduction

The analysis in this chapter focuses on comparing South African born and foreign born individuals in terms of their characteristics and their labour market outcomes. For those who migrated in the five years preceding the survey interview, reasons for moving to the current province of residence as well as reasons for moving from the previous place of residence are also established.

The survey may not catch all foreign born individuals because of the clustering effect.

Place of birth

Table 6.1: Distribution of population aged 15 years and above by place of birth, 2012

Place of birth	Thousand	Per cent
RSA born	34 318	96,2
Foreign born	1 359	3,8
Total	**35 677**	**100,0**

Table 6.1 shows that there were 35,7 million people aged 15 years and above in South Africa in 2012, of which the majority were born in South Africa (96,2%) and 3,8% were born outside South Africa.

Figure 6.1: Place of birth by sex

	RSA born	Foreign born	Total
Male	47,7	57,7	48,1
Female	52,3	42,3	51,9
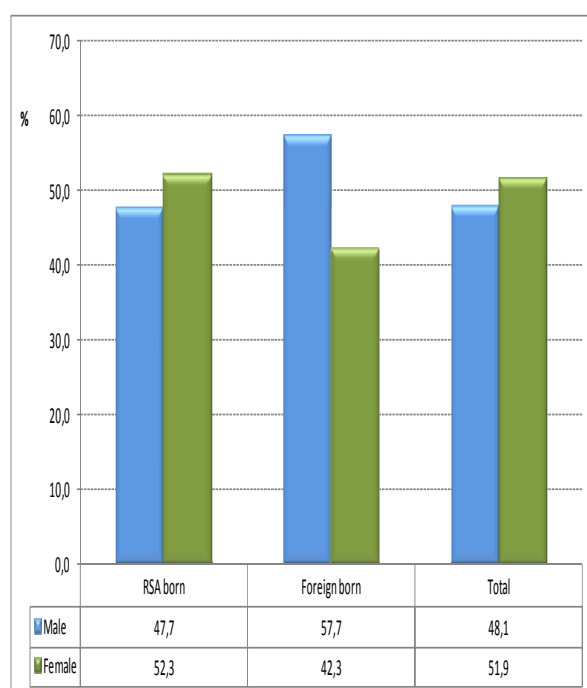
Figure 6.2: Place of birth by age

	RSA born	Foreign born	Total
65 years and above	7,4	9,2	7,5
35-64 years	38,7	37,2	38,6
25-34 years	24,3	37,5	24,8
15-24 years	29,6	16,1	29,1
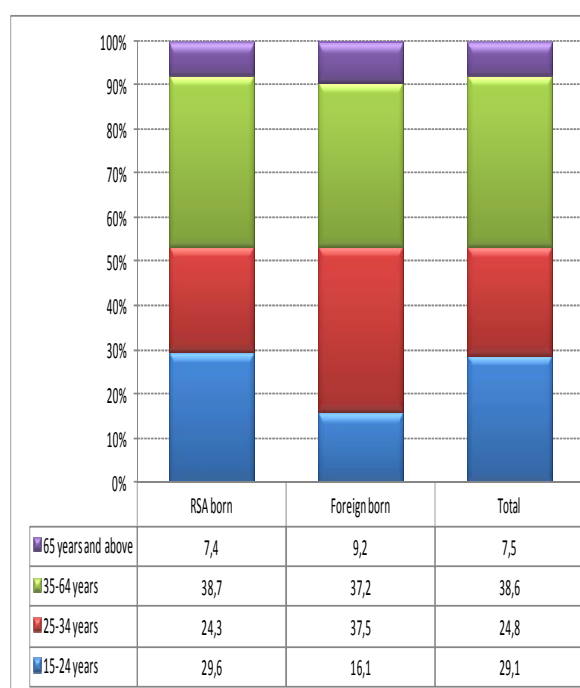
Figure 6.3: Place of birth by population group

	RSA born	Foreign born	Total
Black / African	77,3	78,5	77,3
Coloured	9,6	0,6	9,2
Indian/Asian	2,9	3,6	3,0
White	10,2	17,2	10,5
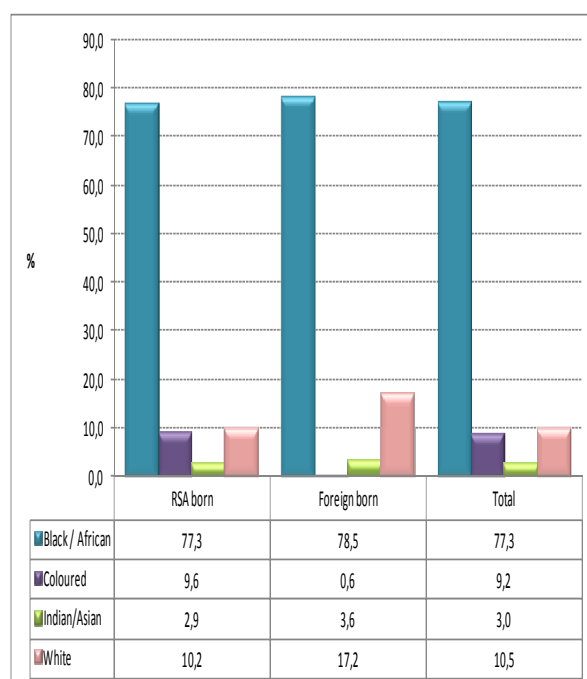
Figure 6.4: Place of birth by marital status
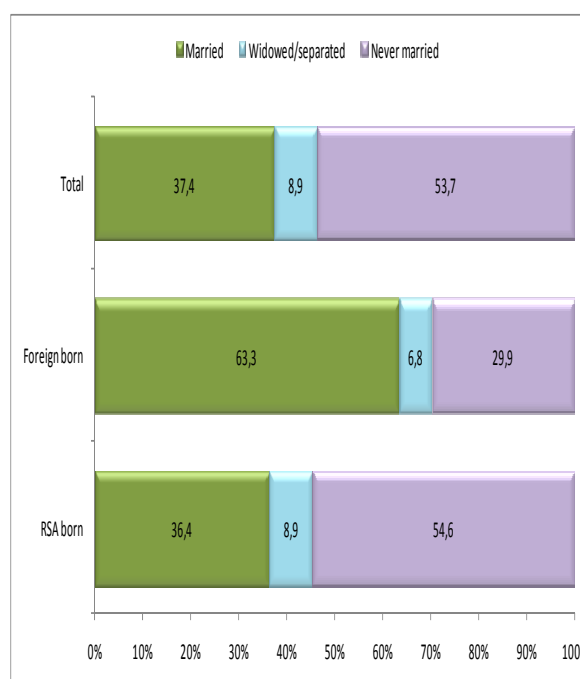
Figures 6.1 to 6.4 show that, of the population aged 15 years and above, 51,9% were women and 48,1% were men. Among those who were born in South Africa, women accounted for the biggest share (52,3%) compared to 42,3% among foreign-born individuals. There was a higher proportion among foreign-born individuals than among South African-born people aged 25–34 years and those above 64 years. The proportion of the white population among foreign-born individuals was higher than among South African-born individuals. The majority of those born outside South Arica were married (63,3%) while those

who have never been married before accounted for a bigger share (54,6%) of those born in South Africa.

Figure 6.5: Place of birth by education

	RSA born	Foreign born	Total
■ Below matric	65,4	57,8	65,1
■ Matric	24,3	24,6	24,3
■ Tertiary	9,7	14,2	9,9
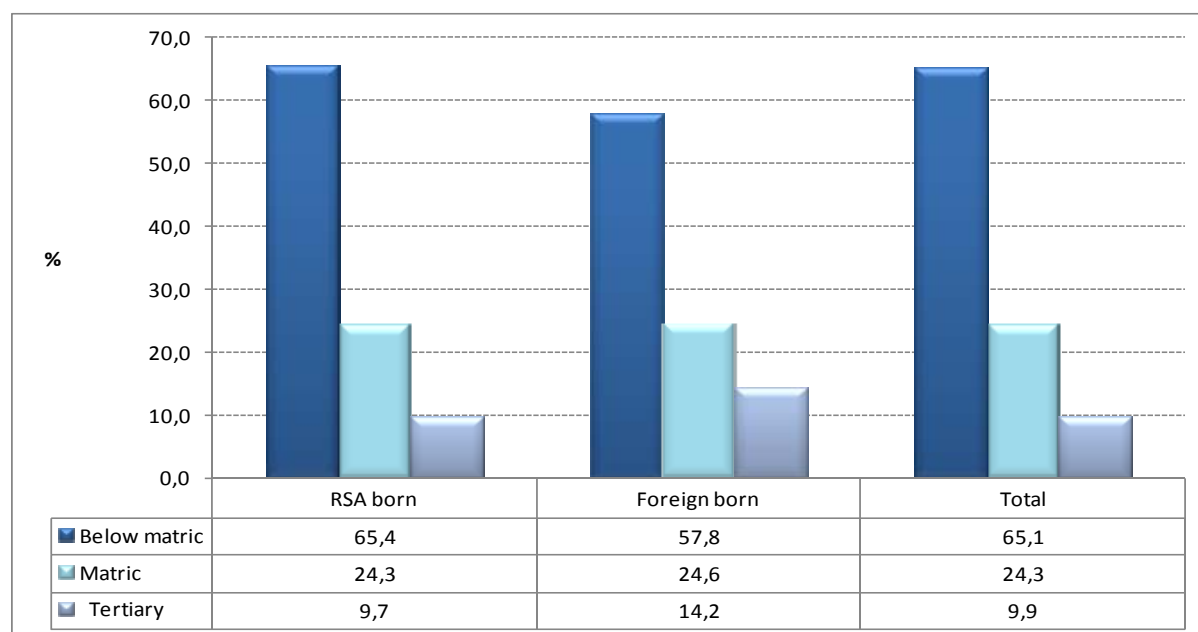
Figure 6.5 shows that irrespective of the place of birth, the majority of the population had education levels below matric. However, the proportion was higher among those born in South Africa (65,4%) than among those born outside the country (57,8%) – 7,6 percentage points difference. Among those who were born outside South Africa, 14,2% had tertiary education compared to 9,7% among those born in South Africa.

Table 6.2: Labour market status by place of birth

	RSA born	Foreign born	Total
		Thousand	
Employed	12 974	814	13 789
Unemployed	4 523	149	4 671
Discouraged	2 138	36	2 175
Other NEA	14 682	360	15 042
Total	**34 318**	**1 359**	**35 677**

Figure 6.6: Place of birth by key labour market rates

	RSA born	Foreign born	Total
■ Unemployment rate	25,8	15,4	25,3
■ Employment-to-population ratio	37,8	59,9	38,6
■ LFPR	51,0	70,8	51,7
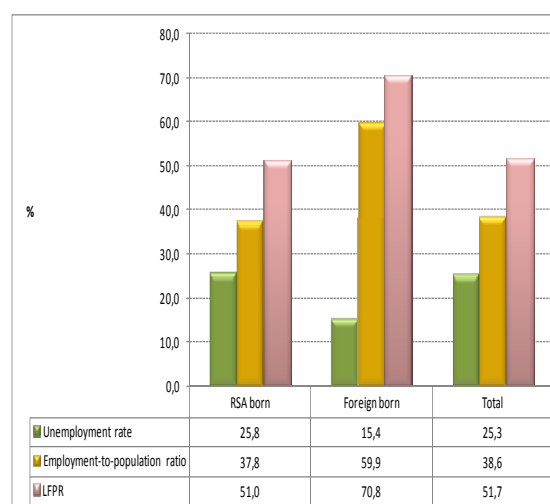
Table 6.2 and Figure 6.6 show that, of the 13,8 million people who were employed, 814 000 were born outside South Africa. A higher percentage of foreign–born individuals were employed (59,9%) compared with the percentage among those born in South Africa (37,8%). This is reflected in the employment-to-population ratios (absorption rates) shown in Figure 6.6. This employment outcome also contributed to the lower unemployment rate among those born outside South Africa (15,4%) compared to the rate among those born within the

country (25,8%) –a difference of 10,4 percentage points. Among those who were born outside South Africa, their labour force participation rate was 70,8% – 19,8 percentage points higher than among those born in South Africa.

Figure 6.7: Employment by industry and place of birth
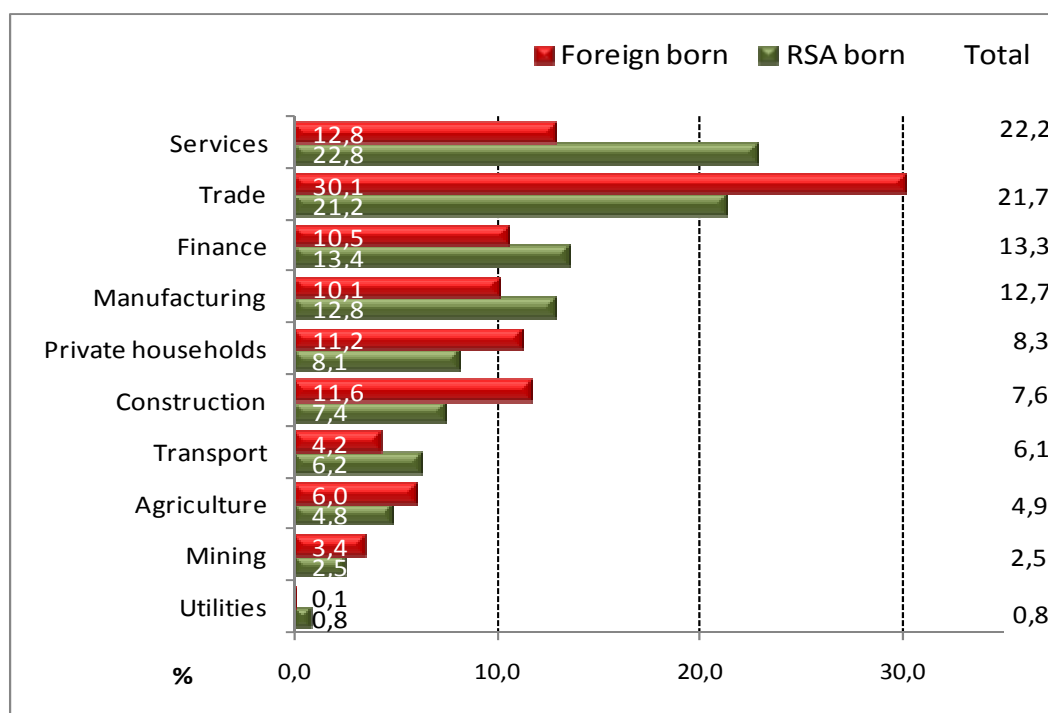
Figure 6.7, shows that among people who were born outside South Africa, the Trade industry provided the most employment opportunities (30,1%) while among those born in South Africa the majority worked in the Community and social services industry (22,8%). The other industries that accounted for bigger shares among foreign-born individuals than among those born in South Africa were Construction (11,6% versus 7,4%), Private households (11,2% versus 8,1%), Agriculture (6,0% versus 4,8%) and Mining (3,4% versus 2,5%).

Figure 6.8: Employment by sector
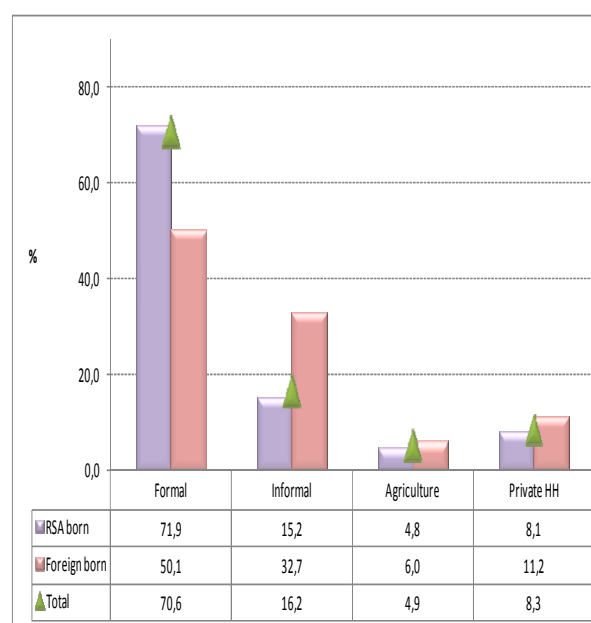
Figure 6.9: Employment by status in employment

	Formal	Informal	Agriculture	Private HH
RSA born	71,9	15,2	4,8	8,1
Foreign born	50,1	32,7	6,0	11,2
Total	70,6	16,2	4,9	8,3

	Employee	Employer	Own-account worker	Unpaid hh member
RSA born	85,4	5,5	8,5	0,7
Foreign born	66,5	10,8	20,9	1,9
Total	84,2	5,8	9,2	0,7
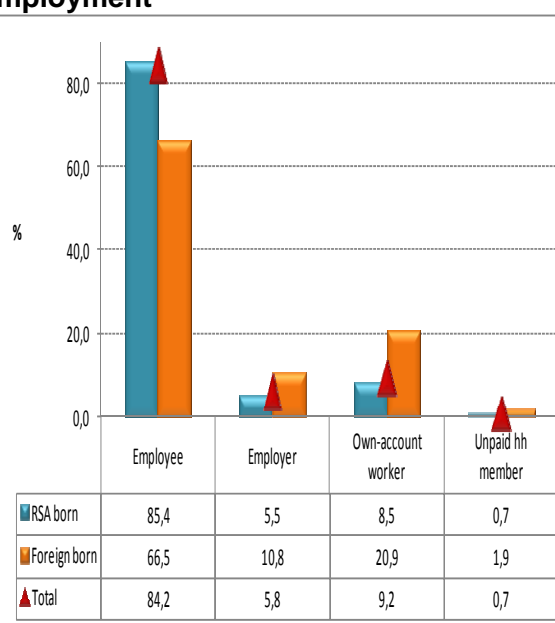
As depicted in Figure 6.8, approximately seven in ten of those born in South Africa were employed in the formal sector while 50,1% of those born outside South Africa were employed in this sector. Conversely, 32,7% of those born outside South Africa were employed in the informal sector compared to 15,2% among those born in South Africa. Figure 6.9 shows that, irrespective of place of birth, the majority of those employed were employees – 85,4% of those born in South Africa and 66,5% of those born outside South Arica. Among those born outside South Africa, 20,9% were own-account workers and 10,8% were employers compared to 8,5% and 5,5% respectively among those born in South Africa.

Movers

Figure 6.10: Movers by age and sex

	Men	Women
65 years and above	1,8	3,0
35-64 years	35,5	30,0
25-34 years	38,4	37,7
15-24 years	24,3	29,3
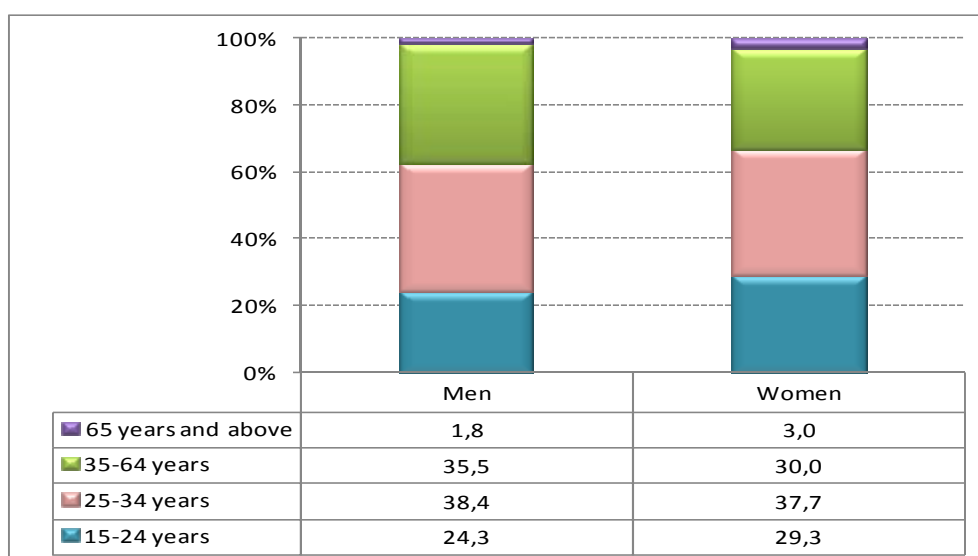
Figure 6.10 shows that among men who changed their province of residence in the five years preceding the survey interview, 73,9% were aged 25–64 years compared to 67,7% among women. Almost a third of women who moved were aged 15–24 years compared to almost a quarter of men in the same age group.

Figure 6.11: Movers by main reason for moving
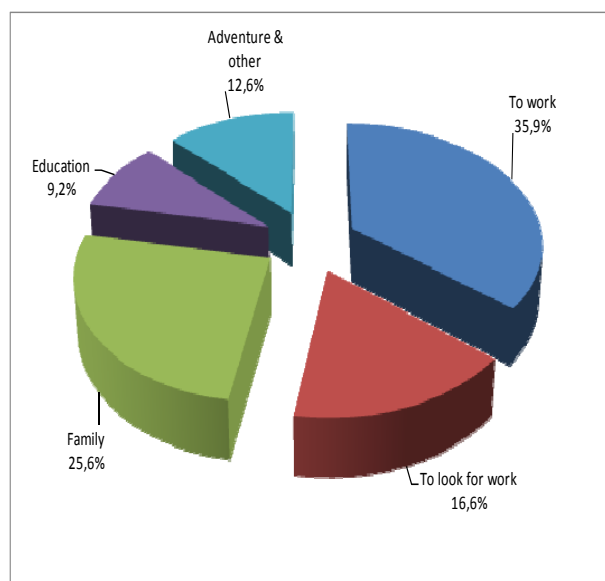
Figure 6.12: Movers by main reason for moving and labour market status
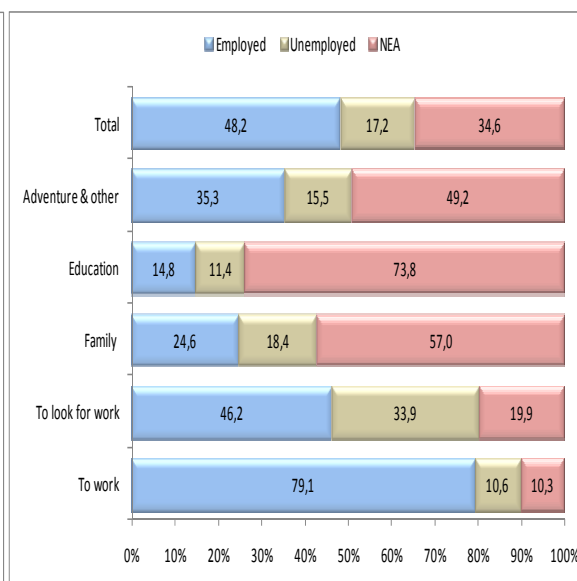
The main reason people moved from one place to the other was to work or to start a business (35,9%). Just over a quarter of those who moved did so because of reasons related to family, while 16,6% moved in search of work or opportunities to start businesses and 9,2% moved for reasons relating to education (Figure 6.11). Among those who moved because of reasons relating to work, 79,1% were employed, 10,6% were unemployed and 10,3% were not economically active. Just over a third of those who moved in search of work or business opportunities were unemployed, 46,2% were employed and 19,9% were not economically active (Figure 6.12).

Figure 6.13: Main reason for moving to province of residence

	EC	NW	LP	KZN	FS	NC	MP	GP	WC		RSA
Adventure & other	5,6	18,7	20,8	6,2	8,5	12,7	12,8	10,0	11,7		12,6
Education	8,5	9,0	5,2	10,4	20,1	8,2	6,8	10,3	9,6		9,2
Family	33,0	25,4	31,2	35,1	20,9	25,0	31,8	21,2	17,1		25,6
To look for work	34,6	17,0	9,8	12,7	13,8	17,3	10,8	16,4	16,8		16,6
To work	18,2	30,0	33,0	35,5	36,7	36,7	37,9	42,1	44,8		35,9
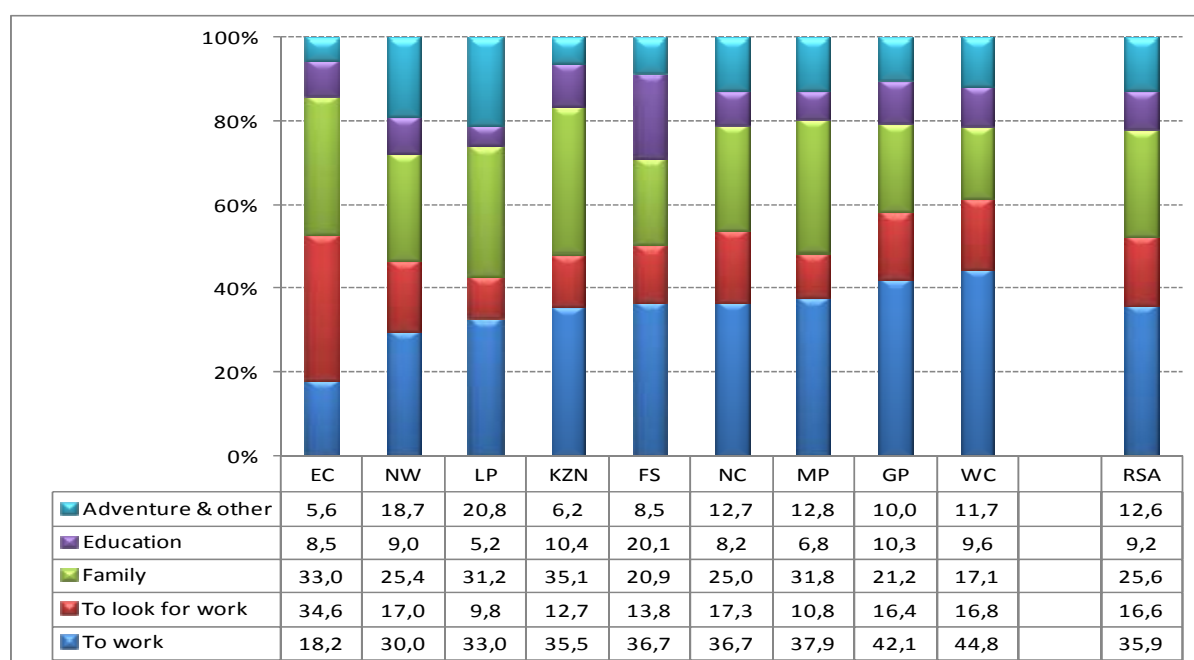
According to Figure 6.13, for the majority of movers the main reason for moving to all provinces except Eastern Cape was work-related. Over 40% of the people who moved to Western Cape and Gauteng did so for work reasons, while work was the main reason for

moving to the other six provinces for over 30% of movers. For the largest proportion of movers who migrated to Eastern Cape, the main reason was to look for work (34,6%). This was followed by family reasons at 33,0%.

Figure 6.14: Main reason for moving from previous place of residence

	GP	WC	NC	Out side RSA	EC	LP	MP	NW	KZN	FS		Total
Adventure & other	22,1	4,9	24,1	5,6	12,3	15,4	3,5	8,7	3,9	9,9		12,6
Education	6,8	11,7	10,9	6,1	12,4	7,2	12,3	0,0	18,2	8,1		9,2
Family	34,0	26,4	29,6	28,0	16,2	13,5	26,1	35,8	15,2	18,7		25,6
To look for work	13,2	25,8	3,9	22,4	20,4	24,0	15,7	9,0	15,1	7,3		16,6
To work	23,9	31,2	31,5	37,8	38,6	40,1	42,3	46,4	47,7	56,1		35,9
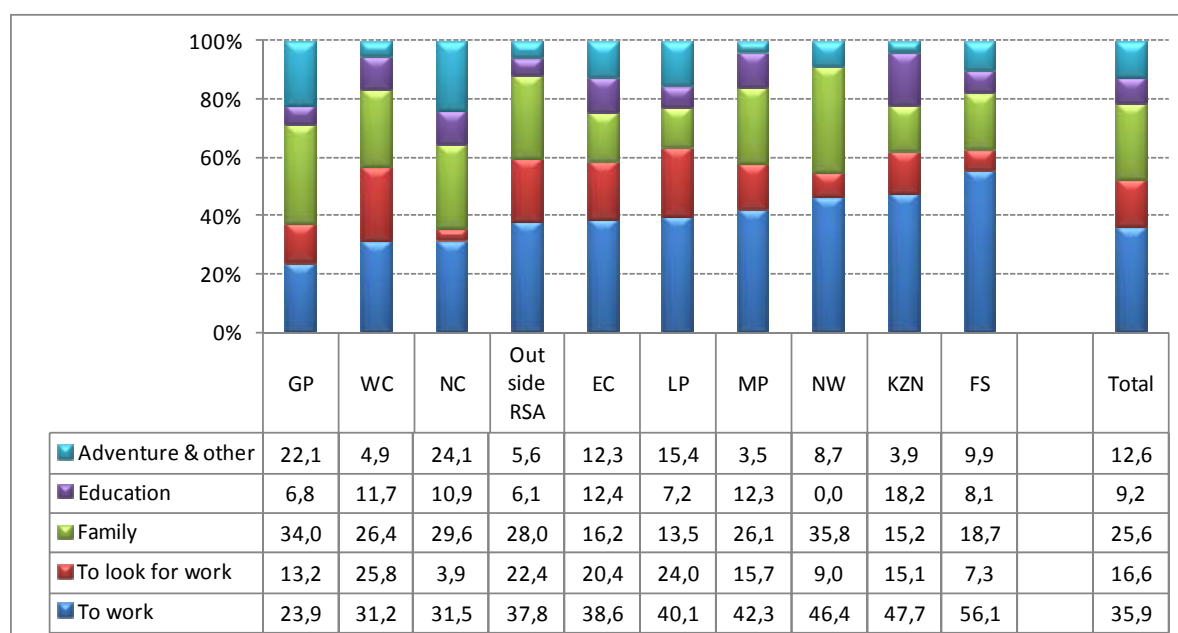
Figure 6.14 shows that among those who moved from other countries to South Africa in the five years preceding the survey interview, 37,8% did so mainly for reasons relating to work, 22,4% moved in search of work or opportunities to start a business, 28,0% moved for family reasons, while 6,1% moved for reasons relating to education. Among those who moved out of Gauteng, the largest proportion did so for family reasons (34,0%). For all other provinces, the main reason for moving out of the province was to work in other provinces. For instance, more than half of the people who moved out of Free State (56,1%), moved to work in other provinces.

Summary and conclusion

There is a range of reasons motivating people to migrate. People move from rural to urban areas, several persons move from one province to another, some even move to and from other countries. The reasons for moving include economic, social, studies, housing, and career or business opportunities etc.

The analysis in this chapter shows that among men who moved from one province to the current province of residence in the five years preceding the survey interview 73,9% were aged 25–64 years compared to 67,7% among women. Almost a third of women who moved were aged 15–24 years compared to almost a quarter of men in the same age group.

For the majority of movers, the main reason for moving to all provinces except Eastern Cape was work-related. Over 40% of the people who moved to Western Cape and Gauteng did so for work reasons, while work was the main reason for moving to the other six provinces for over 30% of movers. For the largest proportion of movers who migrated to Eastern Cape, the main reason was to look for work (34,6%). This was followed by family reasons at 33,0%.

Chapter 7
A profile of the unemployed
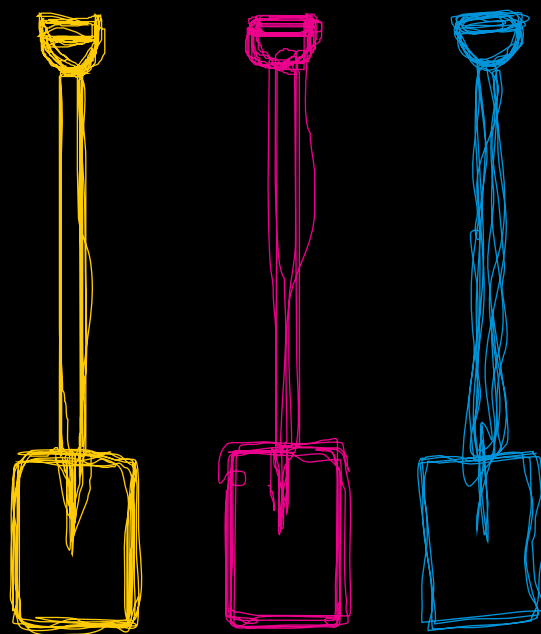
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Chapter 7: A profile of the unemployed

Key labour market concepts

In order to be considered **unemployed**, three criteria must be met simultaneously: the person must be completely without work, currently available to work, and taking active steps to find work.

Persons in **short-term unemployment** have been unemployed, available for work, and looking for a job for less than one year.

Persons in **long-term unemployment** have been unemployed, available for work, and looking for a job for one year or longer.

The **long-term unemployment rate** measures the proportion of the labour force that has been trying to find work for a period of one year or longer.

The **incidence of long-term unemployment** is the proportion of the unemployed that has been unemployed for one year or longer.

Less than matric includes: no schooling, less than primary completed, primary completed and secondary not completed.

Background

One of the purposes of labour market statistics is to help in employment creation and poverty reduction. Unemployment in South Africa is considered to be the most salient economic problem facing the country. We use the unemployment rate as an indicator of labour market well-being and to measure the state of the economy in general.

To fully understand the meaning of the unemployment rate, it should be interpreted in the context of other measures such as those presented in this report. For example, rising unemployment accompanied by rising employment and labour force participation describes a very different labour market than one where unemployment is rising but employment and the labour force are shrinking.

It is equally important to go beyond the single aggregate unemployment rate and to decompose it into all of the categories shown in this chapter. Something as simple as separating the overall unemployment rate into the rates for males and females provides relevant information not provided by the total.

This chapter focuses on these decompositions of unemployment.

Introduction

The South African unemployment rate has been high (greater than 23%) ever since the early 2000s. This chapter focuses on the analysis of various demographic characteristics of the unemployed, characteristics of the unemployed by origin of unemployment, job-search activities of the unemployed and unemployment duration, including trend analysis from 2007 where necessary.

Demographic characteristics of the unemployed

Figure 7.1: Levels of unemployment, 2007–2012
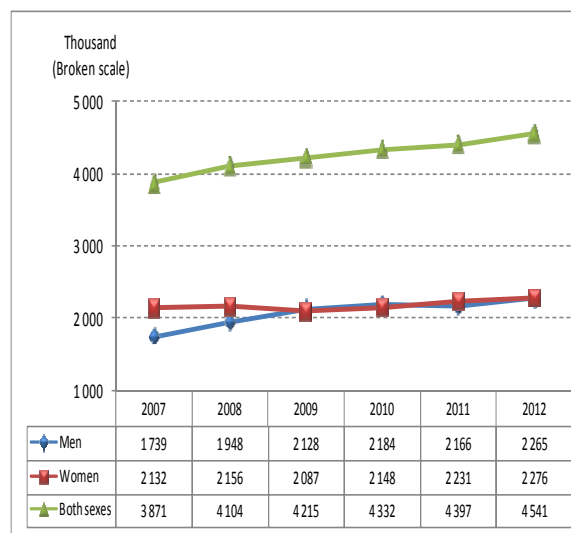
Figure 7.2: Unemployment by population group and level of education, 2012

	2007	2008	2009	2010	2011	2012
Men	1 739	1 948	2 128	2 184	2 166	2 265
Women	2 132	2 156	2 087	2 148	2 231	2 276
Both sexes	3 871	4 104	4 215	4 332	4 397	4 541

	Black African	Coloured	Indian	White
Less than matric	61,1	67,9	33,6	32,4
Matric	33,0	28,5	53,0	49,1
Tertiary	6,0	3,6	13,4	18,5
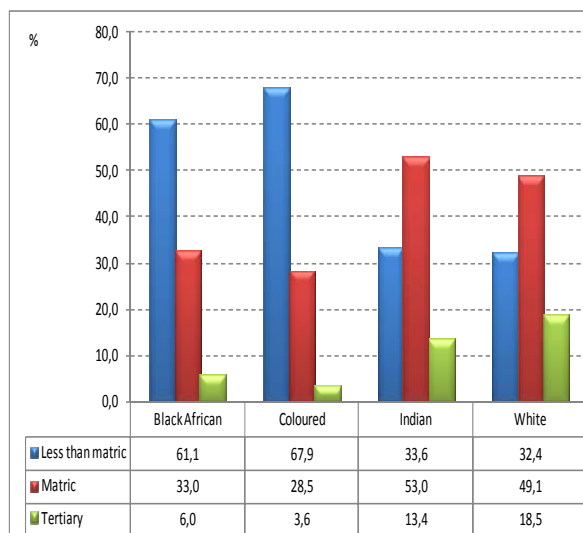
The number of unemployed South Africans continues to rise. Figure 7.1 shows a steady increase in levels of unemployment since 2007. In 2012, there were around 670 000 more people who were unemployed compared to 2007. South African women are more affected by unemployment than men. Figure 7.2 shows that in 2012, most unemployed persons in the black African and coloured population groups had not attained matric (61,1% and 67,9% respectively), while most unemployed persons in the Indian and white population groups had completed matric (53,0% and 49,1% respectively). In addition, there was a much smaller proportion of persons among the unemployed black African and coloured populations who had a tertiary education.

Figure 7.3: Share of the unemployed population by sex, 2007–2012
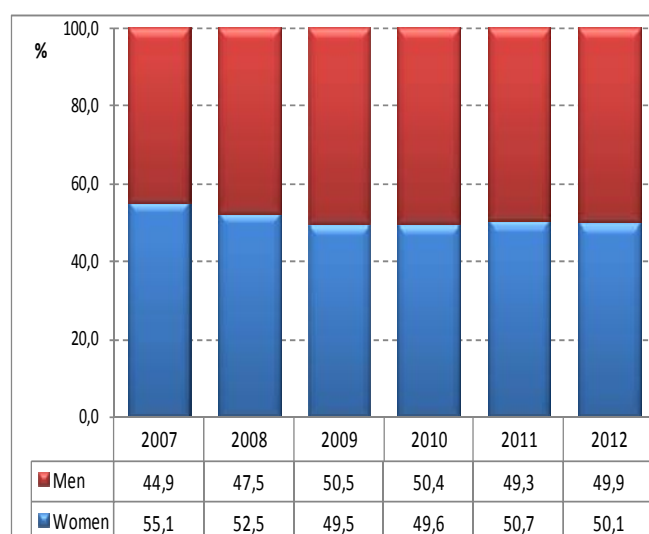
Figure 7.4: Unemployment by age and sex, 2012

	2007	2008	2009	2010	2011	2012
Men	44,9	47,5	50,5	50,4	49,3	49,9
Women	55,1	52,5	49,5	49,6	50,7	50,1

	15-24yrs	25-34yrs	35-44yrs	45-54yrs	55-64yrs
Men	29,7	39,6	19,0	9,1	2,6
Women	29,5	43,0	19,4	6,8	1,3
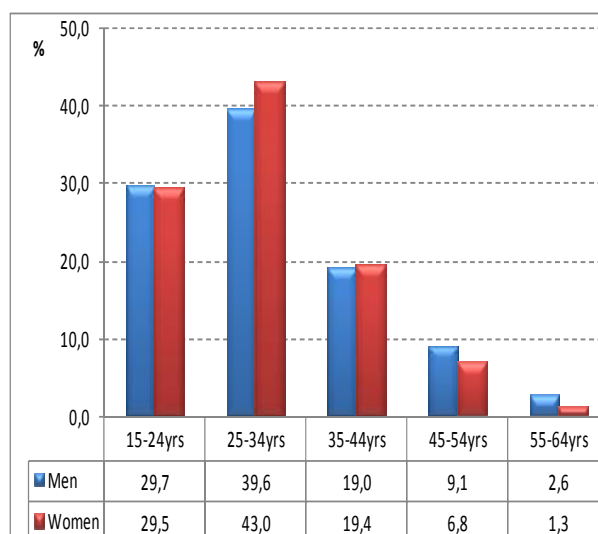
Over the years 2007 and 2008, more women than men were unemployed. The gender gap in unemployment was highest in 2007 and narrowed over the next two successive years, i.e. 2009 and 2010. The pattern changed in 2009 and 2010 when a higher proportion of men were unemployed compared to women. This change was, however, not sustainable and in the subsequent two years (2011 and 2012), again more women were unemployed than men (Figure 7.3).

Figure 7.4 shows that gender differences among the unemployed are noticeable after the age of 24 years. In 2012, a higher proportion of women among persons aged 25–44 was unemployed compared to among men in the same age group. In contrast, a higher percentage of men among those aged 45 years and older were unemployed compared to their female counterparts.

Job-search activities of the unemployed

Caution is required when interpreting the job-search patterns of unemployed persons, since an unemployed person may have undertaken several types of search activities in his/her quest for a job. In addition, the survey does not determine how many times each of the job-search methods was used in the four-week reference period. One unemployed person might have 'enquired at workplaces/factories, etc.' 12 times while another might have done that only once. In essence, one cannot use these data to measure the intensity of job search activities.

Figure 7.5: Job-search activities by population group, 2012
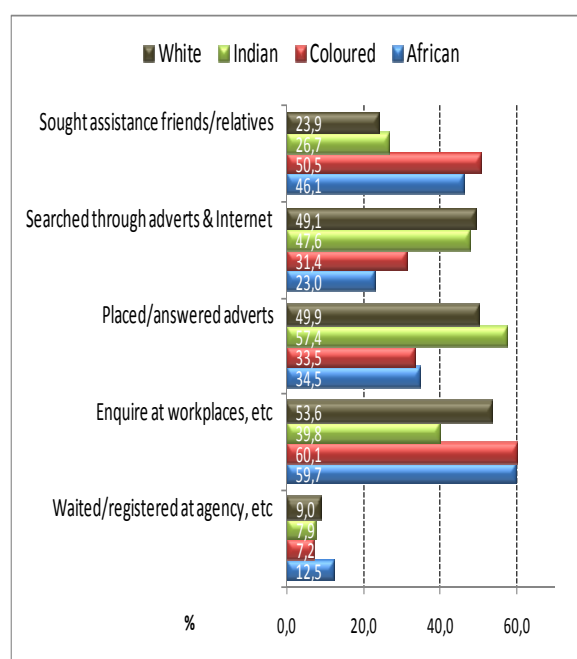
Figure 7.6: Job-search activities by age, 2012
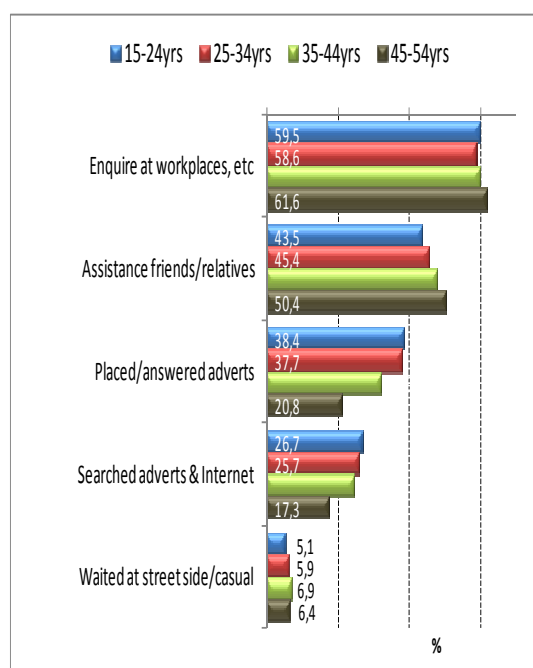
Note: Usage of each job-search activity as a percentage of total unemployment

The most often used job-search activity amongst the black African and coloured populations was to enquire at workplaces, farms and factories. Among the Indian and white populations, the most frequently used job-search activity was to place or answer adverts (Figure 7.5).

Irrespective of age, the type of job-search activity most often used was through enquiring at workplaces, farms and factories. Seeking assistance of friends/relatives was the second most common job-search activity across all ages. Searching through job advertisements and the Internet, as well as placing and answering advertisements was strongly associated with the age of the unemployed person. Young unemployed people below the age of 35 years were particularly keen on these types of search activities relative to those in older age groups. Waiting on the street side/casual increased with age (Figure 7.6).

Table 7.1: Job-search activities by province, 2012

	WC	EC	NC	FS	KZN	NW	GP	MP	LP	RSA
	Per cent									
Waited/registered at employment agency, etc.	18,6	22,1	0,6	10,5	7,5	11,0	8,3	20,5	0,2	11,8
Enquired at workplaces/factories, etc.	64,0	47,5	70,1	79,7	49,3	67,1	55,4	80,9	46,9	59,3
Placed/answered advertisements	41,6	26,0	26,4	42,7	39,9	24,4	37,5	38,0	14,1	35,1
Searched through adverts and the Internet	40,4	12,4	4,3	19,8	23,2	26,4	30,9	19,7	12,0	24,9
Sought assistance of friends/relatives	62,3	52,5	1,4	38,1	34,4	34,0	55,1	37,4	30,1	45,8
Searched for land for a business, etc.	0,9	0,1	0,2	0,7	0,8	0,4	1,2	0,5	0,7	0,8
Waited at street side for casual jobs	2,6	3,0	0,3	6,0	6,0	5,0	5,7	17,6	5,1	5,9
Sought financial assistance	0,5	0,6	0,1	0,5	0,7	0,8	0,9	1,8	0,5	0,8
Other	0,2	0,0	0,0	0,1	0,2	0,2	0,0	0,0	0,5	0,1

Note: Each job-search activity as a percentage of total unemployment

Two patterns emerge from the provincial distribution of job-search activities: firstly, except in Eastern Cape, KwaZulu-Natal and Limpopo, more than 50% of all unemployed persons favoured enquiring at workplaces, farms and factories, or calling on other possible employers as their preferred job-search method (Table 7.1). Most unemployed persons in Eastern Cape (52,5%) sought assistance of friends and relatives in search of jobs.

Searching through job advertisements and the Internet featured more prominently in Western Cape and Gauteng than elsewhere. Searching for land for a business and seeking financial assistance still remained the least popular job-search activity throughout all the provinces, signifying that the majority of unemployed persons preferred paid employment to pursuing business ventures.

Figure 7.7: Job-search activities by education, 2012

	None	Some primary	Complete primary	Some secondary	Complete secondary	Higher
Enquire at workplaces/factories, etc	67,0	63,6	65,5	63,5	54,5	41,1
Sought assistance friends/relative	56,8	54,7	52,3	49,5	40,6	28,7
Searched through adverts & Internet	7,1	7,9	9,2	18,7	35,4	51,4
Placed/answered adverts	10,9	11,0	12,1	27,5	49,9	63,6
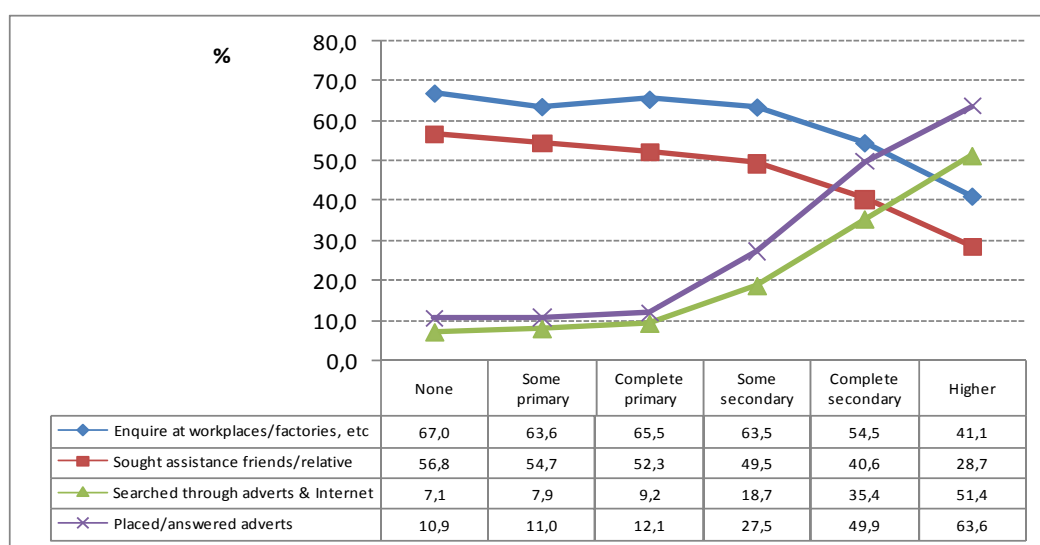
Figure 7.7 shows a strong association between certain types of job-search activities and the level of educational attainment. The percentage of unemployed persons who either enquired at workplaces/factories, etc., or sought the assistance of friends and relatives, declined as their levels of education increased. In contrast, the percentage of unemployed persons who placed and answered advertisements as well as those who searched through job advertisements or looked for jobs on the Internet increased with an increase in the level of educational attainment.

Unemployment duration

Short-term unemployment arises because there is some minimal rate of unemployment that occurs in any modern economy. This may be the result of time lags in a number of areas: between workers changing jobs and finding alternative employment; the closure of firms and the opening of others; as well as new workers entering the labour force at a faster rate than at which others leave (OECD, 1991[1]). On the other hand, long-term unemployment arises because of social and economic imbalances that do not facilitate job creation at a pace that is fast enough to absorb those already unemployed and those entering the labour market for the first time.

Long-term unemployment may also reflect a mismatch between the skills required by employers and those supplied by workers, or it could reflect a geographical mismatch between the locations of unemployed persons and where job vacancies occur (see: IMF 1999[2]; Barker, 1998[3]).

Caution must be exercised when interpreting the unemployment numbers and rates at sub-national levels and more so within unemployment categories (i.e. short-term and long-term) because of small numbers. As a result, more emphasis will be placed on the analysis of those in long-term unemployment, since this group is relatively larger and lower levels of disaggregation allow more robust analysis. Also, to the extent that short-term unemployment occurs in even the best performing economies, the bigger challenge is long-term unemployment.

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[1] OECD Economic Survey, Paris, 1991

[2] World Economic Outlook: International Financial Contagion, Chronic unemployment in the Euro area: Causes and Cures, IMF, May 1999

[3] Barker. F S. The South African Labour Market, Critical Issues for Reconstruction, Pretoria, 1995

Table 7.2: The incidence of unemployment, 2007–2012

	2007	2008	2009	2010	2011	2012
	Thousand					
Short-term	**1 754**	**1 691**	**1 700**	**1 503**	**1 405**	**1 468**
Less than 3 months	1030	620	604	493	455	543
Between 3 and 6 months	318	428	418	362	339	330
More than 6 months – less than 1 year	407	644	678	649	611	595
Long-term	**2 117**	**2 406**	**2 508**	**2 824**	**2 986**	**3 073**
More than 1 year – less than 3 years	858	971	992	1 100	1 084	1 065
3 years and over	1 259	1 436	1 516	1 725	1 901	1 996
Total*	**3 871**	**4 104**	**4 215**	**4 332**	**4 397**	**4 541**
	Per cent					
Short-term	45,3	41,2	40,3	34,7	32,0	32,3
Long-term	54,7	58,6	59,5	65,2	67,9	67,7

*Total includes 'Don't know' and 'Unspecified'

The increase in unemployment levels to 4,5 million in 2012 from 3,9 million in 2007 reflected the increase among those in long-term unemployment from 2,1 million in 2007 to 3,1 million in 2012. As a result, the incidence of long-term unemployment rose from 54,7% to 67,7% over the period (Table 7.2).

Table 7.3: Annual changes in the duration of unemployment, 2007–2012

	2007	2008	2009	2010	2011	2012
	Thousand					
Short-term	179	-63	9	-197	-98	63
Long-term	-254	390	102	316	161	87
Total unemployment*	**-75**	**327**	**111**	**119**	**63**	**150**

*Total includes 'Don't know' and 'Unspecified'

Table 7.2 and Table 7.3 show that the number of persons in long-term unemployment increased steadily from 2008 to 2012. The increase was mainly driven by those who had been looking for work for a period of three years or longer.

Long-term unemployment by sex and population group

Table 7.4: The duration of unemployment by sex, 2007–2012

	2007	2008	2009	2010	2011	2012
	Thousand					
Men						
Short-term	840	891	974	852	771	812
Long-term	849	1054	1151	1329	1391	1 453
Total	**1 739**	**1 948**	**2 128**	**2 184**	**2 166**	**2 265**
Women						
Short-term	914	801	727	651	634	656
Long-term	1 168	1 352	1 358	1 495	1 595	1 620
Total	**2 132**	**2 ,156**	**2 087**	**2 148**	**2 231**	**2 276**
Both sexes						
Short-term	1 754	1 691	1 700	1 503	1 405	1 468
Long-term	2 016	2 406	2 508	2 824	2 986	3 073
Total	**3 871**	**4 104**	**4 215**	**4 332**	**4 397**	**4 541**

*Total includes 'Don't know' and 'Unspecified'

Clear gender biases emerge in the pattern and trend of long-term unemployment (Table 7.4). Figure 7.8 suggests that, in 2012, a higher proportion of women (71,2%) were unemployed for more than a year compared to men (64,1%).

Figure 7.8: Incidence of long-term unemployment by sex, 2012

	2007	2008	2009	2010	2011	2012
Men	48,8	54,3	54,2	61,0	64,4	64,1
Women	54,8	62,9	65,2	69,7	71,6	71,2
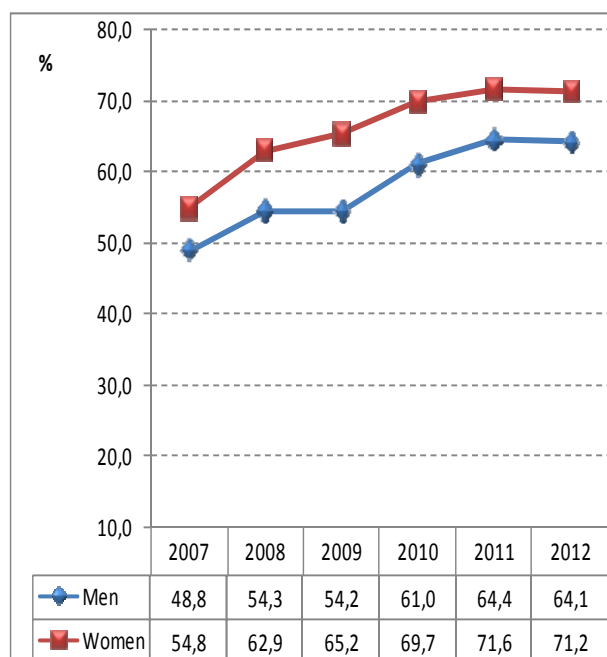
Figure 7.9: Incidence of long-term unemployment by population group, 2007-2012

	2007	2008	2009	2010	2011	2012
African	55,2	60,3	61,1	66,5	69,2	68,6
Coloured	43,8	48,2	51,4	58,1	61,5	63,1
Indian	45,1	48,4	54,8	65,3	70,2	61,4
White	38,1	46,3	41,7	52,0	53,3	58,1
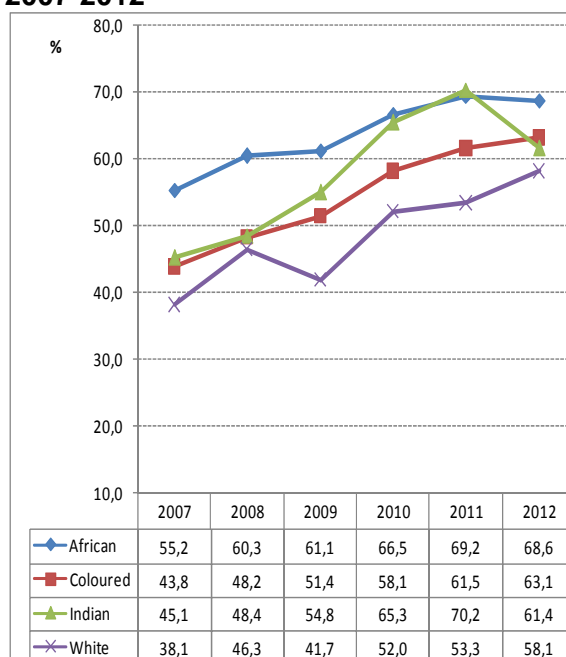
Since 2007, the incidence of long-term unemployment has generally been on an upward trend for all population groups. But as shown in Figure 7.9, in addition to being disproportionately represented among the unemployed by a large margin, the incidence of long-term unemployment is also highest among the black African population group.

Long-term unemployment by age group and duration

Figure 7.10: The incidence of long-term unemployment by age group, 2007–2012

	2007	2008	2009	2010	2011	2012
15-24yrs	44,7	52,4	53,5	59,1	62,7	62,8
25-34yrs	55,7	61,6	62,2	68,4	70,7	69,5
35-44yrs	61,2	62,2	63,7	69,3	69,2	70,3
45-54yrs	63,8	64,1	63,8	65,6	70,7	70,8
55-64yrs	63,2	62,7	55,8	62,1	70,3	63,6
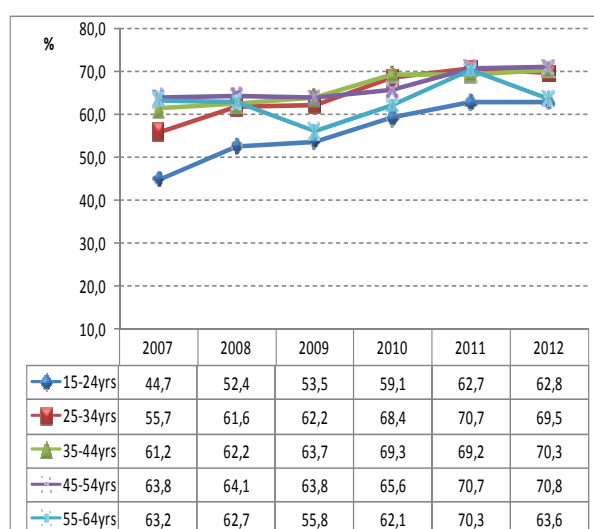
Figure 7.11: Long-term unemployment by duration of unemployment, 2007–2012

	2007	2008	2009	2010	2011	2012
1yr-3yrs	40,5	40,3	39,6	38,9	36,3	34,6
3yrs plus	59,5	59,7	60,4	61,1	63,7	65,4
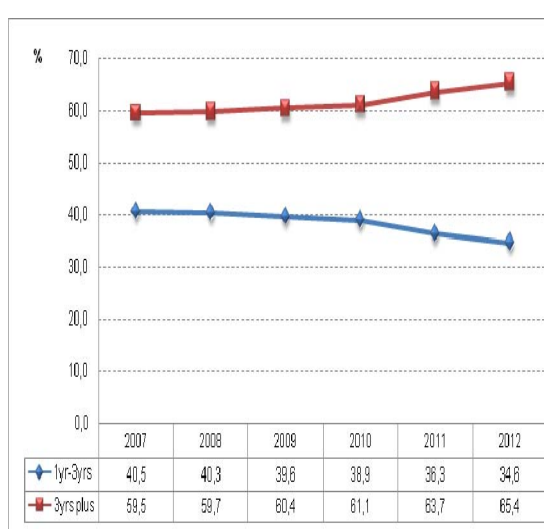
Trend analysis established in Figure 7.10 shows that since 2007, the incidence of long-term unemployment was on an upward trend in every age group except among those in the oldest

age group (55–64 years). Although the incidence of long-term unemployment was the lowest in the youngest age group at 62,8%, over the period 2007 to 2012, the percentage of unemployed persons in long-term unemployment in this age group rose by the largest amount (18,1 percentage points).

A number of factors influence the duration of unemployment with the passing of time. Technology progresses, skill mismatches arise, the loss of job skills occur, and eventually the will to seek employment is lost. Unfortunately, the longer an individual stays unemployed, the more unemployable they become. Figure 7.11 shows that among those in long-term unemployment, more than one in every three had been looking for work for a period between one year and 3 years. And more importantly, each year, the bulk of the unemployed had been looking for a job for 3 years or more.

Long-term unemployment by level of educational attainment

Qualifications may be viewed as an indication of skill levels. As a result, educational attainment may also have an impact on the likelihood of becoming unemployed and the duration of unemployment.

Table 7.5: The duration of unemployment by level of education, 2007–2012

	2007	2008	2009	2010	2011	2012
	Thousand					
Short-term	**1 752**	**1 685**	**1 687**	**1 491**	**1 396**	**1 459**
Less than Matric	1 180	1 064	1 034	906	824	863
Matric	506	526	543	478	471	485
Tertiary	66	95	110	107	101	111
Long-term	**2 117**	**2 406**	**2 508**	**2 824**	**2 986**	**3 073**
Less than Matric	1 346	1 566	1 570	1 705	1 811	1 875
Matric	576	734	815	963	1 013	1 014
Tertiary	89	101	119	143	157	167
Total	**3 871**	**4 104**	**4 215**	**4 332**	**4 397**	**4 541**

*Total includes 'Don't know' and 'Unspecified'

Long-term unemployment by province

Historically, the incidence of long-term unemployment has generally been higher in Gauteng than in other provinces. However, the weak labour market conditions during the recession were reflected in an increase in the incidence of long-term unemployment in 2010 in all provinces (Table 7.6).

Table 7.6: The incidence of long-term unemployment by province, 2007–2012

	2007	2008	2009	2010	2011	2012
Province	Per cent					
Western Cape	30,3	46,3	49,7	54,6	60,4	59,4
Eastern Cape	58,0	55,9	58,9	60,9	61,5	66,2
Northern Cape	49,6	57,2	54,0	57,7	58,2	59,4
Free State	56,7	56,1	55,1	58,4	61,0	68,8
KwaZulu-Natal	44,6	51,4	54,7	63,9	63,7	65,3
North West	56,4	62,7	60,8	67,3	70,6	65,6
Gauteng	60,2	70,8	69,3	73,4	76,3	73,8
Mpumalanga	48,0	51,5	55,8	68,1	72,4	73,3
Limpopo	59,5	58,3	55,4	58,1	62,2	58,1
South Africa	**52,1**	**58,8**	**59,7**	**65,3**	**68,0**	**67,7**

Figure 7.12: Incidence of long-term unemployment by province, 2007 and 2012

	LP	NC	WC	KZN	NW	EC	RSA	FS	MP	GP
2007	59,5	49,6	30,3	44,6	56,4	58,0	52,1	56,7	48,0	60,2
2012	58,1	59,4	59,4	65,3	65,6	66,2	67,7	68,8	73,3	73,8
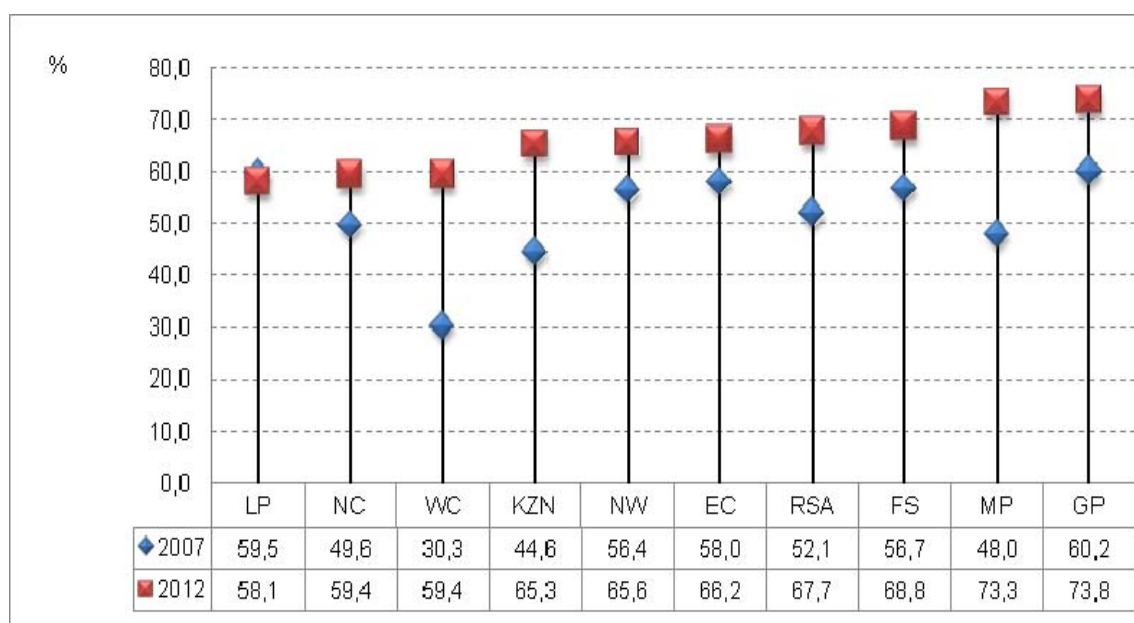
Compared with 2007, by 2012, the incidence of long-term unemployment had risen in every province except Limpopo (Table 7.6 and Figure 7.12). Over the period 2007 and 2012, Figure 7.12 also shows that the incidence of long-term unemployment increased in eight of the nine provinces with the largest increase observed in Western Cape and Mpumalanga.

Summary and conclusion

Unemployment is a serious threat to social and political stability. It also has macro-economic implications such as reduction in output, reduction in tax revenue and rise in government expenditure; thus policies that would reduce unemployment in South Africa are a compelling need. This chapter has outlined the effect of demographics and the origin of unemployment on the overall unemployment scenario, which needs to be the basis of policy formulation.

Unemployment in South Africa is not uniformly distributed according to the demographics of the country; some groups are more likely to be in unemployment than others. In 2012, more women than men were unemployed; more black Africans were unemployed than persons from other population groups. Education and age had a great impact on the unemployment figures. South African youth had the highest figures of unemployment and those with secondary education not complete and secondary completed had the highest proportions of unemployment in all the population groups.

Job-search patterns among the unemployed were concentrated in a narrow range of activities. In 2012, more than one half of all unemployed persons enquired at workplaces/factories, etc., in search of work.

The long duration of unemployment among a high proportion (61,7%) of the unemployed suggests that the demand side of the labour market is responsible for a large part of the unemployed.

In addition to demographic variables such as age, race and sex, research has shown that asymmetries in the occupational structure are also associated with the duration of job searching among unemployed persons, because there is greater demand for some occupations than for others. Individuals who are in occupations that are in low demand have a difficult time finding a job.

Chapter 8
Youth in the South African labour market

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Chapter 8: Youth in the South African labour market

Key labour market concepts

Labour force: The labour force is the sum of employed and unemployed persons within the working-age population (WAP), i.e. persons between the ages of 15 and 64 years. Please see definitions in Chapter 3 of the employed, unemployed, discouraged and other non-economically active (NEA).

Definitions of **youth** vary considerably amongst countries. The United Nations define the youth as those aged between **15 and 24 years**.[1] This age classification is used for international comparisons.

The **South African definition of the youth** is a broader definition and comprises young people between the ages of **15 to 34** years.[2]

Background

The ILO annual publication 'Global Employment Trends for Youth, 2013' aptly entitled 'A generation at risk' highlights the continued impact of the global financial crises and the subsequent weak recovery in the labour market outcomes of the youth. Currently there are 73,8 million young people globally between the ages of 15 and 24 years who are unemployed. The global youth unemployment rate increased from a pre-crisis level of 11,6% in 2007 to a high of 12,7% in 2009. A decline in the youth unemployment rate to 12,4% in 2011 was observed; however, the rate increased to 12,3% in 2012 and is estimated to reach 12,6% in 2013 (ILO, 2013).

Concerns around long-term unemployment, weak social protection, increased irregular and informal employment, low wages and employment in activities in which the youth are either over- or underqualified have been emphasised as contribution factors to 'a generation at risk'.

In South Africa, the QLFS results suggest that among 15–34-year-olds, employment peaked in 2008 at 6,4 million, but declined by 405 000 and 289 000 in 2009 and 2010 respectively to reach 5,7 million. The recovery post-2010 has created limited jobs with only 101 000 jobs created between 2010 and 2012. However, for young people aged 15 to 24, employment declined by 41 000 between 2011 and 2012.

This chapter aims to place the labour market experience of South African youth within the context of global youth unemployment, where youth were made more vulnerable by the global financial crisis and the inability of the post-recovery to improve the labour market outcomes for this group.

We provide an update for 2012 on demographic characteristics which influence labour market participation, and identify the industries in which the youth are employed by skills levels as well as the factors which increase the vulnerability of the youth, including levels of education and long-term unemployment.

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[1] http://social.un.org/youthyear/docs/UNPY-presentation.pdf
[2] According to the South African National Youth Commission Act of 1996, 'youth' is defined as all people between the ages of 14 and 35 years. http://www.polity.org.za/polity/govdocs/policy/intro.html. In order to correspond to the coverage of the Quarterly Labour Force Survey (QLFS) the bottom age limit is increased to 15 years.

A global context to the youth labour market

Between 2007 and 2012, global youth unemployment increased by three million to 72,9 million. Despite a downward trend in the levels since 2009, unemployment increased from 72,6 million to 72,9 million between 2011 and 2012. Similarly, the youth unemployment rate increased from 12,3% in 2011 to 12,4% in 2012 (ILO, 2013).

Figure 8.1: Unemployment among youth and adults, 2007–2012

	2007	2008	2009	2010	2011	2012
Unemployed youths	69 900	70 400	75 600	74 000	72 600	72 900
Youth UR (RHS)	11,5	11,7	12,7	12,5	12,3	12,4
Adult UR (RHS)	4,0	4,1	4,6	4,5	4,5	4,5
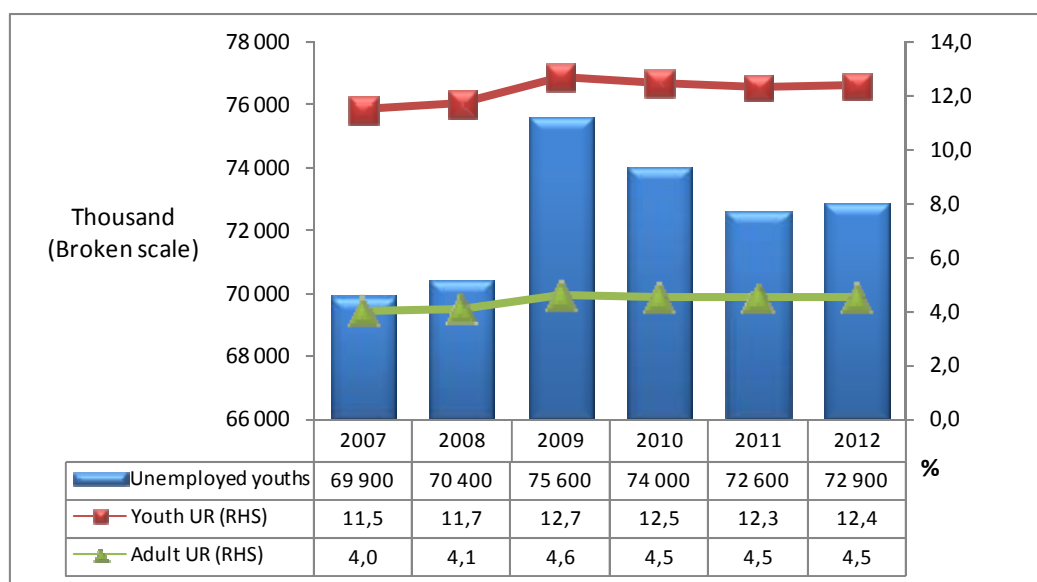
Source: ILO (2013) 'Global Employment Trends for Youth, A generation at risk'.
Note: Unemployment rate is denoted by UR.
2012* preliminary estimates.

According to the ILO (2013)[3], the ratio of youth-to-adult unemployment rates has remained relatively unchanged since 2007 and reached 2,8 in 2012. This means that young people are close to 3 times more likely to be unemployed compared to adults.

Table 8.1: Ratio of the youth-to-adult unemployment rates and the youth's share of total unemployment

Country	Year	Ratio of youth unemployment rate to adult unemployment rate Ratio	Share of youth unemployed in total unemployed Per cent
Brazil	2009	3,1	45,3
Chile	2011	3,2	34,0
Colombia	2008	2,7	40,3
Czech Republic	2011	3,1	19,2
Hungary	2011	2,7	16,4
India	2010	1,9	30,1
Indonesia	2009	4,9	53,8
Israel	2011	2,4	23,0
Korea, Republic of	2011	3,2	17,3
Malaysia	2010	6,9	59,7
Mexico	2011	2,4	37,9
Morocco	2011	2,6	38,6
Peru	2011	3,2	50,6
Poland	2011	3,2	24,7
Russian Federation	2011	2,8	26,6
South Africa	**2011**	**2,4**	**29,4**
Taiwan, China	2011	3,4	22,2
Thailand	2011	6,7	48,7
Turkey	2011	2,3	31,8

Source: ILO Key Indicators of the Labour Market (KILM) 7th edition, latest available data.

Table 8.1 shows that youth unemployment rates are high compared to those of adults across a sample of countries. In addition, the youth comprise a larger share of total unemployment in these countries.

Figure 8.2: Global unemployment rate for the youth (15–24 years) compared to adults (25 years and older), 2011
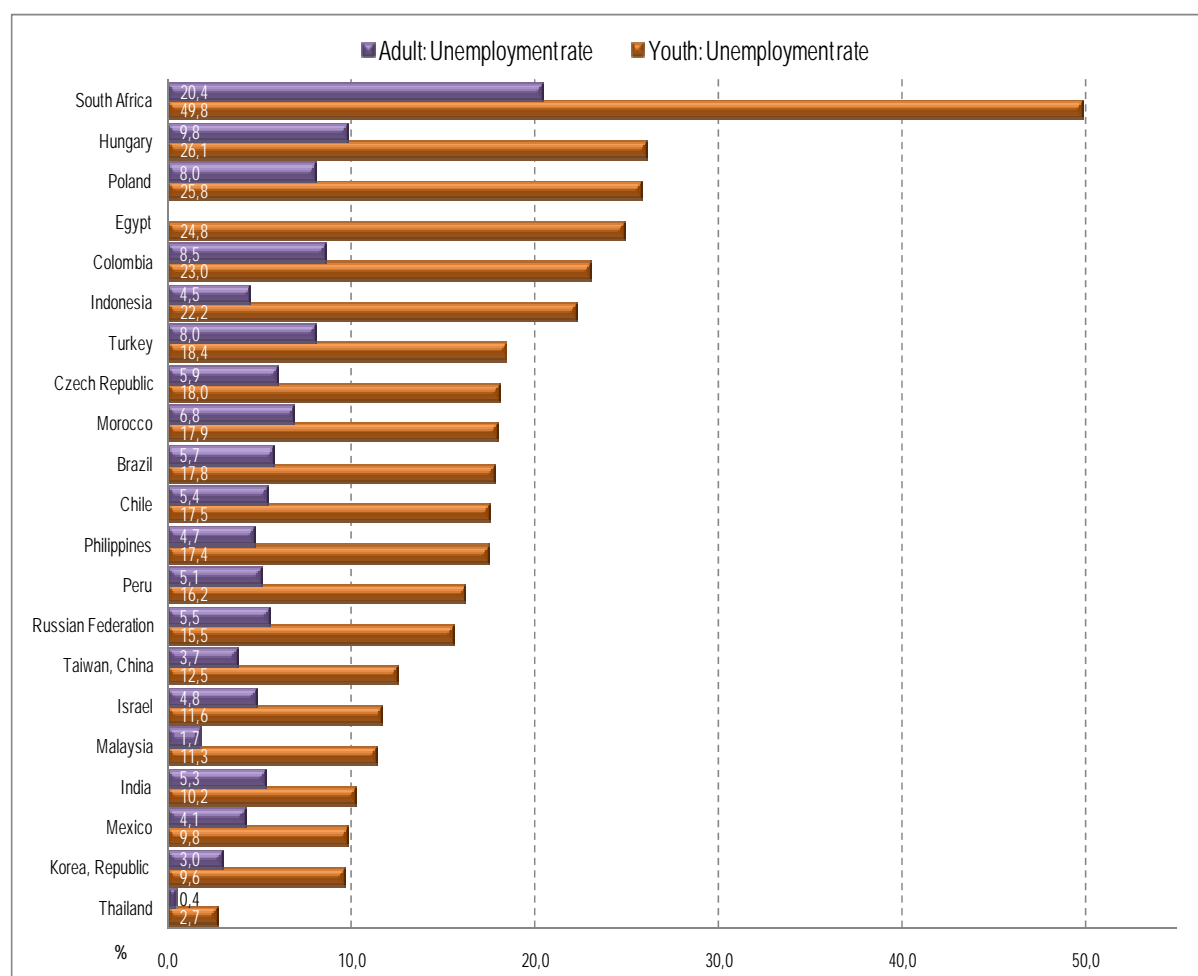
Source: ILO Key Indicators of the Labour Market (KILM) 7th edition. Latest available data.

While the overall unemployment rate in South Africa is amongst the highest in the world, when focusing exclusively on the youth, even higher unemployment levels are observed. In 2011, the country's youth unemployment rate of 49,8% (15–24 years) placed the country at the top of a list of emerging market countries[4].

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[4] The emerging markets chosen are from the MSCI Barra Emerging Market list, which includes Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.
http://www.mscibarra.com/products/indices/tools/index_country_membership/emerging_markets.html

Figure 8.3: Labour force participation rates, youth and adults, 2012
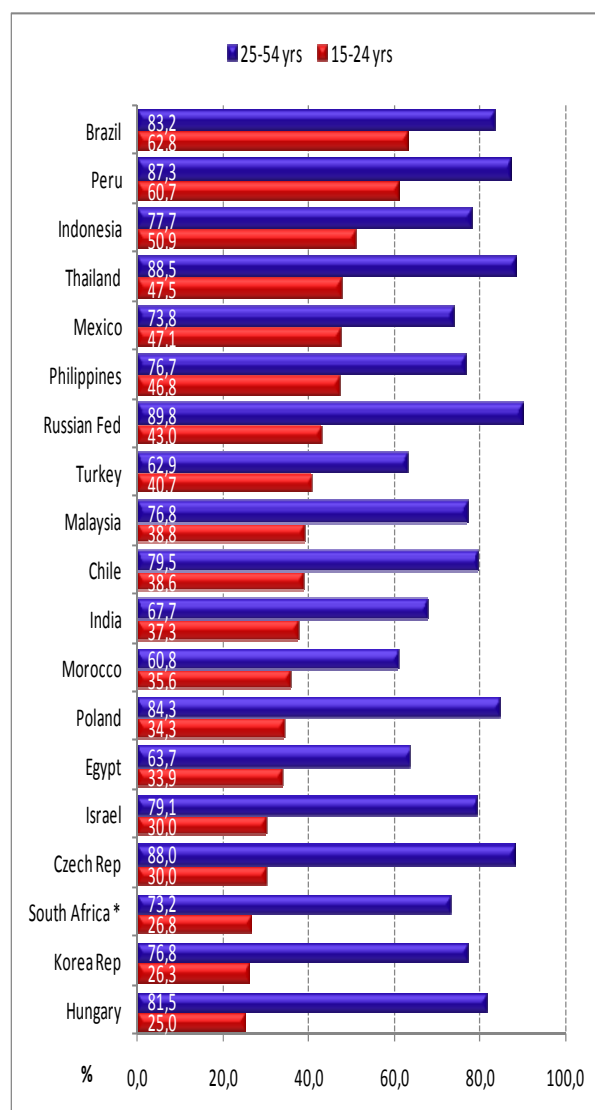
Figure 8.4: Absorption rates among youth and adults, 2012

Legend: ■ 25-54 yrs ■ 15-24 yrs

Country	25-54 yrs	15-24 yrs
Brazil	83,2	62,8
Peru	87,3	60,7
Indonesia	77,7	50,9
Thailand	88,5	47,5
Mexico	73,8	47,1
Philippines	76,7	46,8
Russian Fed	89,8	43,0
Turkey	62,9	40,7
Malaysia	76,8	38,8
Chile	79,5	38,6
India	67,7	37,3
Morocco	60,8	35,6
Poland	84,3	34,3
Egypt	63,7	33,9
Israel	79,1	30,0
Czech Rep	88,0	30,0
South Africa *	73,2	26,8
Korea Rep	76,8	26,3
Hungary	81,5	25,0

Legend: ■ 25 plus yrs ■ 15-24 yrs

Country	25 plus yrs	15-24 yrs
Brazil	68,8	53,9
Peru	77,6	54,6
Indonesia	70,3	40,0
Thailand	76,7	46,1
Mexico	63,3	42,4
Philippines	68,9	39,8
Russia	63,5	37,4
Turkey	49,7	33,5
Malaysia	66,6	34,8
Chile	64,6	32,6
India	60,9	33,8
Morocco	50,4	29,4
Poland	55,1	25,6
Egypt	51,3	21,6
Israel	60,3	26,0
Czech Rep	59,6	24,3
South Africa*	49,9	13,0
Korea Rep	65,0	23,8
Hungary	50,0	18,0

Source: ILO Key Indicators of the Labour Market (KILM) 7th edition.

The labour force participation rate (LFPR) highlights the increase in inactivity levels amongst the youth, in particular the rise in the number of discouraged young people who have exited the labour force, resulting in a decline in labour force participation rates (Figure 8.3). The ILO estimates that the adjustment of the unemployment rate to include discouraged young people would add 3,1 percentage points to the youth unemployment rate in advanced economies for 2012, bringing it to 21,2%. The adjusted number of unemployed and discouraged youth would reach 13 million from the 10,7 million young people who were actually unemployed in 2012. While the overall South African LFPR of 54,8% in 2012 is low compared to the average of the sample countries (64,7%), the youth LFPR rate of 26,8% is also lower than the average youth LFPR of 39,8% for this sample of countries.

The low levels of absorption amongst the youth means that only around one in eight South African youth has a job compared to an average of nearly one in three, based on the sample of emerging countries presented in Figure 8.4.

For the youth, the duration of unemployment, and in particular reducing the incidence of long-term unemployment, is particularly important to limit longer-term labour market scarring effects. The longer a person is unemployed, the more likely they are to remain unemployed, and this may negatively affect future employment prospects. In addition, the long-term consequences of youth unemployment include difficulties re-entering the labour market which may lead to complete discouragement and ultimately the deterioration in human capital. The long-term unemployed also experience lower hourly wages, face stigmas, are often underemployed, in low-quality jobs with little prospect of moving up the employment ladder, and experience repeated and increased periods of unemployment (Arulampalam et al, 2001).

Education plays an important role in the levels of unemployment faced by both adults and the youth, as can be seen in Table 8.2.

Table 8.2: Unemployment rates by age and level of education, 2012

	Primary level or less		Some secondary and secondary completed		Tertiary level	
	Per cent					
Country	15–24	25+	15–24	25+	15–24	25+
Czech Republic	48,9	25,1	16,1	5,7	12,6	2,6
Greece	50,7	24,6	58,0	24,3	52,3	16,9
Hungary	44,7	22,6	25,5	9,4	18,9	4,0
Poland	33,2	17,0	26,0	9,2	22,5	4,8
Portugal	39,4	15,1	35,5	14,4	39,1	10,4
Romania	16,3	5,7	25,1	5,9	29,1	4,5
Slovakia	66,0	41,5	31,0	11,7	29,1	6,0
Slovenia	29,6	13,1	18,6	8,1	21,3	5,7
Spain	59,9	31,0	49,7	21,8	39,8	13,9
Turkey	12,6	6,5	17,2	7,6	25,7	6,6
South Africa*	**49,6**	**20,2**	**53,2**	**24,4**	**36,8**	**7,6**

Source: ILO Key Indicators of the Labour Market (KILM) 7th edition and *QLFS, Statistics South Africa.

In the Czech Republic, a young person with primary and lower levels of education faces an unemployment rate nearly four times that of a young person with a tertiary level of education. In Portugal, the unemployment rate of those with primary and lower levels of education and those with a tertiary level education is of a similar magnitude at 39,4% and 39,1% respectively, while in Turkey the unemployment rate for a young person with a tertiary qualification (25,7%) is higher than a person with primary or lower levels of education (12,6%).

In South Africa, unemployment levels for young people aged 15–24 years are also high, in particular for those with secondary education; however, these levels are in line with Spain, but lower than those of Greece. In South Africa, a young person with primary and lower levels of education has an unemployment rate which is 2,4 times higher compared to a person aged 25 years and older.

The NEET[5]

Another indicator of discouragement and vulnerability of young people in the labour market is the growth in the number of young people who are not in employment, education or training – the so-called 'NEET'. The ILO highlights that this group is particularly at risk for

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[5]The NEET refers to young people aged 15 to 29.

labour market and social exclusion as 'they are neither improving their future employability through investment in skills nor gaining experience through employment'

Between 2008 and 2010, the NEET rate in OECD countries increased by 2,1 percentage points to 15,8%, implying that in these countries, 1 in 6 young people are without a job and are not in education or training. In European countries such as Estonia, Iceland, Ireland and Spain, the NEET rate increased by more than 5 percentage points over the period 2008 to 2010.

Table 8.3: NEET rate for OECD countries, 15–29-year-olds, 2005–2010

Country	2005	2006	2007	2008	2009	2010
OECD average	**15,0**	**14,3**	**14,0**	**13,7**	**15,4**	**15,8**
Australia	11,4	11,4	10,5	10,4	12,3	11,8
Brazil			19,9	19,0	19,6	
Czech Republic	15,9	14,1	11,7	10,9	12,8	13,2
France	14,5	15,2	14,5	14,0	15,6	16,7
Greece	19,7	16,9	16,8	16,2	16,8	18,3
Hungary	17,2	17,0	15,6	16,3	17,7	18,9
Mexico	24,9	24,2	24,2	23,9	24,8	24,4
Poland	18,4	17,4	15,5	13,7	14,2	15,2
Portugal	12,9	12,4	13,4	12,2	12,8	13,5
Spain	17,2	15,9	15,7	16,8	22,7	23,7
Turkey	43,6	42,6	41,3	42,0	39,6	36,6

OECD, 2013. Education indicators in focus 2013/04

Table 8.3 reveals that NEET rates generally declined between 2003 and 2008 in the sample of OECD countries after which they rose in most countries. In Spain, the NEET rate increased from 15,7% in 2007 to 23,7% in 2010, an 8 percentage-point increase. Only in Turkey did the NEET rate decline - from 42,0% in 2008 to 36,6% in 2010.

The South African NEET

NEET definition

- NEET stands for Not in Employment, Education or Training.
- Traditional indicators of youth labour markets include absorption rates, youth unemployment rates and youth participation rates.
- However, a broader measure which combines labour market participation rates with engagement in education and training, can provide a useful measure of youth labour underutilisation.
- Calculation of the NEET rate:

  Persons aged 15-24 years, who are not employed, and are not in education or training divided by the number of youth aged 15-24 years, multiplied by 100

- Stats SA started collecting information which would allow the calculation of the NEET in SA in Q3: 2012.
- Data utilised in this analysis is the average for the QLFS, Q3: 2012 and Q4: 2012.

Introduction

Young people are vulnerable in the labour market, and economic crises in particular have a significant impact on them. They are often the first to lose their jobs and the last to gain employment. In addition, extended spells of unemployment impact not only on their current labour market outcomes but also on the future. The NEET rate is commonly used to measure non-utilised youth labour potential and young people who are at risk of becoming disadvantaged or marginalised in the future. The ILO identifies NEET 'as a broader measure of potential youth labour force participation than youth unemployment'.

NEET in South Africa

On average there were 3,3 million of the 10,4 million young people aged 15 to 24 years who were not in employment or education or training in the second half of 2012[6]. This resulted in a NEET rate of 31,5%.

Figure 8.5: NEET rate for youth aged 15 to 24 years in single years
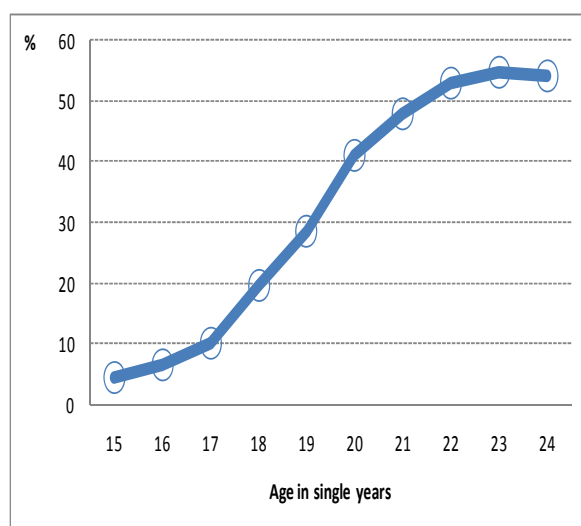
Figure 8.6: NEET rate for youth aged 15 to 24 years by sex

Within the age group of 15–24-year-olds, NEET rates differ. They rise from a low of 4,4% among 15-year-olds and peak at 54,6% among 23-year-olds (Figure 8.5). In other words, half of all 23-year-olds are not in employment, education or training. By gender, the disparities are also pronounced. The NEET rate for female youth is 7,6 percentage points higher than the rate for male youth (Figure 8.6).

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[6] Data referred to is the average of QLFS, Q3: 2012 – Q4: 2012.

Figure 8.7: NEET rate for youth aged 15 to 24 years by province
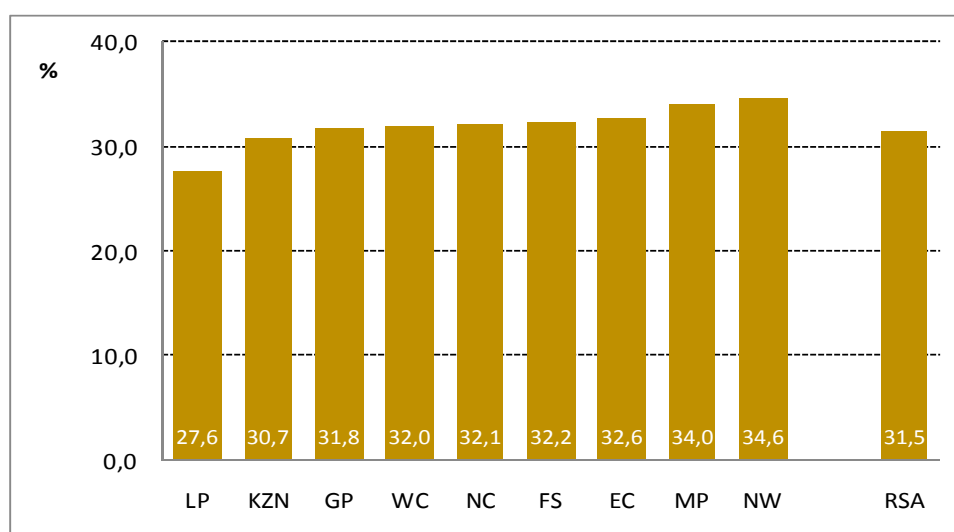
A provincial profile finds that NEET rates among the youth are high in all provinces. The lowest NEET rate was found in Limpopo at 27,6%, while the highest was found in North West at 34,6%, and Mpumalanga at 34,0%. All other provinces are in the 30% range (Figure 8.7).

Figure 8.8: NEET rate for youth aged 15 to 24 years by race
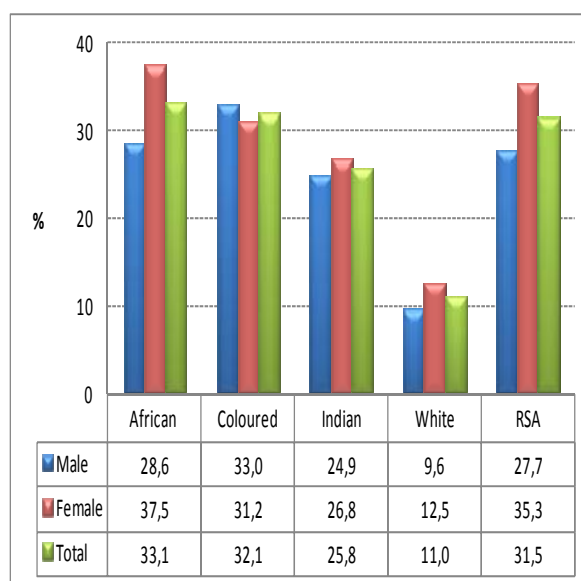
Figure 8.9: NEET rate for youth aged 15 to 24 years by level of education

	African	Coloured	Indian	White	RSA
Male	28,6	33,0	24,9	9,6	27,7
Female	37,5	31,2	26,8	12,5	35,3
Total	33,1	32,1	25,8	11,0	31,5
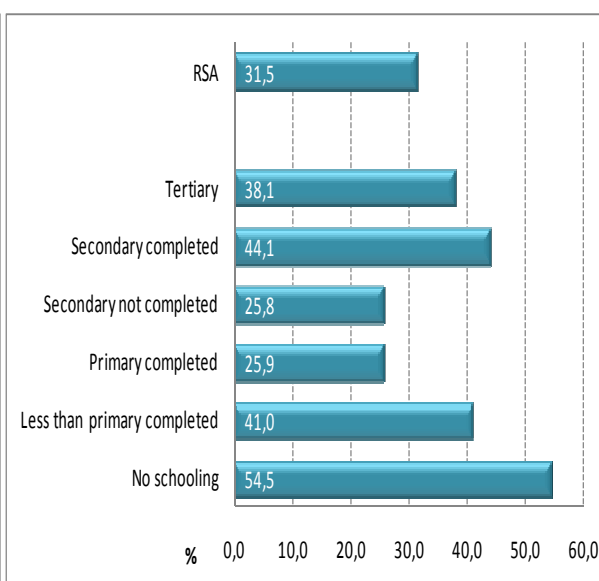
NEET rates also differ substantially by population group. The NEET rate for black African youth at 33,1% is three times the rate of white youths (11,0%) (Figure 8.8). Across the population groups, young women face higher NEET rates compared to their male counterparts, with the largest gender gap found between black African men and black African women at 8,9 percentage points. It is interesting to note that amongst the coloured population, male NEET rates are higher compared to female NEET rates. Across population groups, black African females have the highest NEET rate; more than one in three black African young women are NEET compared to one in eight white young women.

An interesting pattern emerges in terms of NEET rates by level of education. While lower levels of education are associated with higher NEET rates, NEET rates are also higher for secondary completed and tertiary levels of education (Figure 8.9). This may be an indication of higher reservation wages, as young people who have higher levels of education and choose not to study further may be unwilling to search for employment at the going wage rate. The highest NEET rate is for young people with no schooling (54,5%) and the lowest for young people with a secondary not completed level of education (25,8%).

How does South Africa's NEET rate compare with other countries? Data on NEET rates for developing countries are limited, but a comparison with European countries highlights the significance of the level of this indicator for South Africa's youth. The comparison is made with 15–29-year-olds. The European NEET rate is 15,4%, with 14 million young people in Europe being NEET; this is in comparison to a rate of 37,2% (among 15–29-year-olds in South Africa) amounting to 5,6 million people in this age group. NEET rates between European countries, however, vary: from 7,8% in Sweden and 5,5% in the Netherlands to 24,6% in Bulgaria, 22,7% in Italy and 22% in Ireland (Eurofound, 2012).

Table 8.4: Youth labour market indicators for ten SWTS countries including South Africa, both sexes, age group 15–29, 2012

Country	Employment to population ratio	Labour Force participation rate	Inactivity rate	Unemployment rate (official)	Unemployment rate (expanded)	Vulnerable employment rate	NEET rate	Neither in the labour force nor in education or training	Labour Underutilisation rate
Armenia	30,7	43,9	56,1	30,2	35,4	11,7	27,4	15,4	42,3
Cambodia	74,1	75,7	24,3	2,1	3,8	52,2	8,7	6,7	64,2
Egypt	50,5	58,4	41,6	13,5	19,5	15,1	25,2	17,7	67,4
FYR Macedonia	27,9	49,3	50,7	43,3	46,7	16,7	30,0	8,3	46,2
Jordan	29,9	39,4	60,6	24,1	30,0	3,3	29,0	20,0	32,9
Liberia	49,3	61,4	38,6	19,8	37,0	68,5	16,8	5,2	77,5
Malawi	66,5	72,1	27,9	7,8	18,9	72,2	17,6	5,5	79,1
Peru	54,0	60,4	39,6	10,6	18,8	23,2	17,9	14,4	63,4
Russian Federation	53,6	60,7	39,3	11,7	15,9	8,4	15,7	10,1	25,0
Togo	62,4	67,4	32,6	7,5	16,8	71,9	10,9	7,9	71,8
South Africa	**22,8**	**39,1**	**60,9**	**41,7**	**55,2**	**8,5**	**37,2**	**21,1**	**65,1**

SWTS: ILO School to work transition survey. *Data for QLFS, Q3: 2012 and Q4: 2012.
Definitions: Vulnerable employment: The sum of own-account workers and contributing family workers.
Inactivity rate: The proportion of the working-age population that is not in the labour force. By definition, the inactivity rate and the labour force participation rate will add up to 100 per cent.

The School to work transition survey (SWTS) framework of the ILO is aimed at providing a better understanding of the labour market challenges of youth in developing countries. This extended framework shows that, for example in Cambodia, the unemployment rate for 15–29-year-olds is 2,1%. However, 52,2% are in vulnerable employment and the labour underutilisation rate is 64,2% (Table 8.4). This contrasts with, for example, a country such as Jordan, where three out of five young people are inactive (inactivity rate 60,6%). However, the underutilisation rate is 32,9%, lower than all the countries in the selection, with the exception of the Russian Federation. From the sample of 10 countries, although South African young people aged 15 to 29 years face a low level of vulnerable employment (8,5%) their absorption rate (22,8%) is low while their inactivity rate (60,9%) is high. They also face the highest expanded unemployment rate (55,2%) which includes discouraged work-seekers), and the highest NEET rate (37,2%). While the labour under-utilisation rate for South Africa is not the highest amongst the group of countries presented here (at 65,1%), it

is still of concern; nearly 2 in 3 young people are in irregular employment, unemployed (broad definition) and neither in the labour force nor in education or training – the so-called inactive non-students.

The South African youth in 2012

Snapshot of the youth of South Africa aged 15-34 years in 2012

- More than 1 in 3 South African young people (aged 15–34 years) were unemployed.
- 16,8% of young people aged 15–34 years were unemployed compared to 9,6% of adults.
- 55,7% of the unemployed youth have never worked.
- 63,5% of young people in South Africa had less than a matric qualification.
- Young people accounted for 70,9% of the unemployed.
- Close to 1 in 12 young people had given up searching for work, accounting for 69,1% of the discouraged work-seekers in the South African labour market.

The South African working-age population

The working-age population comprises those aged 15–64 years. While the focus in this chapter is the youth aged 15–34 years, for comparative purposes, data on adults aged 35–64 years are also presented.

Figure 8.10: The age profile of youth and adults in the working-age population, 2012

	Black African	Coloured	Indian/ Asian	White	All population groups
35-64 yrs	38,1	50,5	49,1	61,4	41,7
15-34 yrs	61,9	49,5	50,9	38,6	58,3
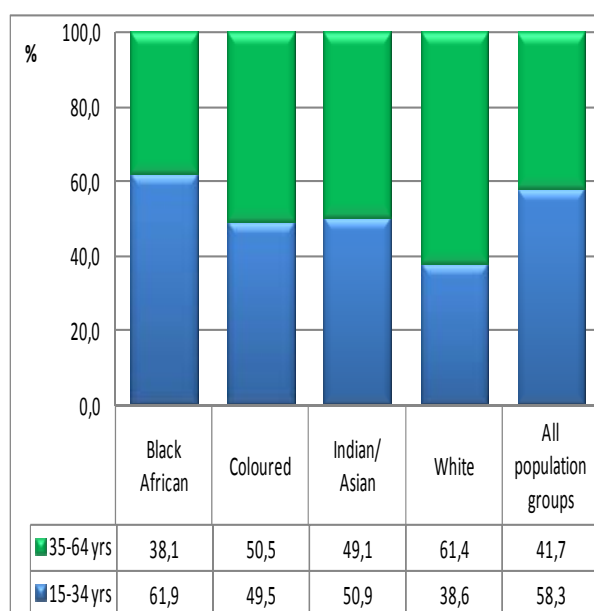
Figure 8.11: The age profile of youth and adults in the working-age population by sex, 2012

	Men	Women		Both sexes
35-64 yrs	40,5	42,9		41,7
15-34 yrs	59,5	57,1		58,3
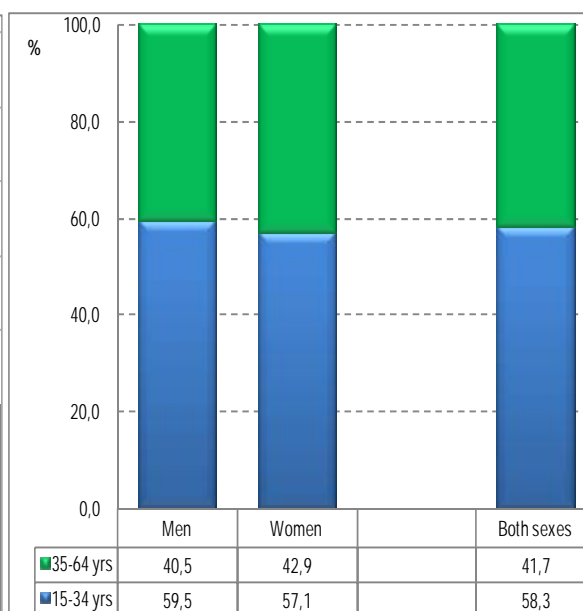
South Africa has a young population, with 58,3% of the population aged 15–34 years. Amongst the population groups, the black African population age profile reflects a more youthful population – such that 61,9% of individuals in this population group are aged 15–34 years. In contrast, only 38,6% of the white population are aged 15–34 years with close to two-thirds (61,4%) of this population group aged 35–64 years (Figure 8.10).

The composition of the working-age population by gender in 2012, finds similar age shares amongst men and women. However, men reflect a marginally younger profile: 59,5% of men are aged 15–34 years compared to 57,1% of women (Figure 8.11).

The South African youth labour force, 2012

Employment

Employment in South Africa is dominated by adults. Of the employed, 57,2% were aged 35–64 years, while the remainder were aged 15–34 years (Figure 8.12).

Figure 8.12: The age profile of persons employed by population group and gender, 2012
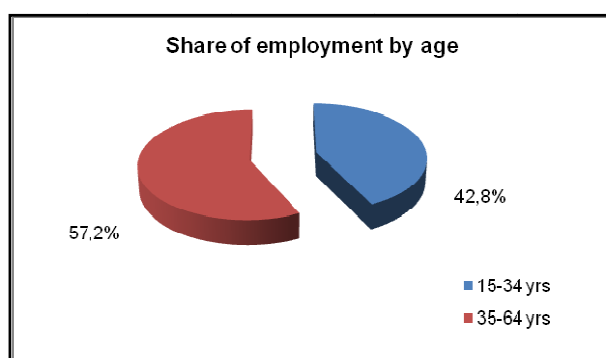
Absorption rate by population group and age, 2012

	15–34yrs	35–64yrs
	Per cent	
Black African	27,1	53,3
Coloured	39,6	57,3
Indian/Asian	47,0	57,2
White	52,1	70,8
Total	**30,1**	**56,3**
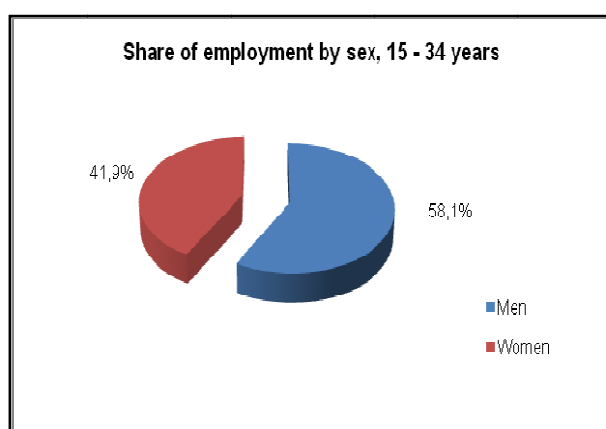
When comparing absorption rates for the youth amongst different population groups, we observe lower rates among black African youth (27,1%) compared to all other population groups, and in particular the youth from the white population group (52,1%). Adults across population groups have higher absorption rates compared to young people. The male share in employment is higher amongst both the youth and adults, but the share of young males between the ages of 15 and 34 in employment is 16,2 percentage points higher than that of their female counterparts (Figure 8.12).

Figure 8.13: The age profile of adults and youth in each component of the working-age population, 2012

	Employed	Unemployed	NEA	Working age
■15-34 yrs	42,8	70,9	68,5	58,3
■35-64 yrs	57,2	29,1	31,5	41,7
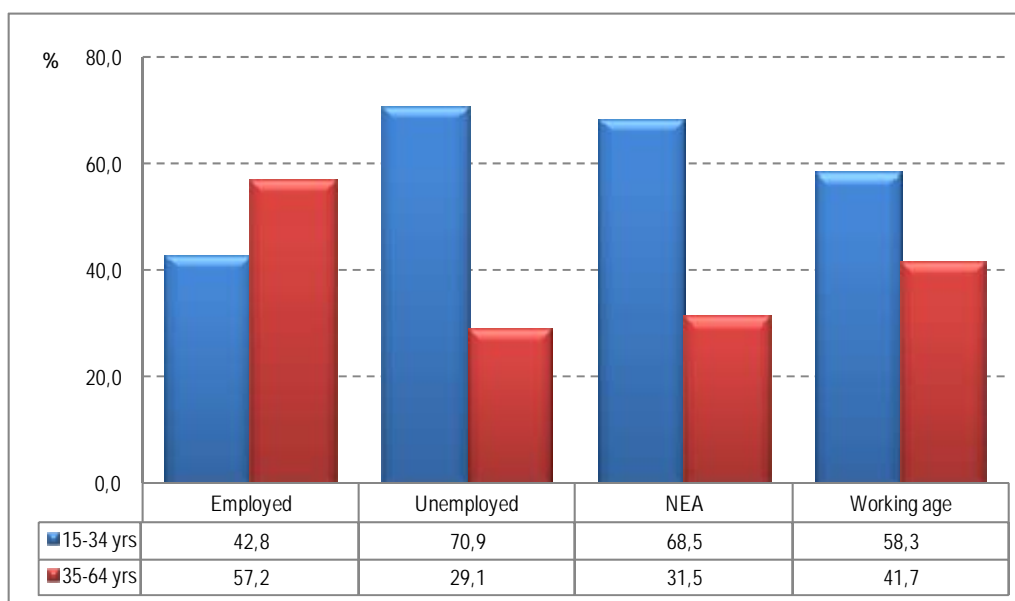
Figure 8.13 shows that in 2012, while the youth accounted for 58,3% of the working-age population, they only accounted for 42,8% of the employed (under-represented), 70,9% of the unemployed (over-represented) and 68,5% of the not economically active population (over-represented). Adults, on the other hand, made up 41,7% of the working-age population and were over-represented in employment (57,2%) and under-represented in the unemployment (29,1%) and the not economically active (31,5%) categories.

Youth and adults industry and occupational employment

An analysis of the industries in which the youth are employed is provided to serve as an indication of the youth employment intensity of different industries.

Figure 8.14: The age profile of employment by industry, 2012
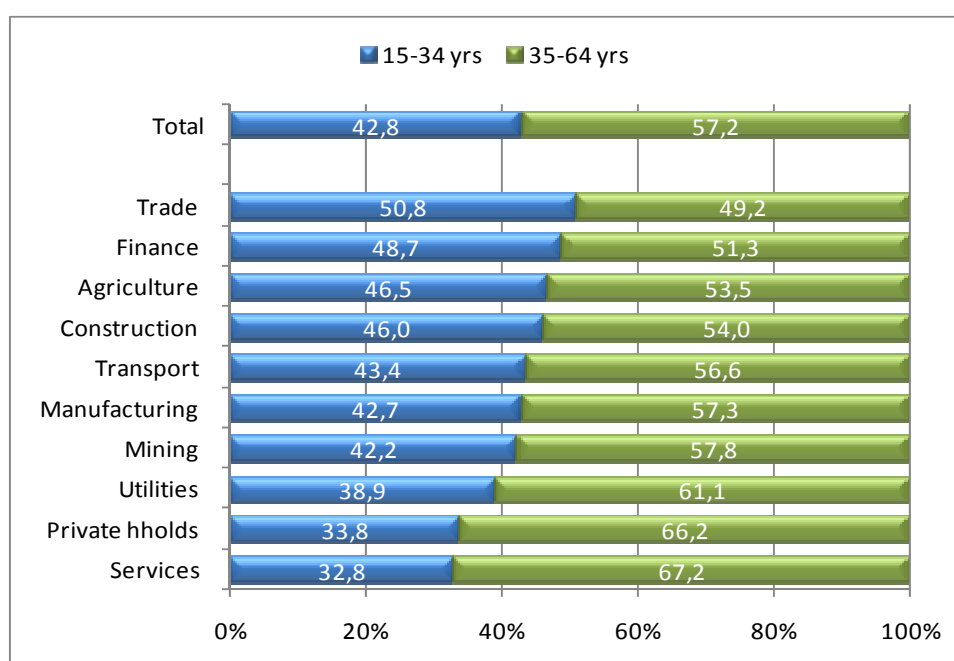
Trade is the only industry in which marginally more young people than adults were employed (Figure 8.14). They accounted for 50,8% of the employed in this industry – 1,6 percentage points higher than that of adults. In all the other industries, the youth accounted for less than 50% of the employed, with the least share being in Services (32,8%).

Dynamics in the skills composition of an industry provide for a useful insight in the sectors where the youth are employed. Occupation was used as a proxy for skill level as set out at the beginning of Chapter 5 (Employment).

Figure 8.15: Youth employment by occupation and industry, 2012
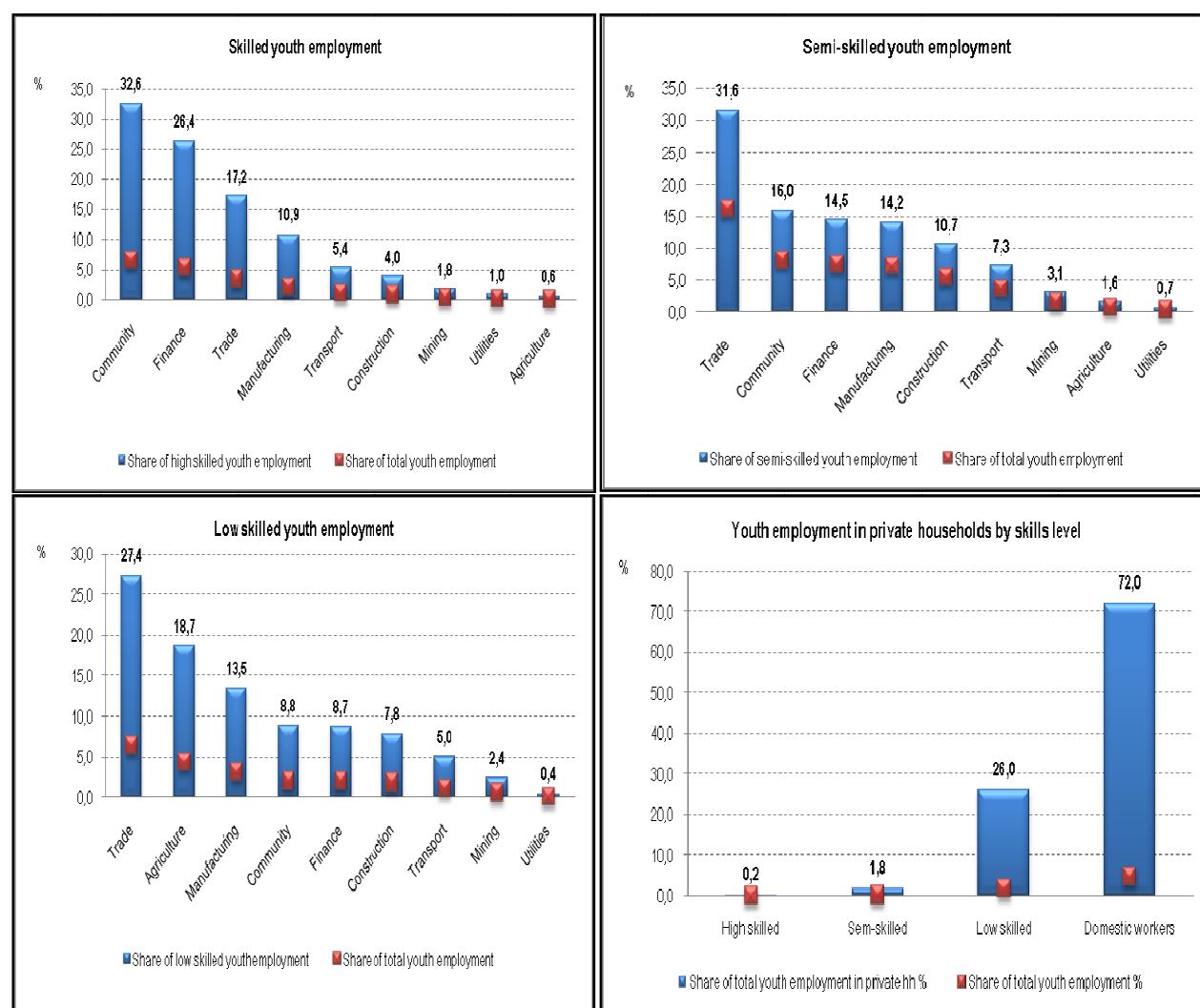
In 2012, the top three industries in which high skilled young people aged 15–34 years were employed, were Community and social services (32,6%), followed by Finance (26,4%) and Trade (17,2%). Together, these industries accounted for 76,2% of youth in skilled employment (Figure 8.15).

In the semi-skilled occupation category, youth employment was concentrated in Trade, with close to 941 000 or 31,6% young people employed in this industry in 2012. The Community and social services (16,0%), Financial (14,5%), Manufacturing (14,2%) and Construction (10,7%) industries were responsible for employment of another 1,7 million semi-skilled young people.

Low-skilled employment among the youth was dominated by Trade (27,4%) and Agriculture (18,7%), followed by the Manufacturing (13,5%) industry. Trade, Agriculture and Manufacturing collectively accounted for nearly 60% of low-skilled youth employment.

Access to benefits

Figure 8.16: Share of employed youth and adults with access to some employment benefits, 2012

	Pension	UIF	Medical Aid	Income Tax	Permanent Contract Duration	Salary increment by Union and Employer	No regular annual salary increase
15-34 yrs	36,3	45,8	32,9	39,5	38,0	36,1	55,7
35-64 yrs	63,7	54,2	67,1	60,5	62,0	63,9	44,3
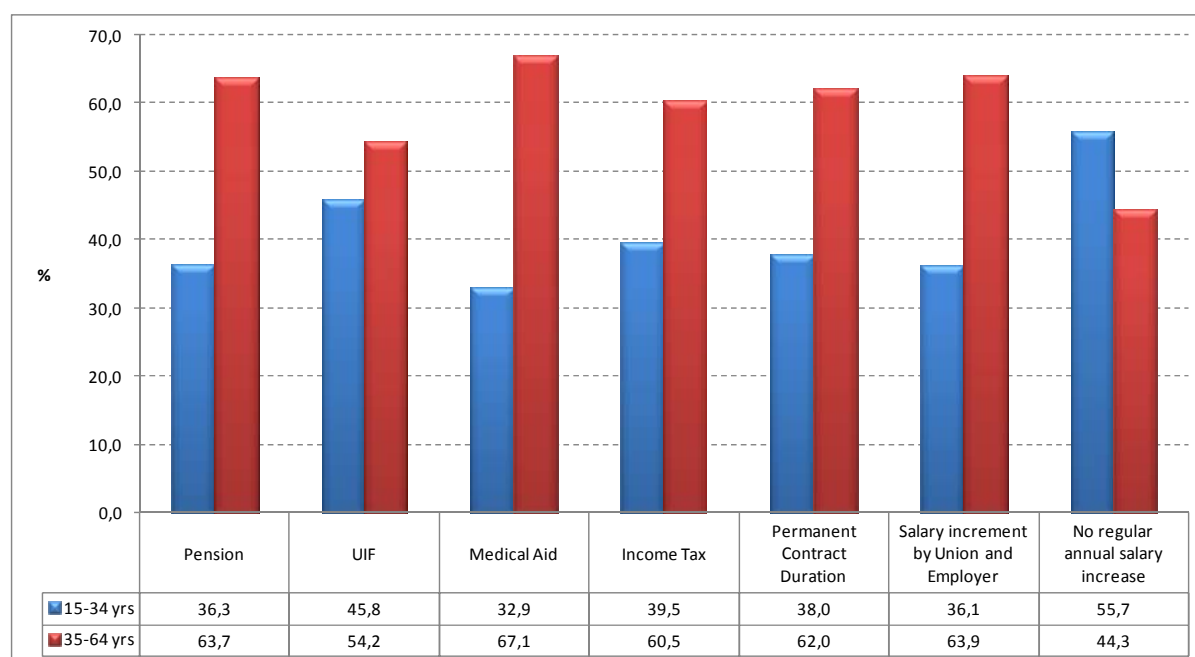
Employment benefits play a role in identifying the vulnerability of employed youth when compared to adults. Figure 8.16 indicates that a fewer number of youth (36,3%) have access to a pension as compared to adults (63,7%), which may suggest that they are either employed on a limited or unspecified contract duration, which is also normally associated with fewer employee benefits. The number of youths employed on a permanent contract is low. Figure 8.16 also shows that most youths do not have access to medical aid, which is also associated with contract duration since people on a permanent contract duration generally have access to medical aid while those on limited and unspecified contract duration may not have access to this benefit. The youth seem to also experience a challenge when it comes to salary negotiations, there are fewer youths (36,1%) whose salary is negotiated between a union and employer compared to 63,9% of adults. There are also more youths (55,7%) than adults (44,3%) with no regular annual salary increase. Income tax deductions by the employer on behalf of the employee are also lower for the youth; this may mean that the youth are employed in jobs where they earn less than the tax threshold.

Table 8.5: Share of employed youth (15–34 yrs) with access to some employment benefits by level of education, 2012

	Primary and less	Secondary not completed	Grade 12	Tertiary
		Per cent		
Pension				
Yes	12,6	33,9	45,0	33,9
No	26,5	54,7	66,5	56,3
Don't know	17,3	52,3	70,4	65,3
UIF				
Yes	20,0	45,1	54,7	45,4
No	25,7	50,6	54,3	30,2
Don't know	26,8	56,6	68,2	49,9
Medical				
Yes	9,0	25,4	40,3	32,3
No	24,6	51,6	62,7	54,4
Don't know	26,0	51,3	64,3	52,2
Income Tax				
Yes	14,4	37,4	48,0	36,3
No	25,8	54,1	67,1	60,5
Don't know	19,4	53,6	69,5	56,9
Contract duration				
Limited	32,7	59,6	75,1	63,9
Permanent	15,5	37,4	47,2	35,1
Unspecified	28,3	57,3	70,5	61,9
Salary increment				
Employee and employer	27,2	49,2	51,6	41,5
Union and employer	10,3	34,5	45,8	32,7
Bargaining council	10,1	28,9	44,4	26,4
Employer only	25,1	51,6	60,8	49,7
No regular annual salary increase	29,2	59,9	72,5	56,4
Other	20,3	54,1	66,1	50,8

Table 8.5 investigates the share of employed youth with access to employment benefits by level of education compared to that of adults. Access to benefits increase as the level of education increases up to grade 12, and then declines when one has a tertiary qualification. The table shows that there are more youths employed on limited and unspecified contract duration than on permanent contract duration. In this regard, the highest figures are observed amongst youths with grade 12, where 75,1% are employed on limited and 70,5% are employed on unspecified contract duration, and only 47,2% of youths are employed on a permanent contract duration.

Unemployment

An analysis of unemployment by age highlights how the burden of unemployment falls disproportionately on the youth. Young people between the ages of 15 and 34 accounted for 70,9% of total unemployment (Figure 8.17). This burden can also be demonstrated through the absorption rate. There is an inverse relationship between the unemployment rate and employment-to-population ratio or absorption rate, such that the absorption rate among the youth is very low, but this level rises with age, while the unemployment rate declines with age.

Figure 8.17: The unemployed by education, 2009 and 2012

Share of unemployed by age, 2009

35-64, 26,6%

15-34, 73,4%

Share of unemployed by age, 2012

35-64, 29,1%

15-34, 70,9%

Unemployment rate by level of education and age, 2009

%	Primary and less	Some secondary	Matric/Grade 12	Tertiary
15-34yrs	35,4	40,6	33,6	15,2
35-64yrs	15,9	17,4	11,5	3,3

Unemployment rate by level of education and age, 2012

%	Primary and less	Some secondary	Matric/Grade 12	Tertiary
15-34yrs	36,9	42,1	35,2	17,5
35-64yrs	17,2	20,2	13,1	4,2

Levels of education also play an important role in the unemployment rates faced by young people. In 2012, the youth with primary education but less than secondary (matric) had a higher unemployment rate (36,9%) compared to the youth with a tertiary education (17,5%). Compared to 2009, in 2012 the unemployment rate increased irrespective of education level. The unemployment rate amongst those with a tertiary qualification, although the lowest, increased by 2,3 percentage points compared to 1,5 percentage points amongst the other educational categories (Figure 8.17).

Figure 8.18: Unemployment rate by population group, 2012

Legend: ■ 35-64yrs ■ 15-34yrs

Group	35-64yrs	15-34yrs
White	3,9	9,7
Indian/Asian	6,0	16,0
Coloured	15,7	33,6
Black African	17,1	39,3
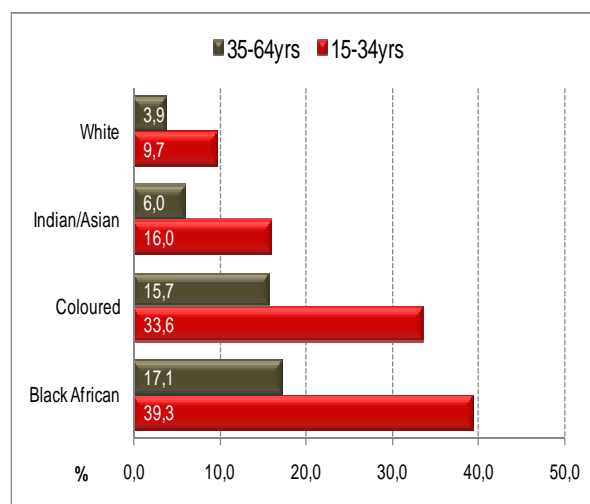
Figure 8.19: Share of the unemployed by province

NW, 5,2%
NC, 2,7%
LP, 6,1%
GP, 28,4%
FS, 7,7%
MP, 9,3%
EC, 11,8%
WC, 12,2%
KZN, 16,5%
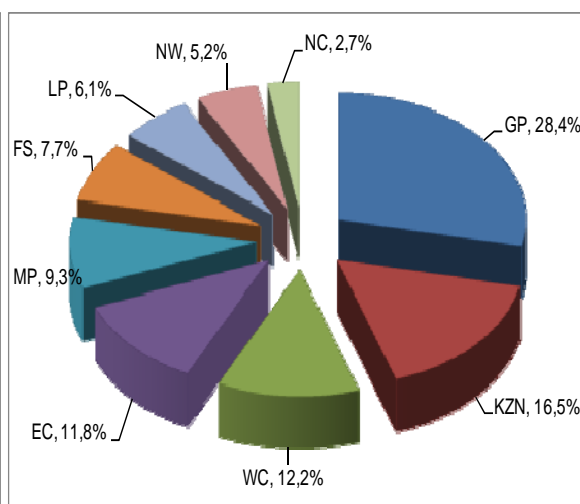
In 2012, the unemployment rate for black African young persons was more than four times that of young white persons (Figure 8.18). The provincial breakdown finds that the youth in Gauteng accounted for 28,4% of total youth unemployment, followed by KwaZulu-Natal, Western Cape and Eastern Cape, which, combined, account for close to 50% of total youth unemployment (Figure 8.19).

Indicators of youth vulnerability in the labour market

The ILO publication 'Global employment trends for the youth 2013, A generation at risk' highlights a number of factors which influence the levels of vulnerability amongst the youth, in particular those which have impacted post the financial crisis. These include lack of skills and work experience which reduces marketability of the youth during 'slack' labour market conditions[7]. Young people often also do not have the breadth of social networks from which their potential job offers can emanate due to limited previous work experience or the fact that many have never worked before. While active labour market policies such as assistance in job searching is often targeted at the youth, many young people still lack the knowledge of how and where to look for employment. Access to financial resources may also limit the extent of job-search activities or further education of young people.

Figure 8.20: Unemployment rate and share of unemployment for youth and adults, 2008, 2010 and 2012

	2008	2010	2012		2008	2010	2012
	Unemployment rate				Share of unemployment		
15-34	32,6	35,4	35,8		74,1	71,9	70,9
35-64	12,4	14,2	14,6		25,9	28,1	29,1
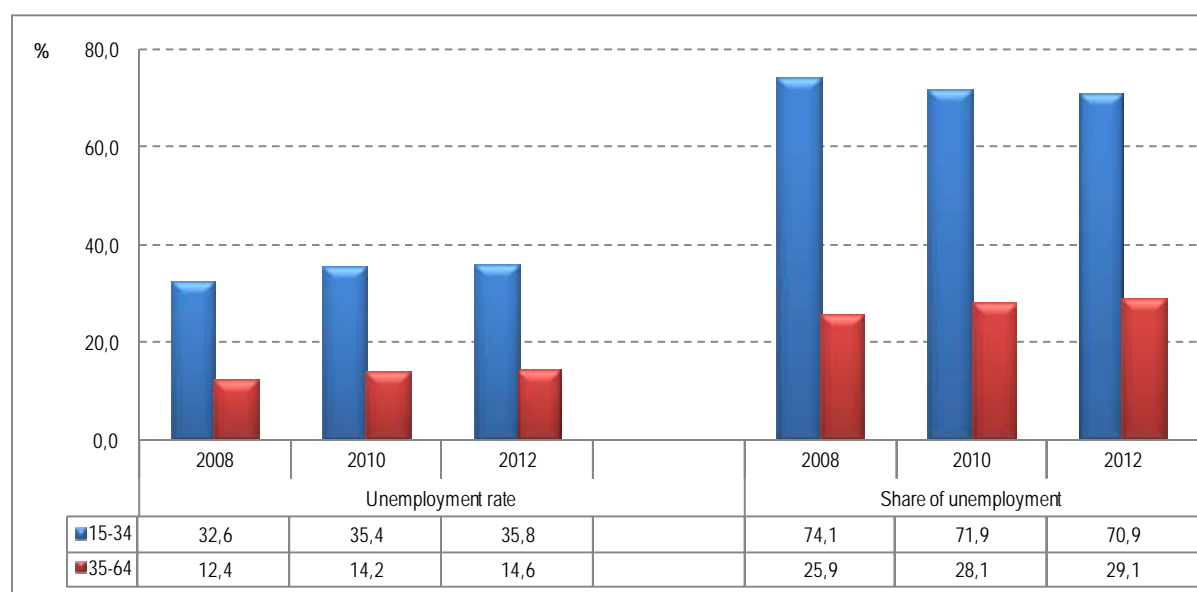
Over the period 2008 to 2012, both youth and adult unemployment rates increased. In 2008, the youth's share in total unemployment was 74,1% (almost 3 times the share of adults). By 2012, however, this ratio had declined to 2,4 times that of adults (Figure 8.20).

Which factors exacerbate poor labour market outcomes for the youth, in particular the high levels of unemployment they face? One such a factor is experience. Experience is gained from previous episodes of work and as mentioned earlier, young people often have limited work experience or have never worked before.

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[7]A tight labour market refers to conditions when the number of available jobs exceeds the number of job seekers or in economics terms, labour demand exceeds labour supply. A slack labour market refers to the converse in which there are more job seekers than job openings or labour supply exceeds labour demand.

Figure 8.21: Share of unemployed by age and whether person has worked before

	Worked before				Never worked before		
	2008	2010	2012		2008	2010	2012
15-34	47,2	46,0	44,3		52,8	54,0	55,7
35-64	87,4	87,0	85,1		12,6	13,0	14,9
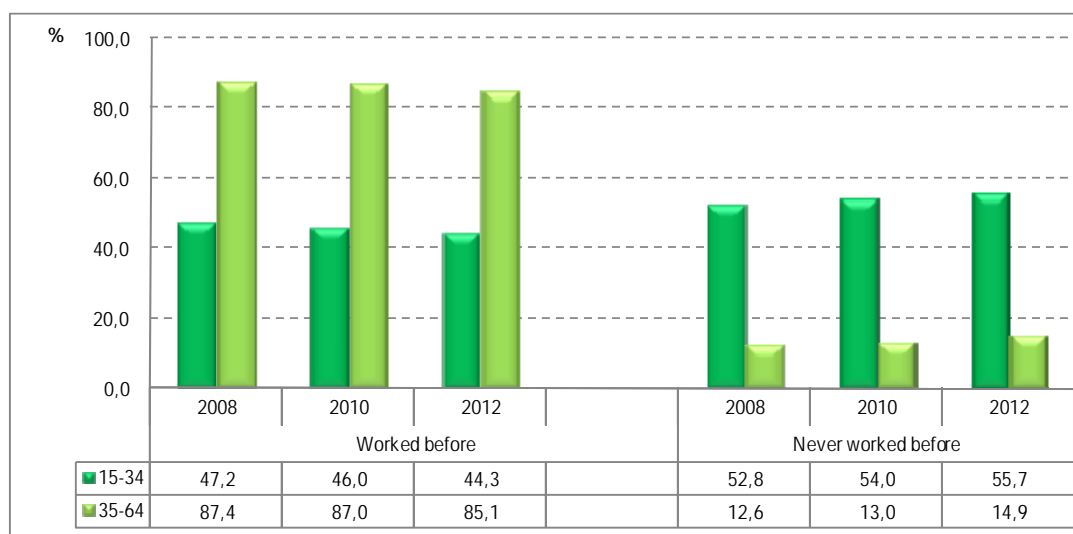
While youth unemployment is high, the share of unemployment by age is higher for young people who indicated that they had never worked for pay or profit or helped unpaid in a household business and thus had no previous work experience. Over the period 2008 to 2012, the share in unemployment of young people who had worked before declined at the expense of young people who had not worked before (Figure 8.21).

Figure 8.22: Employment by sector and age, 2007 and 2012
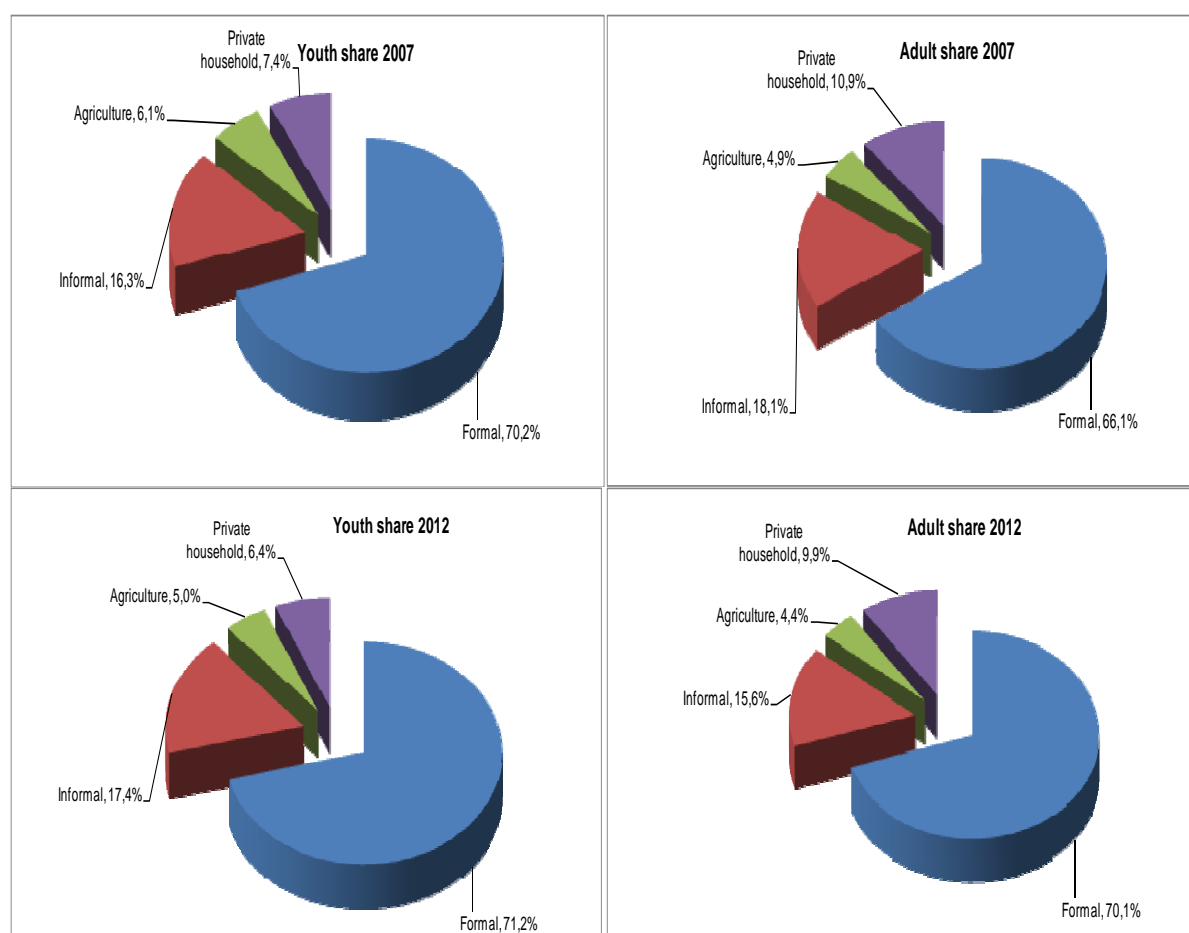
Vulnerabilities of the youth can also be exacerbated by the sectors in which they work, such that informal sector employment could be deemed more vulnerable, as most workers in this sector do not have access to the conditions of employment and benefits available to those employed in the formal sector. A trend analysis over the period 2007 to 2012, finds that the share of both formal sector and informal sector employment for young people had increased while employment in the agricultural and private household industries declined, suggestive of an improvement in the vulnerability of the youth. Similar trends were observed for adults aged between 35 and 64 years everywhere except in the informal sector (Figure 8.22).

As mentioned ealier, the length of unemployment impacts on future employment prospects, especially for the youth.

Table 8.6: Share of unemployment by length of unemployment for adults and youth, 2007–2012

	2007		2008		2009		2010		2011		2012	
Duration of unemployment	Per cent											
	15-34	**35-64**	**15-34**	**35-64**	**15-34**	**35-64**	**15-34**	**35-64**	**15-34**	**35-64**	**15-34**	**35-64**
Less than one year	49,3	37,9	42,6	37,3	41,6	36,8	35,6	32,3	32,6	30,2	33,3	30,0
More than one year	50,7	62,1	57,4	62,7	58,4	63,2	64,4	67,7	67,4	69,8	66,7	70,0

As young people make up around 70% of the unemployed, it is expected that they would also account for the majority of the long and short-term unemployed. In 2007, 50,7% of young people were long-term unemployed (unemployed for more than a year), compared to 62,1% of adults. By 2012, the incidence of long-term unemployment had increased for both youth and adults; 66,7% of unemployed youths were in long-term unemployment compared to 70,0% of adults (Table 8.6).

Figure 8.23: Access to benefits and type of contract by age, 2012
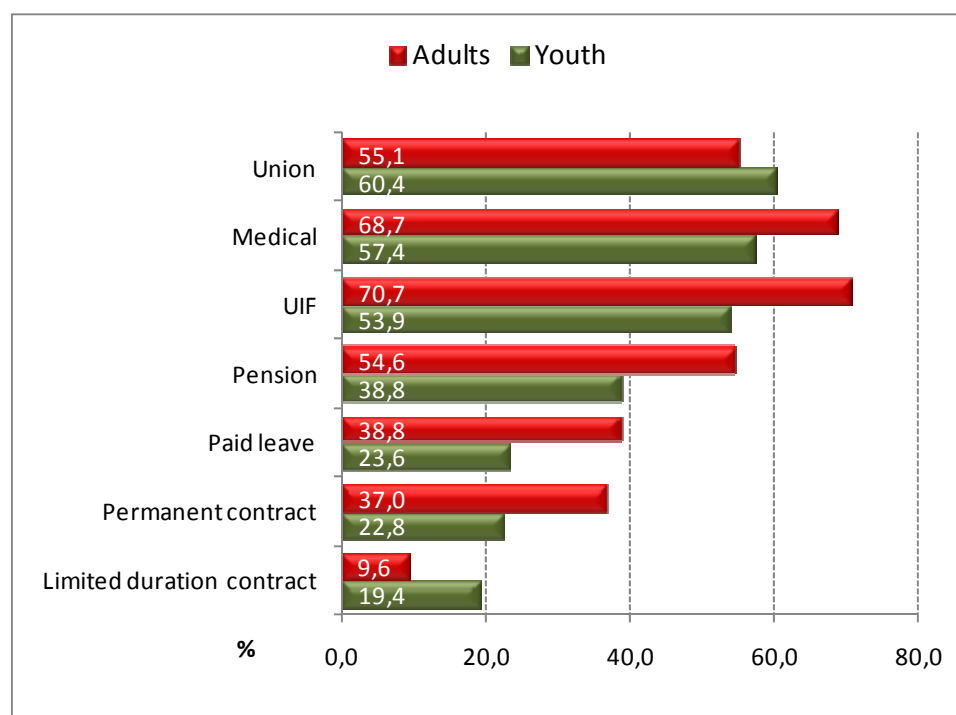
Chapter 9
The labour market form a census perspective

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Chapter 9: The labour market from a Census perspective

Cautionary note

The labour market results analysed in this Chapter are based on the results of the population census conducted in 2011. They may differ from the QLFS results for 2011 discussed in earlier chapters for two main reasons.

- The QLFS results for 2011 rely on employment data collected throughout the year; whereas the Census 2011 employment results refer to only the seven days prior to October 10, 2011.

- The benchmarks used for raising the QLFS data to the population totals are based on the 2001 Census results and not the new population numbers. The LFS and QLFS series will be reweighted to new population benchmarks in the months ahead.

- All references to **industry shares** of employment are based on Census 1996 results since the coding of industry for Census 2011 is still underway.

- Labour market indicators for 2011 may be revised when industry coding is complete.

An evaluation of the labour market results of the population censuses conducted in 1996; 2001 and 2011 is currently underway and will be published as part of Stats SA's Monograph series.

Background

The first post-apartheid population census was conducted by Statistics South Africa in 1996. Five years later the 2001 population census was undertaken while the most recent was conducted in 2011. Although each of these censuses included labour market questions, the official source of labour market patterns and trends is the specialised labour market surveys (currently the QLFS). Yet the census offers a unique opportunity to analyse labour market outcomes at lower geographical levels not possible from the specialised surveys. In light of this, the analysis in this chapter complements the discussion in earlier chapters by focusing on key labour indicators for the District Councils (DCs) and Metropolitan areas (metros) in the country based on the results of the 1996 and 2011 population censuses. Caution is required when interpreting trends over time because of differences in the number, structure and sequencing of questions asked in the two censuses. In this regard, the expanded definition of unemployment is used throughout, since the 1996 census did not include all the detailed questions necessary to derive a robust measure of the official definition.

Introduction

As discussed in previous chapters, factors such as age, sex and the level of education attainment are known to have an impact on the employment prospects of individuals. The initial focus of the analysis will therefore be on the DCs in which the unemployment rate was highest in 2011 and those in which the rate was lowest. Trends in the unemployment rate and absorption rate over the 15 year period 1996-2011 will then be analysed for DCs in which the change over the period was largest. Key labour market rates will also be analysed for DCs in predominantly urban; traditional and farm areas in conjunction with the education profile of the labour force in each of these three geographical area types.

The national picture

The working age population increased from 23,8 million in 1996 to 33,2 million 15 years later in 2011. Over the same period, the growth in the number of employed persons - from 9,0 million in 1996 to 13,2 million in 2011 - was accompanied by an increase in unemployment from 5,5 million to 8,8 million resulting in an increase in the unemployment rate from 37,7% to 40,0%.

Table 1: Composition of the working age population by sex

	Employed	Unemployed	NEA *	Labour force	Working age	Unemployment rate	Absorption rate	Labour force participation rate
1996				Thousand			Per cent	
Women	3 626	3 172	5 750	6 797	12 547	46,7	28,9	54,2
Men	5 467	2 328	3 477	7 795	11 272	29,9	48,5	69,2
Total	**9 093**	**5 499**	**9 227**	**14 592**	**23 820**	**37,7**	**38,2**	**61,3**
2011								
Women	5 768	4 922	6 451	10 690	17 141	46,0	33,6	62,4
Men	7 412	3 857	4 828	11 269	16 097	34,2	46,0	70,0
Total	**13 180**	**8 779**	**11 279**	**21 959**	**33 238**	**40,0**	**39,7**	**66,1**

*NEA refers to the not economically active population

Gender imbalances continued to plague the South African labour market with substantially higher unemployment rates among women (46,7% in 1996 and 46,0% in 2011) compared with men (29,9% and 34,2% over the same period). Although from a relatively low base, absorption rates among women increased - from 28,9% in 1996 to 33,6% in 2011 while among men the rate declined. While this may contribute positively to redressing gender imbalances, issues regarding job-quality arise.

Figure 9.1: Percentage distribution of the working age population by province
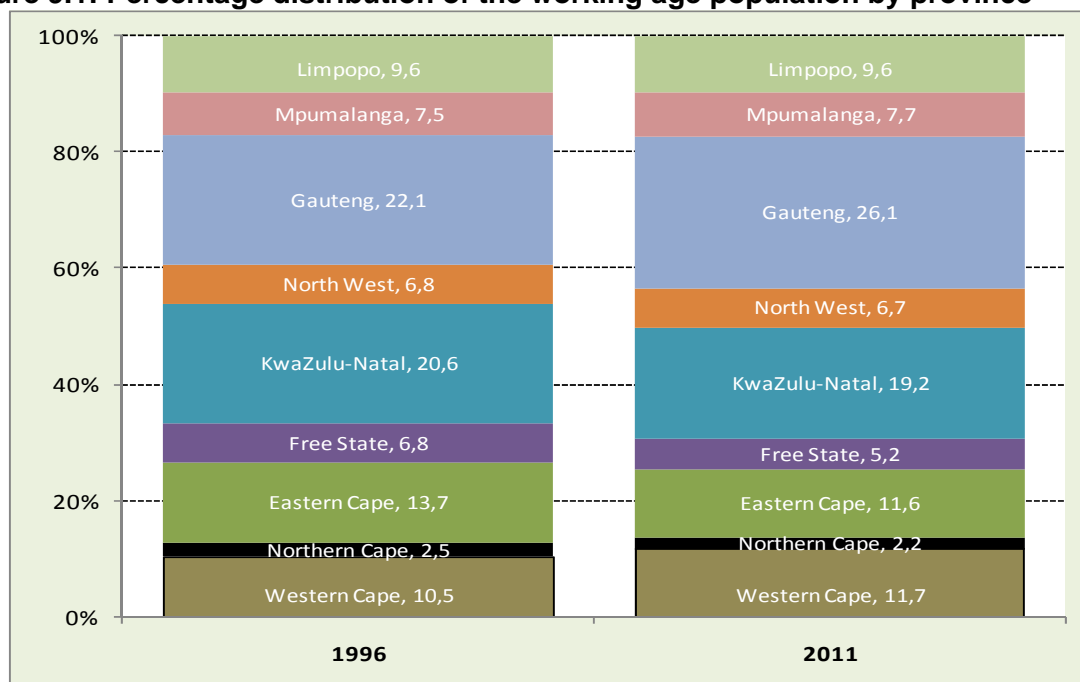
Reflecting migration trends over the period 1996 to 2011, Figure 9.1 shows that Gauteng is now home to more than one in every four persons aged 15-64 years (26,1%) – up from 22,1% in 1996. And whereas in 2011 Western Cape also accounted for a larger share of the working age population compared with 1996, provinces such as KwaZulu-Natal, Eastern Cape and Free State accounted for smaller shares of the working age population in 2011.

DCs with the highest and lowest unemployment rates in 2011

The analysis in this section is based on a ranking of the unemployment rate in 2011 across all DCs and metros in the country. The ten DCs or metros with the highest and lowest unemployment rates are then identified. Trends in the unemployment rate over the 1996 to 2011 period are then discussed in conjunction with the levels and trends in the absorption rate in these DCs.

Figure 9.2: DCs with the highest unemployment rate in 2011
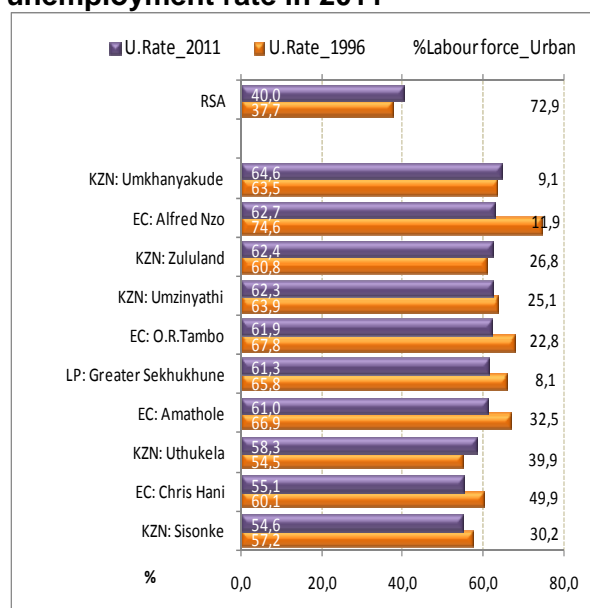
Figure 9.3: Absorption rate in the selected DCs
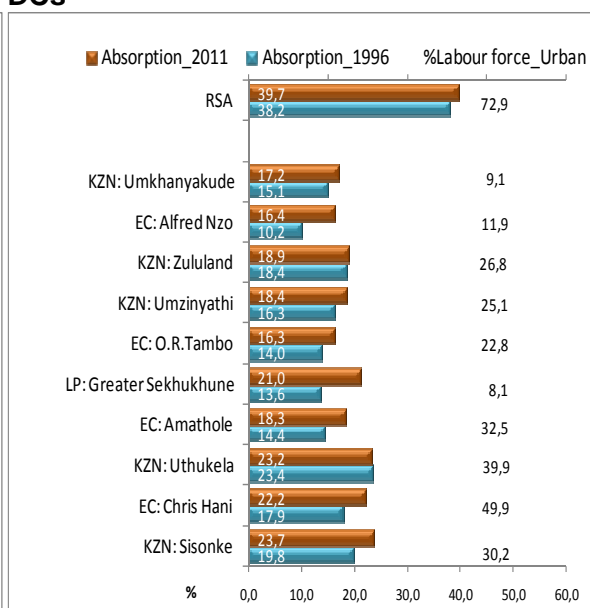
Note: The data in the right hand column refers to the percentage of the labour force

Nine out of the ten DCs where the unemployment rates in 2011 was highest were in either KwaZulu-Natal or Eastern Cape. Except for Uthukela, Zululand and Umkhanyakude in KwaZulu-Natal, in the other DCs – and contrary to the national outcome – the unemployment rate declined over the period 1996 to 2011 (Figure 9.2). The decline in unemployment rates were accompanied with increases in the absorption rate in most DCs as employment opportunities became generally better over the period 1996 to 2011. In DCs such as Umkhanyakude, Alfred Nzo and Greater Sekhukhune, in 2011 less than 15% of the labour force lived in urban areas. Only in Uthukela and Chris Hani was the urban labour force above 35% as against a national average of 72,9%.

Figure 9.4: DCs with the lowest unemployment rate in 2011
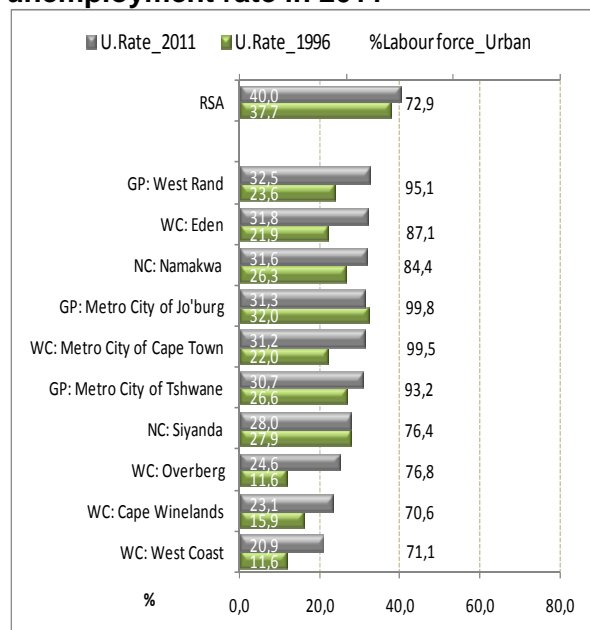
Figure 9.5: Absorption rate in the selected DCs
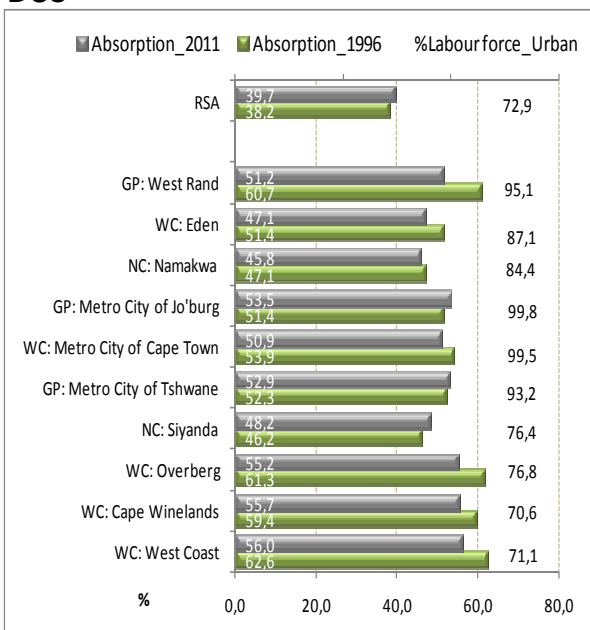
Note:U.Rate refers to the unemployment rate and the data in the right hand column refers to percentage of the labour force.

DCs with the lowest unemployment rates in 2011 were mostly in Western Cape and Gauteng. Especially in the metros, the labour force was highly urbanised with as many as nine out of every ten living in urban areas (Figure 9.4). In these DCs unemployment rates were lower than elsewhere, and absorption rates were higher than average. However, over the period 1996 to 2011 increases in the unemployment rate were generally higher than for the country as a whole especially in DCs where the agriculture industry accounted for a relatively large share of employment in the area (West Coast, Cape Winelands, Overberg, Eden, Siyanda). Increases in the unemployment rate were also higher than average in DCs where the mining industry was relatively important (West Rand and Namakwa). As a result - and unlike the national trend - in seven of the ten DCs the absorption rate declined.

DCs with the largest changes in the unemployment rate 1996-2011

This section is based on a ranking of DCs by the difference in the level of the unemployment rate between 1996 and 2011. The ten DCs with the largest increase in the unemployment rate as well as those with the largest decline in the rate are then ranked based on the unemployment rate in 2011.

Figure 9.6: DCs with the largest increase in the unemployment rate 1996-2011

Legend: U.Rate_2011, U.Rate_1996, %Labour force_Urban

DC	U.Rate_2011	U.Rate_1996	%Labour force_Urban
RSA	40,0	37,7	72,9
KZN: Amajuba	53,6	44,1	59,4
FS: Thabo Mofutsanyane	47,7	39,2	61,6
FS: Lejweleputswa	45,6	29,1	92,6
FS: Fezile Dabi	41,4	30,4	91,0
WC: Central Karoo	37,7	27,5	76,8
GP: West Rand	32,5	23,6	95,1
WC: Eden	31,8	21,9	87,1
WC: Metro City of Cape Town	31,2	22,0	99,5
WC: Overberg	24,6	11,6	76,8
WC: West Coast	20,9	11,6	71,1
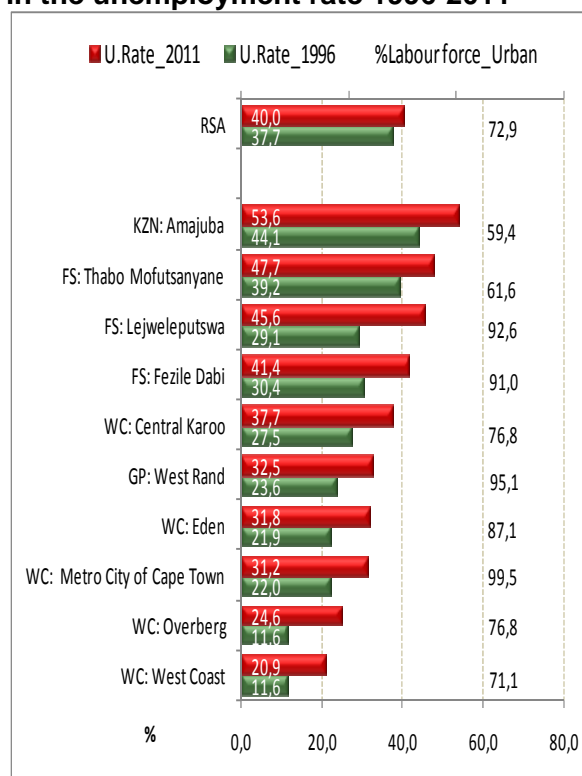
Figure 9.7: Absorption rate in the selected DCs, 1996-2011
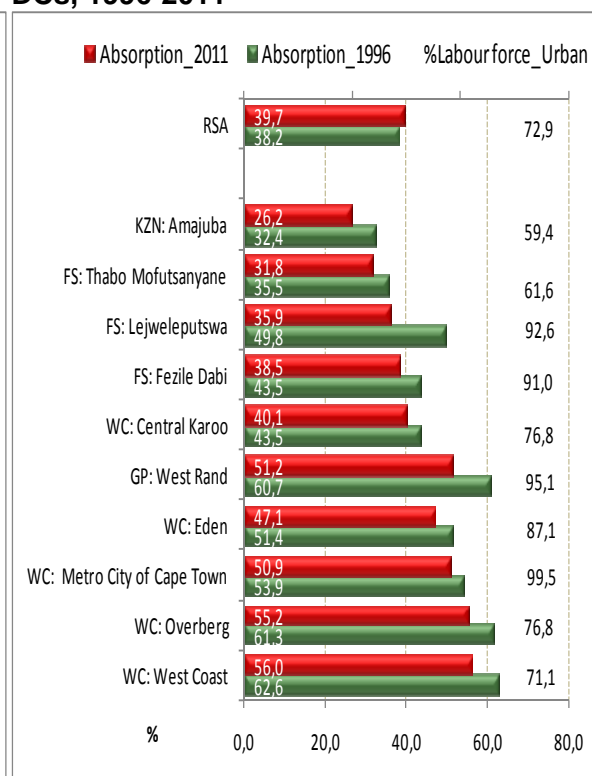
Legend: Absorption_2011, Absorption_1996, %Labour force_Urban

DC	Absorption_2011	Absorption_1996	%Labour force_Urban
RSA	39,7	38,2	72,9
KZN: Amajuba	26,2	32,4	59,4
FS: Thabo Mofutsanyane	31,8	35,5	61,6
FS: Lejweleputswa	35,9	49,8	92,6
FS: Fezile Dabi	38,5	43,5	91,0
WC: Central Karoo	40,1	43,5	76,8
GP: West Rand	51,2	60,7	95,1
WC: Eden	47,1	51,4	87,1
WC: Metro City of Cape Town	50,9	53,9	99,5
WC: Overberg	55,2	61,3	76,8
WC: West Coast	56,0	62,6	71,1

Note:U.Rate refers to the unemployment rate and the data in the right hand column refers to the percentage of the labour force.

Over the period 1996 to 2011, the DCs in which the unemployment rate increased the most were generally those in which, either mining (Lejweleputswa, West Rand) or agriculture (West Coast, Overberg, Central Karoo, Thabo Mofutsanyane) or both (Fezile Dabi) made a relatively large contribution to employment opportunities in the area. In this regard, and as noted earlier, all references to industry shares relate to Census 1996. In every DC identified in Figure 9.6, the absorption rate declined with the largest contractions occurring in Lejweleputswa and West Rand (Figure 9.7).

Figure 9.8: DCs with the largest decline in the unemployment rate 1996-2011
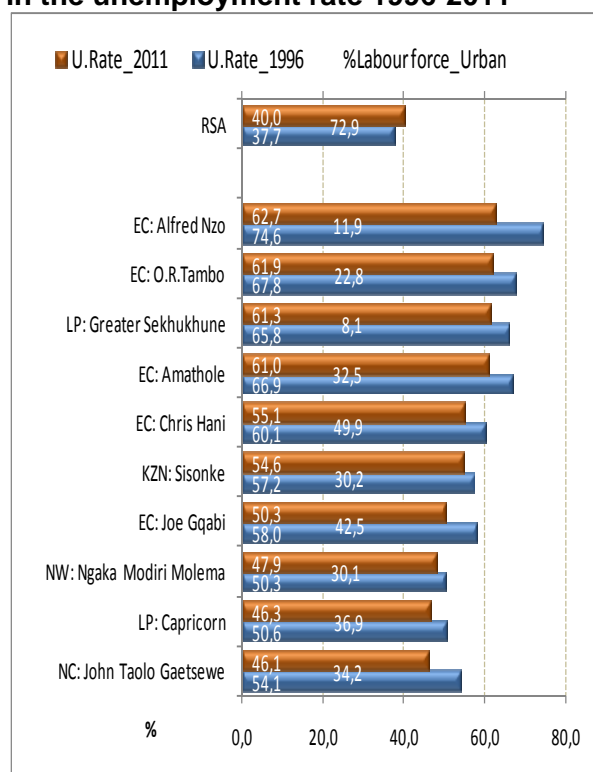
Figure 9.9: Absorption rate in the selected DCs, 1996-2011

Note:U.Rate refers to the unemployment rate
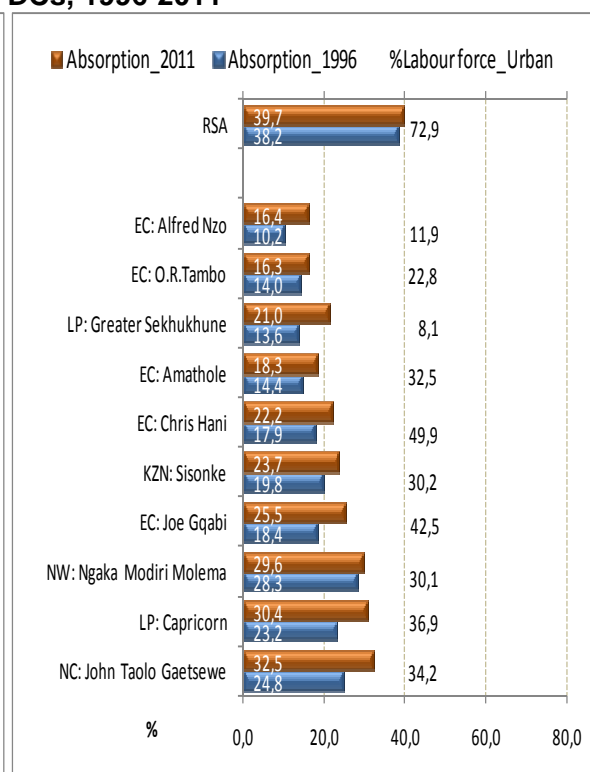
In several of the DCs which had the largest decline in unemployment rates over the period 1996 and 2011 (Alfred Nzo, O.R.Tambo, Joe Gqabi, John Taolo Gaetsewe, Chris Hani) government intervention may have played an important role (Figure 9.8). These were among the thirteen nodal areas targeted by Government in 2001 for special initiatives under the Integrated Sustainable Rural Development Program (ISRDP). Figure 9.9 shows that absorption rates in these DCs increased over the 15 year period by a larger than average margin.

Labour market outcomes among youth

As discussed in Chapter 8, the situation of young people in the South African labour market continues to be cause for serious concern. They account for a relatively large percentage of the working age population yet their labour market access is highly restricted as evidenced by high unemployment rates and low absorption rates among persons aged 15-34 years. The situation at DC and Metropolitan area level is equally precarious with DCs in the Western Cape generally performing better than elsewhere. DCs in KwaZulu-Natal and Eastern Cape generally have the worst youth unemployment rates in the country.

Figure 9.10: Highest unemployment rate among youth and adults in 2011
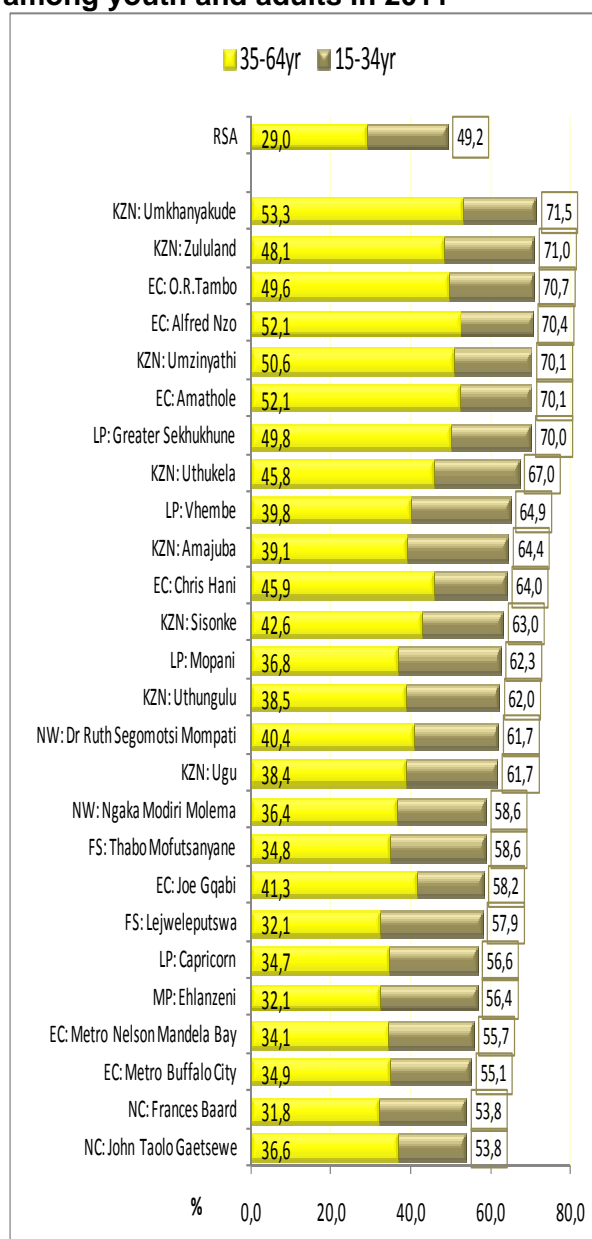
Figure 9.11: Lowest unemployment rate among youth and adults in 2011
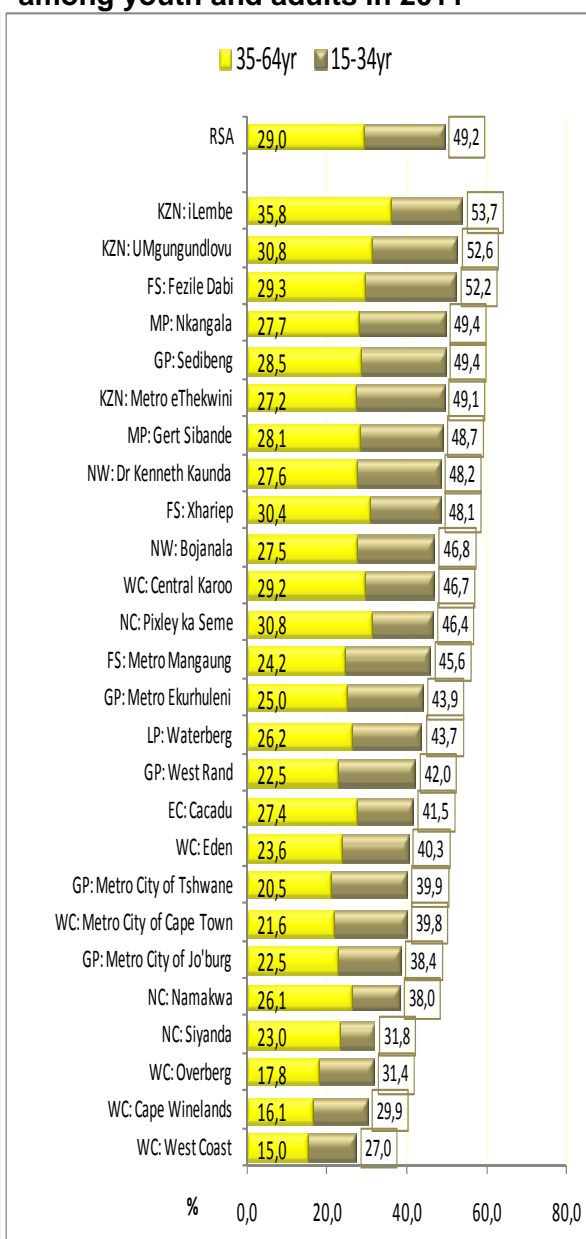
In 2011, the unemployment rate among young people aged 15-34 years was 49,2% compared with 29,0% among adults. Figures 9.10 and Figure 9.11 show that in every DC and metropolitan area across the country, the rates among youth were higher than those of adults by a large margin.

DCs in Western Cape such as the West Coast, Cape Winelands and Overberg had the lowest youth unemployment rates in the country ranging between 27% and 32%. However, these areas are heavily dependent on the agriculture industry that is typically characterised by low-productivity and low-paid jobs. In contrast, the youth unemployment rate in DCs such as Zululand and Umkhanyakude in KwaZulu-Natal was over 70%. In the metropolitan area of Western Cape (City of Cape Town) and two of the three metros in Gauteng (City of Johannesburg and City of Tshwane) the rate was below 40% while in the metro area of KwaZulu-Natal (eThekwini) and Free State (Mangaung) youth unemployment rates were close to 50%. Both of the metropolitan areas in Eastern Cape (Buffalo City and Nelson Mandela Bay) had youth unemployment rates of over 55%.

Youth aged 15-24 years who are not employed and not in education or training

As discussed earlier, the social consequences of exclusion faced by people who are not in employment and not in education and training (NEET) have been globally acknowledged with the introduction of a new indicator to monitor their situation. In this regard, young people aged 15-24 years are particularly vulnerable.

Figure 9.12: Highest NEET rate among young people 15-24yrs
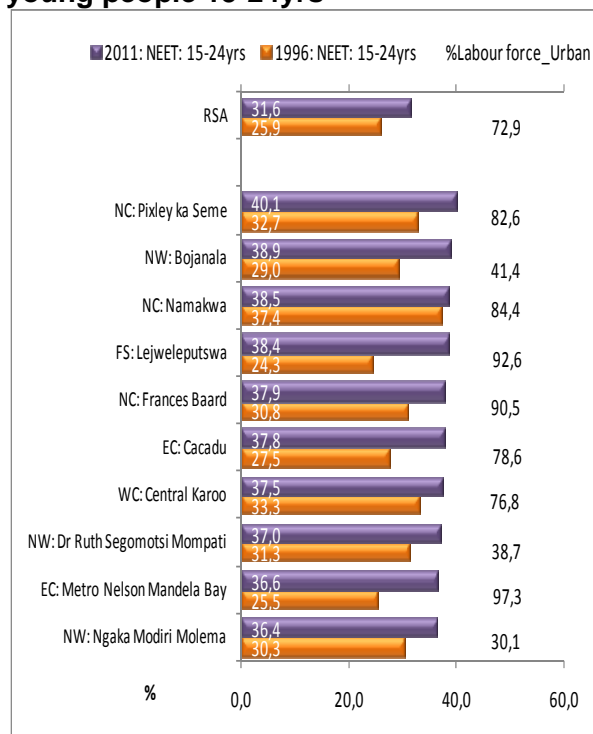
Figure 9.13: Lowest NEET rate among young people 15-24yrs
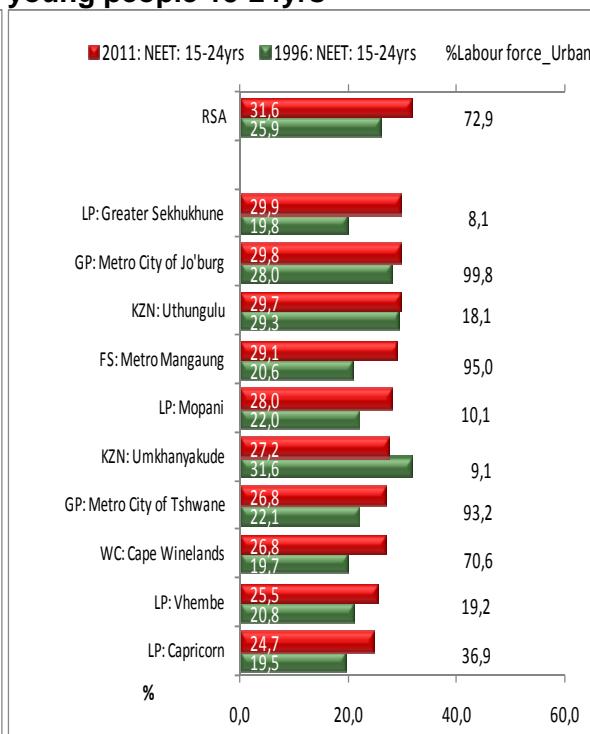
In 2011, the percentage of young people aged 15-24 years who were NEET was highest in Pixley ka Seme and lowest in Capricorn. Reflecting the trend in NEET rates among all youth over the period 1996 to 2011, except for Umkhanyakude, the rates increased in DCs and metros in which NEET rates were highest (Figure 9.12) as well as those in which rates were lowest (Figure 9.13). Except for Bojanala; Dr Ruth Segomotsi Mompati and Ngaka Modiri Molema the DCs with the highest NEET rates were also among the most urbanised - with more than 70% of the labour force living in urban areas. In contrast, the lowest NEET rates occurred in three metro areas each with a highly urbanised labour force, as well as DCs that were largely non-urban where less than 20% of the labour force lived in urban areas. In Umkhanyakude, Greater Sekhukhune, Mopani, Vhembe and Uthungulu relatively low NEET rates coincided with unemployment rates ranging from 46,3% to 64,6% and labour absorption rates between 17,2% and 30,4%. This suggests that young people in these areas may be aggressively pursuing education and training that would better equip them for jobs in the labour market (Figure 9.13).

Labour market outcomes by sex

Similar to the patterns and trends seen at national and provincial level, gender differences in the labour market are also pronounced at lower geographical levels.

Figure 9.14: Highest unemployment rate among men and women in 2011
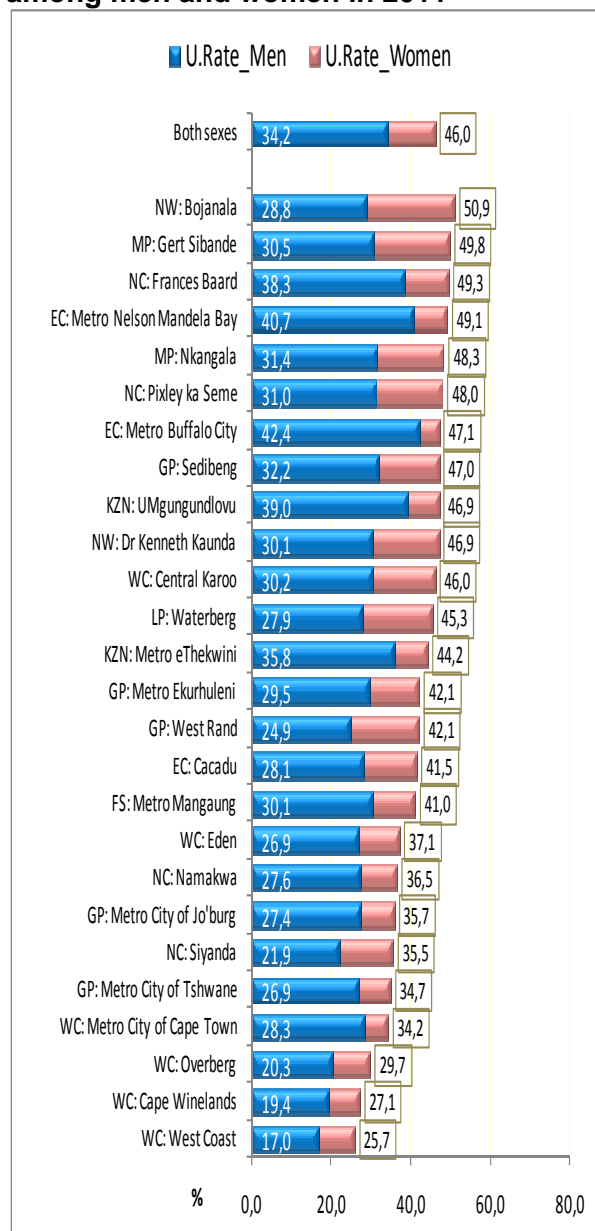
Figure 9.15: Lowest unemployment rate among men and women in 2011

Note:U.Rate refers to the unemployment rate
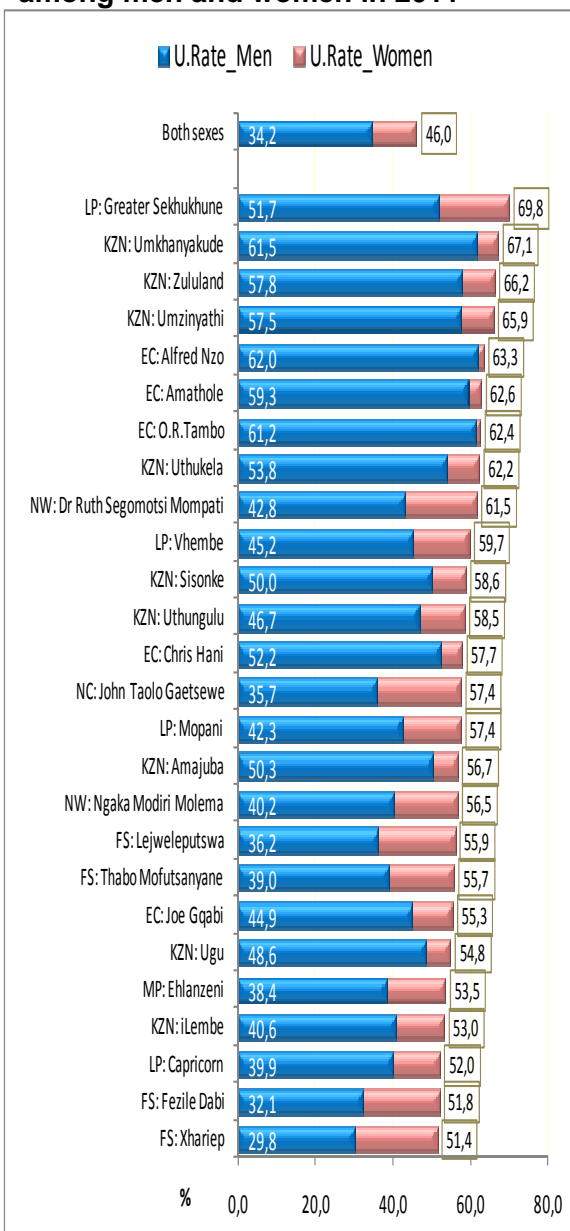
For the country as a whole, in 2011 the unemployment rate among women at 46,0% was 11,8 percentage points higher than that of men. At DC level the difference between male and female unemployment rates ranged from 1,2 percentage point in O.R.Tambo in the Eastern Cape to over 20 percentage points in Xhariep in Free State, John Taolo Gaetsewe in Northern Cape and Bojanala in North West (Figure 9.14 and Figure 9.15). In the DCs where the gender gap was particularly large, the mining and agriculture industries jointly accounted for over 30% of total employment in 1996.

Employment shares

Figure 9.16: DCs with the highest female shares in employment, 2011
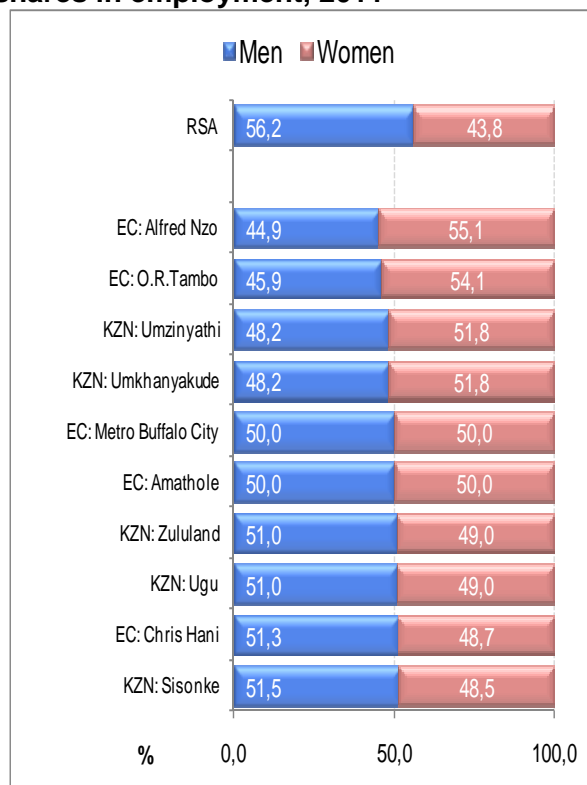
Figure 9.17: DCs with the lowest female shares in employment, 2011
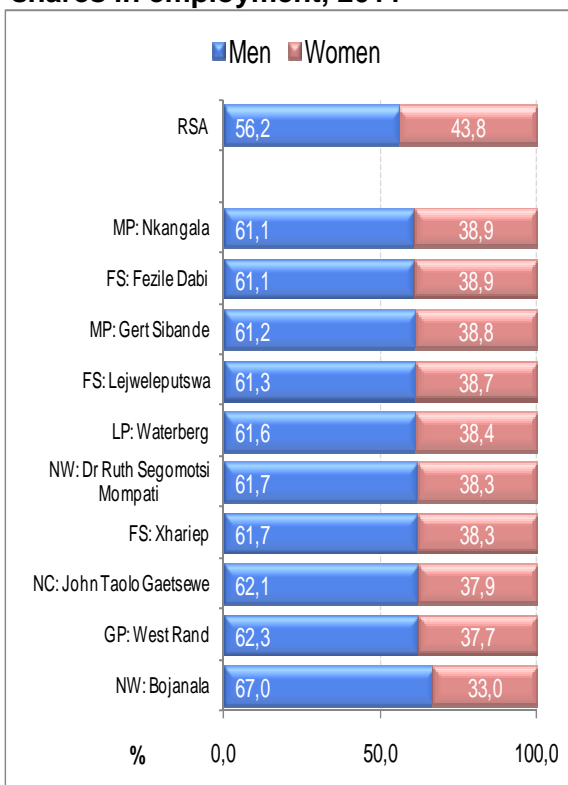
Figure 9.16 shows that most of the DCs with the highest shares of women in employment are in either Eastern Cape or KwaZulu-Natal. In these DCs the share of women in total employment is above the national average of 43,8% by a large margin – ranging from 48,5% in Sisonke to 55,1% in Alfred Nzo. The largest gender gap in favour of women occurred in Alfred Nzo where the percentage of women in employment was higher than men by 10,2 percentage points. On the other hand, in the DCs where the share of women in total employment was lowest, the gap between the shares of employed women and men was more than 20 percentage points in all DCs (Figure 9.17). In DCs such as Bojanala, the male share of total employment was more than double that of women.

Key labour market outcomes by type of area

This section first focuses on trends in the unemployment rate and labour absorption rate in urban areas of the country over the period 1996 to 2011 followed by an analysis of non-urban rates. Ten DCs and metros are selected across the country, based on the highest percentage of the labour force living in urban and non-urban areas in 2011. For ease of analysis, the selected DCs are then ranked from largest to smallest based on the unemployment rate in 2011. The absorption rate is also presented for this group.

Figure 9.18: Trends in the urban unemployment rate
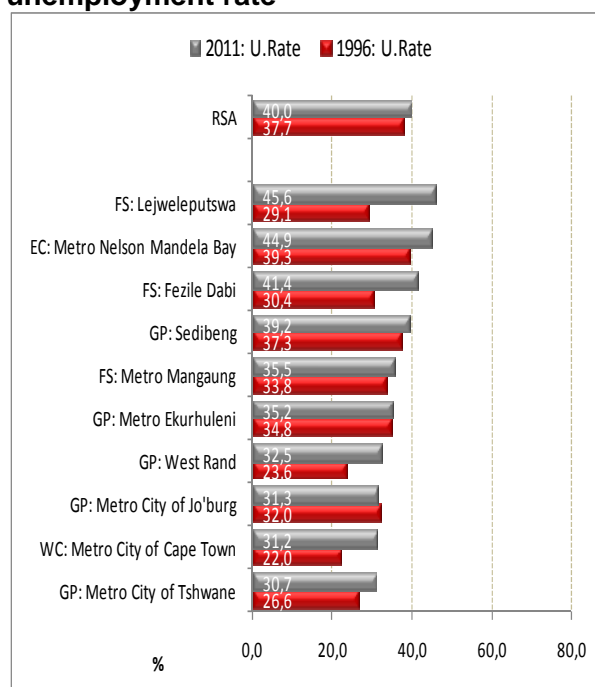
Note:U.Rate refers to the unemployment rate .

Figure 9.19: Trends in the urban absorption rate
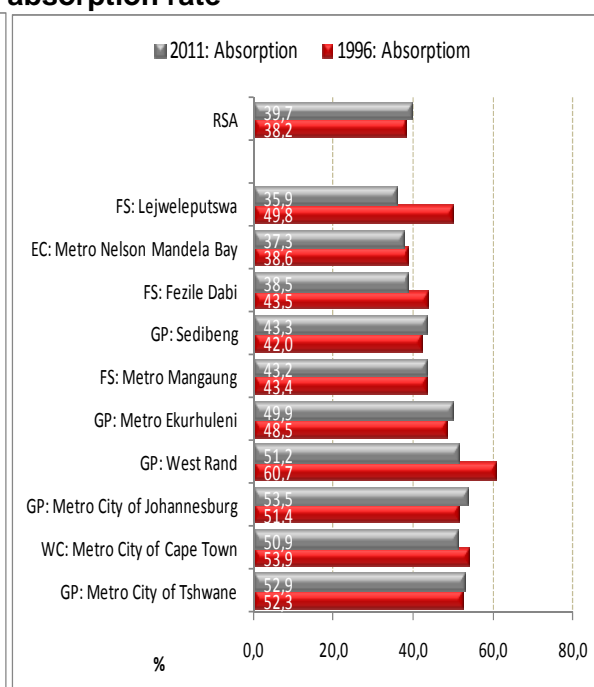
Figure 9.20: Trends in the non-urban unemployment rate
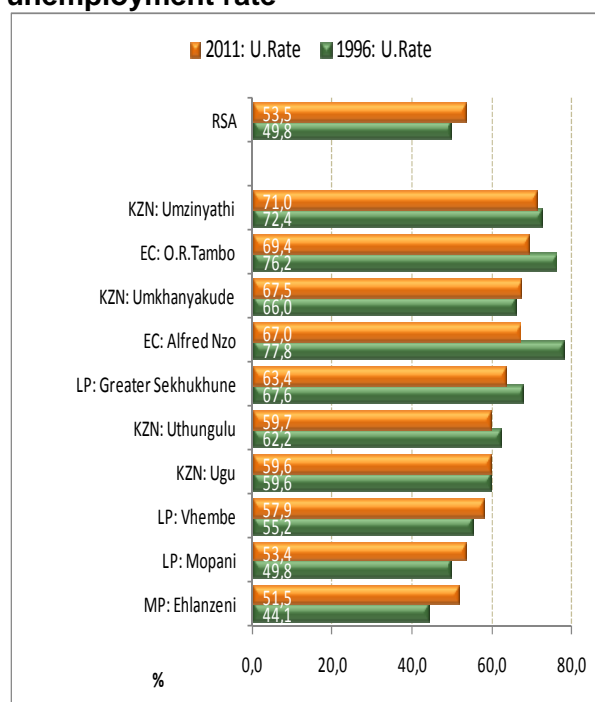
Note:U.Rate refers to the unemployment rate

Figure 9.21: Trends in the non-urban absorption rate
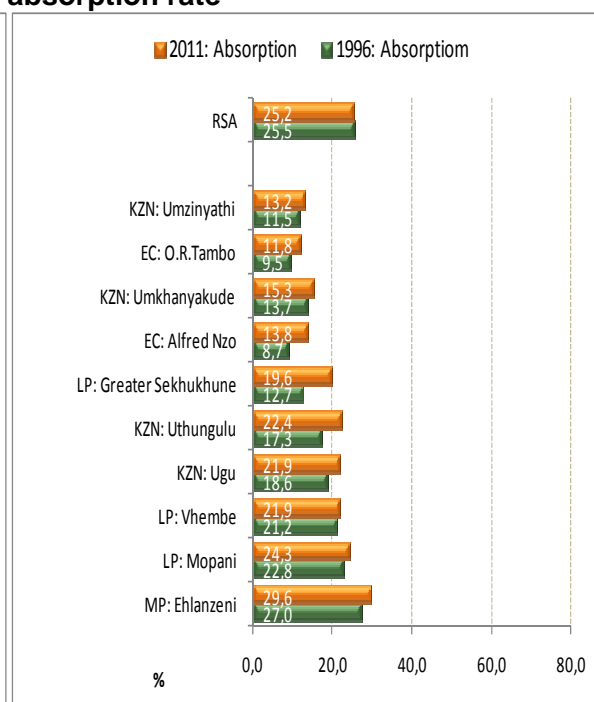
Reflecting the better possibilities of finding employment in urban areas, Figures 9.18 to Figure 9.21 show that urban unemployment rates were lower than non-urban rates and urban absorption rates were substantially higher than non-urban rates.

As expected, the largest increase in urban unemployment rates over the period 1996 to 2011 occurred in DCs in which the mining industry (Lejweleputswa and West Rand) or the

agriculture industry (Fezile Dabi) made a relatively large contribution to jobs in the urban areas of these DCs. Urban unemployment rates in several metropolitan areas also increased (City of Cape Town, City of Tshwane and Nelson Mandel Bay). The tight labour market conditions in these DCs and metros were reflected in relatively large declines in the urban absorption rate over the period. Over the same period, the decline in the non-urban unemployment rate was greatest in Alfred Nzo and O.R.Tambo while the largest increase occurred in Ehlanzeni and Mopani. Increases in the non-urban absorption rate over the period 1996-2011 were highest in DCs such as Greater Sekhukhune and Uthungulu where the unemployment rate over the period declined.

Key labour market outcomes by sex and type of area

This section is based solely on the results of Census 2011. The analysis first focuses on the ten DCs in which the urban labour force was highest and then on the ten DCs in which the labour force living in traditional areas was highest. Finally, the ten DCs in which the labour force living in farm areas was highest will be discussed. Absorption rates in the corresponding DCs in each type of area will also be analysed.

Figure 9.22: Unemployment rate by sex in predominantly urban DCs in 2011
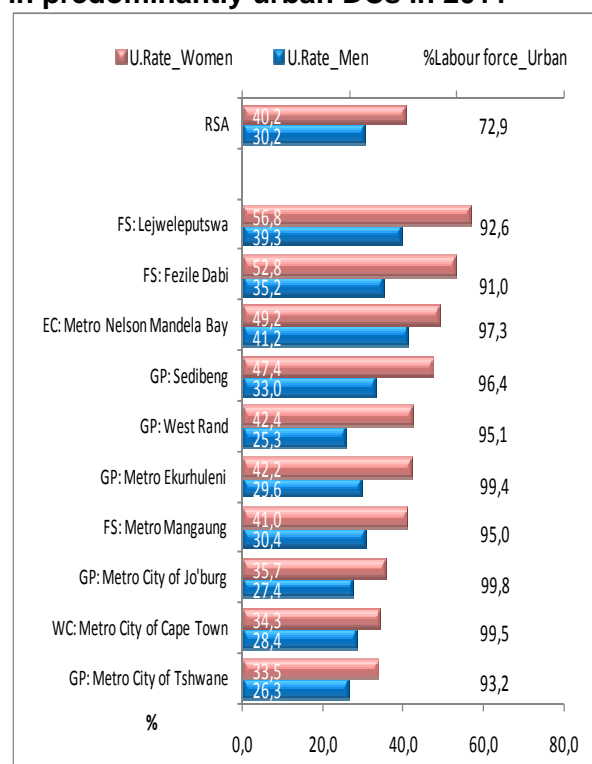
Figure 9.23: Absorption rate by sex in predominantly urban DCs in 2011
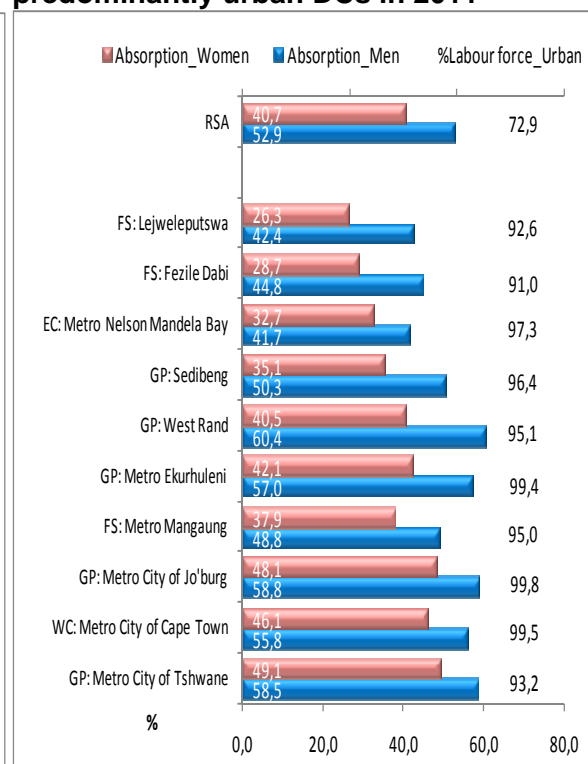
Both the male and the female labour force in six of the eight metropolitan areas in the country lived in urban areas (Figure 9.22). In 2011, the unemployment rate in urban areas of the country was 30,2% among men and 40,2% among women – lower than the national average across all geo types. In the predominantly urban areas the rate in 2011 among women was substantially higher than among men. However, gender differences tended to be less severe in the metro areas than in DCs such as Fezile Dabi, West Rand, and Sedibeng. As expected, absorption rates were substantially higher among men than among women (Figure 9.23).

Figure 9.24: Unemployment rate by sex in predominantly traditional DCs in 2011
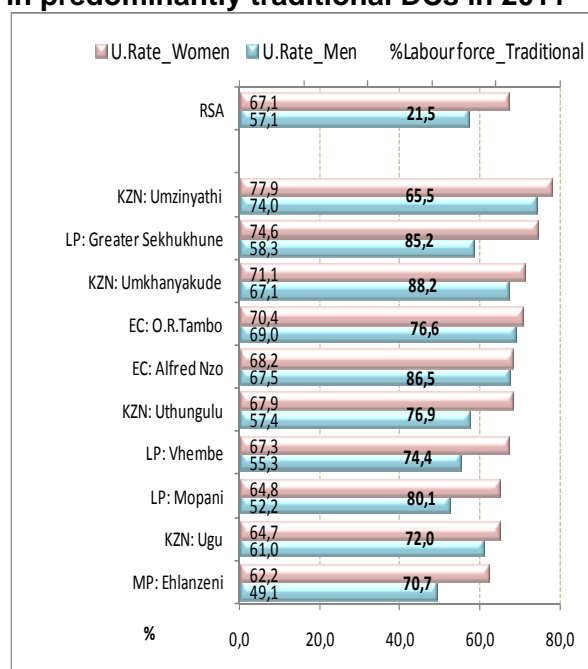
Figure 9.25: Absorption rate by sex in predominantly traditional DCs in 2011
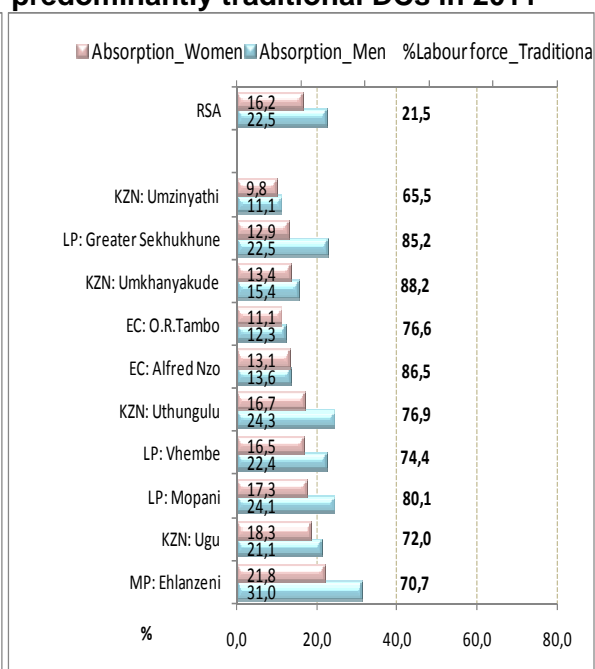
Note: U.Rate refers to the unemployment rate and the data in the right hand column refers to percentage of the labour force.

Nationally, in 2011, 21,5% of the labour force resided in traditional areas of the country and the unemployment rate in such areas among both men and women was substantially higher than in other types of areas. Figure 9.24 shows that in DCs such as Alfred Nzo, Umkhanyakude and Greater Sekhukhune more than 80% of the labour force resided in predominantly traditional areas. Gender disparities in the unemployment rate were less pronounced in Alfred Nzo and O.R.Tambo but relatively large in DCs such as Greater Sekhukhune, Mopani and Vhembe.

Figure 9.26: Unemployment rate by sex in predominantly farm DCs in 2011
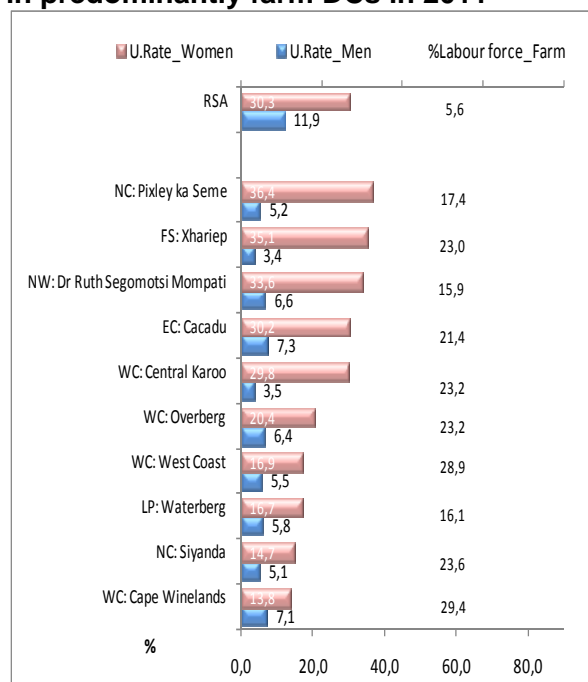
Figure 9.27: Absorption rate by sex in predominantly farm DCs in 2011
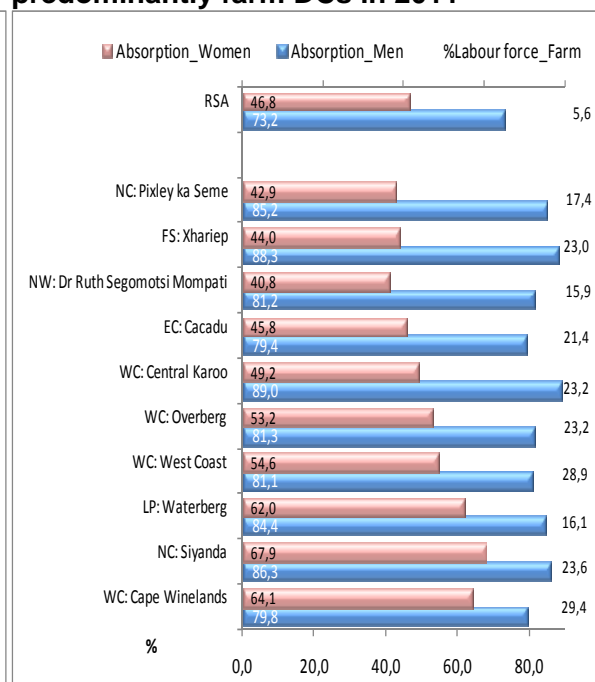
Note: U.Rate refers to the unemployment rate and the data in the right hand column refers to percentage of the labour force.

Unemployment rates in predominantly farm DCs were the lowest in the country. Figure 9.26 indicates that in 2011, less than 10% of the labour force in the country lived in farm areas and compared with urban or traditional areas, the unemployment rate was relatively low – 11,9% among men and 30,3% among women. National absorption rates were also higher in farm areas than in either traditional or urban areas (Figure 9.27). However, it should be noted that the higher absorption rates in farm areas among both women (46,8%) and men (73,2%) mask the often adverse conditions of employment typically faced by farm workers. .

Education levels of the labour force in various area types

There is a strong association between the poor levels of education of the labour force and the high unemployment rates that characterise the South African labour market. This suggests that the unemployment problem may well be partly due to a skills mismatch rather than insufficient demand for labour.

Figure 9.28 is based on a ranking of the labour force in 2011 based on the proportion that had attained education levels "Matric and higher" irrespective of area type. The ten DCs which had the highest percentage of persons in that education category are considered as having the best education profile in the country. While 45,6% of the labour force fell into that category, more than half of the labour force (54,1%) had education levels below matric. Not surprisingly, Figure 9.28 shows that all but one of the eight metropolitan areas in the country (Buffalo City in the Eastern Cape) had better education profiles than elsewhere.

Figure 9.28: Education level of the labour force in DCs with the best qualification profile in 2011
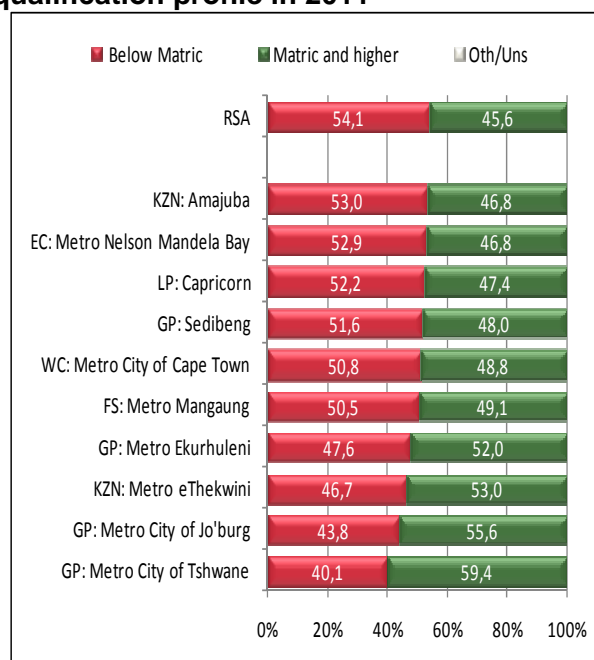
Figure 9.29: Education level of the urban labour force, 2011

	Below Matric	Matric and higher	Oth/Uns
RSA	54,1	45,6	
KZN: Amajuba	53,0	46,8	
EC: Metro Nelson Mandela Bay	52,9	46,8	
LP: Capricorn	52,2	47,4	
GP: Sedibeng	51,6	48,0	
WC: Metro City of Cape Town	50,8	48,8	
FS: Metro Mangaung	50,5	49,1	
GP: Metro Ekurhuleni	47,6	52,0	
KZN: Metro eThekwini	46,7	53,0	
GP: Metro City of Jo'burg	43,8	55,6	
GP: Metro City of Tshwane	40,1	59,4	

	Urban: Below Matric	Urban: Matric and higher	Oth/Uns
RSA	48,9	50,7	
FS: Lejweleputswa	60,8	38,9	
GP: West Rand	56,7	43,0	
FS: Fezile Dabi	56,1	43,6	
EC: Metro Nelson Mandela Bay	52,6	47,1	
GP: Sedibeng	51,1	48,4	
WC: Metro City of Cape Town	50,8	48,8	
FS: Metro Mangaung	49,7	49,9	
GP: Metro Ekurhuleni	47,5	52,1	
GP: Metro City of Jo'burg	43,7	55,7	
GP: Metro City of Tshwane	38,5	60,9	

Figure 9.28 is based on a ranking of the urban labour force in 2011. The ten DCs or metros with the highest percentage of the labour force in urban areas are then analysed. As expected, metros also feature prominently in the ranking by the most urbanised labour force. Small differences are evident in the education profile of the metros and DCs common to both the overall profile depicted in Figure 9.28 and the urban profile in Figure 9.29 because the latter focuses solely on the urban areas within the metro or DC.

Figure 9.30: Education level of the labour force in traditional areas, 2011
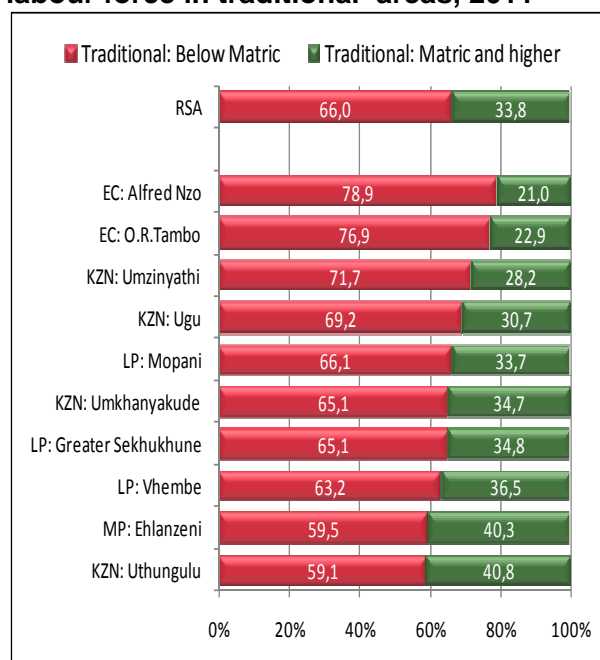
Figure 9.31: Education level of the labour force in farm areas, 2011
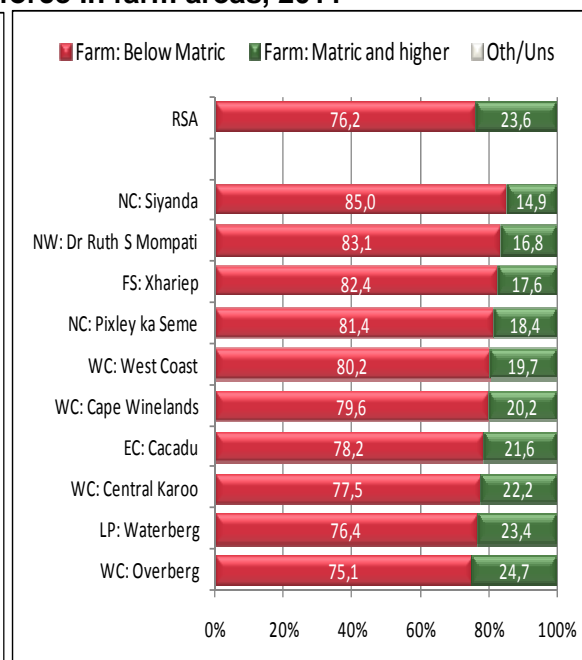
The education profile of the ten DCs that are predominantly traditional is markedly different from that of DCs or metros that are predominantly urban. Figure 9.30 shows that nationally, a larger percentage of the labour force in traditional areas (66,0%) had not obtained matric or higher qualifications compared with the outcome (48,9%) in urban areas. The picture is substantially worse in predominantly farm areas where as many as 76,2% of the labour force did not have such qualifications (Figure 9.31).

A notable feature of Figure 9.31 is that farm areas of DCs in the Western Cape such as West Coast, Cape Winelands, and Overberg have the lowest unemployment rates in the country (Figure 9.4) while absorption rates are substantially above the national average (Figure 9.5). But the downturn in the agriculture industry is reflected in larger than average increases in the unemployment rate in these areas. And the education profile of the labour force in the DCs shown in Figure 9.31, suggests that opportunities for employment in these areas are largely in low-skilled occupations – often associated with job-vulnerability and tenuous conditions of employment.

Employment in the formal and informal sectors

Coding of the industries and occupations of employed persons in Census 2011 is still underway such that it is not yet possible to identify persons working in the agriculture industry separately. The analysis in this section is therefore based on sectoral distributions which include agriculture. Caution should also be exercised in another respect. The definition used in earlier chapters, is based on an objective measure of the informal sector (based on registration and enterprise size). In contrast, the definition used in Census is largely subjective since the necessary questions were not included in the census questionnaire because of cost considerations.

Figure 9.32: Highest share of formal sector employment, 2011
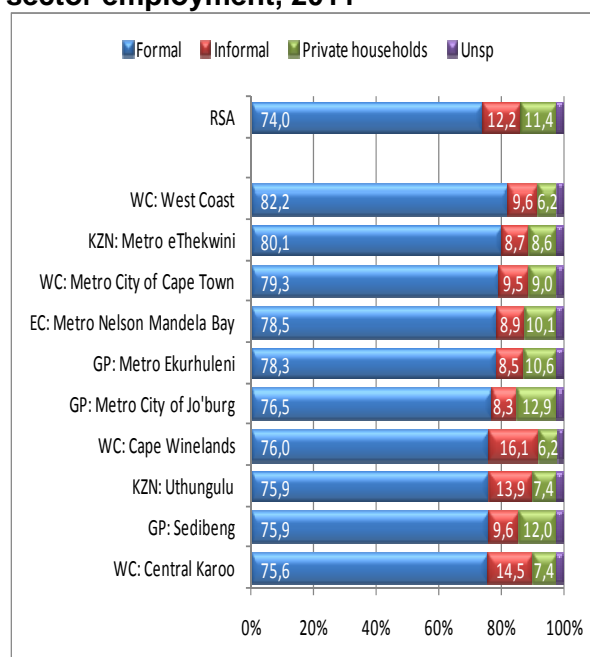
Figure 9.33: Highest share of informal sector employment, 2011
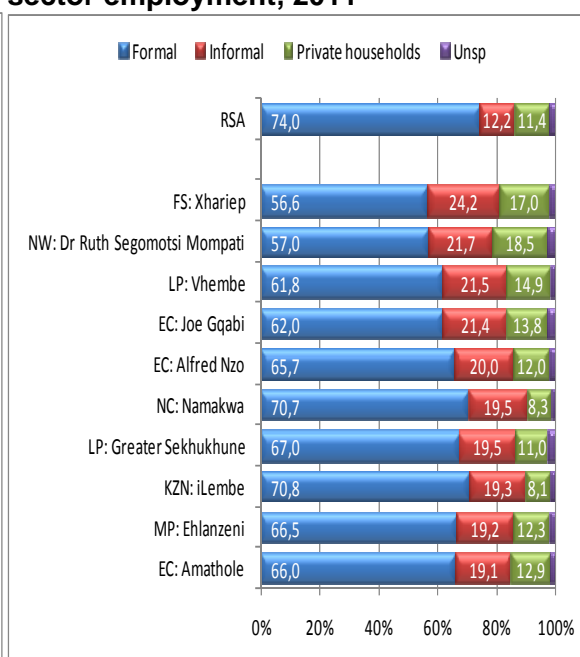
In 2011, five of the eight metro areas in the country featured prominently among the ten DCs and metros where the formal sector made the largest contribution to total employment (Figure 9.32). DCs such as West Coast and Central Karoo where commercial agriculture is widespread also featured prominently. In contrast, the informal sector accounted for 12,2% of total employment in 2011. And notably, in Xhariep - which is also heavily dependent on agriculture – one in every four employed persons worked in the informal sector (Figure 9.33).

Figure 9.34: Education level of the labour force in the formal sector, 2011
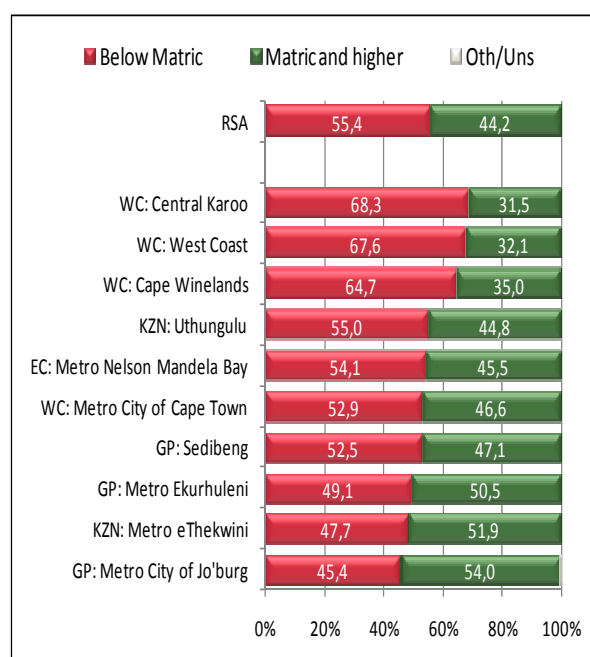
Figure 9.35: Education level of the labour force in the informal sector, 2011
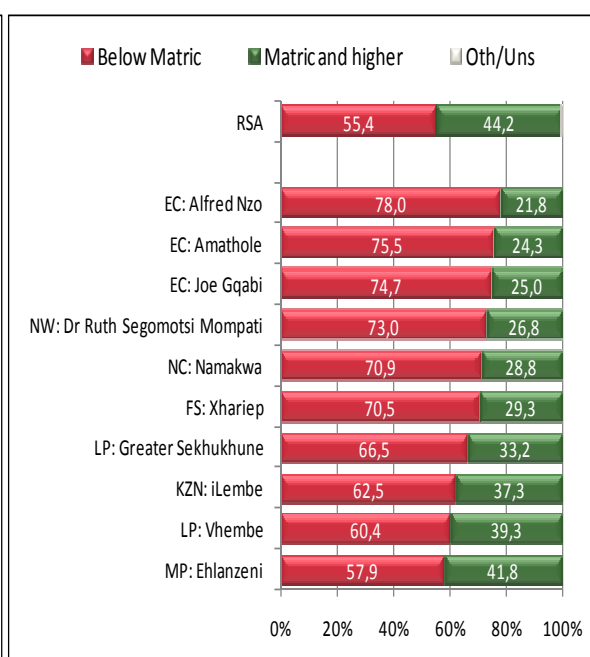
Figures 9.34 and Figure 9.35 are based on the ranking of DCs shown in Figure 9.32 and Figure 9.33 – DCs where the formal sector accounts for the largest share of total employment, and DCs in which the informal sector is largest.

In the DCs shown in Figure 9.34 and Figure 9.35, the education profile of the labour force in DCs where formal sector employment is largest - is better than in DCs where the informal sector accounts for the largest share of total employment.

Summary

Sub-provincial differences in key labour market indicators such as the unemployment rate and the absorption rate are due to several factors. The age, sex and level of education attainment are known to have an impact on the employment prospects of individuals. But another major contributing factor is the economic structure of the provinces and the DCs and metros within them. Industry composition plays an important role in the large sub-provincial disparities in labour market outcomes. DCs in which the unemployment rate increased the most over the 1996-2011 period were generally those in which either the agriculture or mining industries (or both) made a relatively large contribution to employment in the area.

Trends in the unemployment rate and absorption rate over the period 1996 – 2011 also suggest that several of the DCs in which the unemployment rate declined were in nodal areas which benefitted from the Integrated Sustainable Rural Development Program introduced by Government in 2001. In this regard, the unemployment rate was highest in 2011 in DCs such as Chris Hani; O.R.Tambo and Alfred Nzo in the Eastern Cape as well as in Zululand and Umzinyathi in KwaZulu-Natal. Yet over the period 1996-2011, and unlike the national trend, these were among the DCs with the largest declines in the unemployment rate over the period.

Reflecting the better possibilities of finding employment in urban areas - urban unemployment rates were lower than non-urban rates and urban absorption rates were substantially higher than non-urban rates.

Youth continue to be a particularly vulnerable group in the South African labour market. In every DC and metro area across the country, the youth unemployment rate was higher than that of adults. Disparities between youth and adult rates were particularly large in most metro areas (City of Tshwane and Ekurhuleni in Gauteng; Mangaung in Free State; City of Cape Town in Western Cape and eThekwini in KwaZulu-Natal). DCs in the Western Cape generally had lower rates than elsewhere while DCs in KwaZulu-Natal and Eastern Cape had the worst youth unemployment rates in the country.

Gender disparities in the unemployment rate at sub-provincial levels are also widespread, signalling the limited scope for women to take part in the world of work in many areas of the country. In DCs where the male-dominated mining industry makes a large contribution to employment (Bojanala in North West, West Rand in Gauteng and John Taolo Gaetsewe in Northern Cape) gender disparities are particularly large.

Labour market outcomes by area type provide added insight into the situation at lower geographical levels. In 2011, DCs in which the labour force resided in predominantly traditional areas, had higher unemployment rates and lower absorption rates among both men and women than in other ar
ea types. Unemployment rates were lowest in DCs where the labour force resided in predominantly farm areas. In such areas DCs in the Western Cape feature prominently (Cape Winelands; West Coast; Overberg and Central Karoo). Yet issues of job-quality and

often poor conditions of employment tend to overshadow this positive outcome. Not surprisingly, the education profile of the labour force in predominantly farm areas reflects the abundance of low-skilled labour engaged in farming activities. More than 75% of the labour force in farm areas have not completed matric or do not have tertiary education. In DCs such as West Coast in Western Cape; Pixley ka Seme and Siyanda in Northern Cape; Xhariep in Free State and Dr Ruth Segomotsi Mompati in North West this percentage rises to over 80%. In contrast, the education profile of the labour force in the predominantly urban areas of the metros is substantially better. Only 38,5% of the labour force in the urban areas of Tshwane do not have matric or tertiary education - rising to 52,6% in the urban areas of Nelson Mandela Bay metro in Eastern Cape. The percentage with this education level in predominantly traditional DCs ranges from 59,1% in Uthungulu in KwaZulu-Natal to 78,9% in Alfred Nzo in Eastern Cape.

Formal sector employment (including agriculture) accounts for the vast majority of jobs in the South African labour market (74,0%). Job opportunities in the sector are more likely in the metro areas. Five of the eight metro areas in the country are among the top ten areas with the highest share of formal sector jobs. The ten DCs in which the informal sector accounts for the largest share of employment are located in provinces other than Western Cape and Gauteng.

Conclusion

The analysis in this chapter has highlighted important labour market outcomes at sub-provincial level not possible from the specialised labour market surveys. It thus provides the basis for District Councils and metropolitan areas to better understand the challenges they face in creating employment and enables them to implement and monitor policies to tackle the situation in their areas.

Chapter 10
Other forms of work

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Chapter 10: Other forms of work

There is growing international awareness that work involves a whole range of activities beyond wage and salary employment that make an important contribution to the economy. The ILO (2013: p15) confirms "that persons may engage in different forms of work during a given reference period. Persons may hold one or several income-generating jobs (e.g. as wage employees or as owners of a market enterprise) and may also engage in own-use production of goods (e.g. growing vegetables or fetching firewood) and/or work as volunteers for an organisation or for the community. At the same time, they may provide services for own use by the household (e.g. managing bills, cleaning, cooking, making repairs, caring for children or elderly members)".

Against this background, the information collected by Statistics South Africa through the QLFS complements the data collected through other surveys such as the Time Use Survey (TUS) and the Volunteer Activities Survey (VAS), to provide a comprehensive picture of all forms of work undertaken in the South African economy[1]. The results from these surveys, when considered together, provide an integrated picture about how participation in one form of work impacts on the ability to participate in other types of work, and enables targeted interventions to redress the situation of specific groups.

Background

The employment patterns and trends analysed in previous chapters include only individuals who engaged in market production activities and relate mostly to individuals who worked for a wage or profit. The analysis in this chapter provides insight into other forms of work not discussed in earlier chapters. Firstly, the patterns and trends of non-market production activities (e.g. subsistence farming, collecting fuel and fetching water) will be examined based on the results of the QLFS. And secondly, based on the results of the Time Use Survey conducted by Stats SA in 2010 and the Volunteer Activities Survey conducted the same year, the analysis will focus on other forms of work such as: housework, cooking, cleaning, do-it yourself home improvements, caring for children, volunteer work and other community services. In this way the chapter provides an all-inclusive understanding of work to inform policies targeted at specific groups.

Introduction

Since its inception in 2008, the QLFS has collected information regarding non-market production activities. However, in the earlier rounds of the survey – up until mid-2010 – the relevant questions were not asked of everyone in the working age population. Only persons who reported that they had not been employed during the reference week were asked to report on such activities. For this reason, the initial focus of the analysis in this chapter is based only on the results of the QLFS results for 2011 and 2012, to ensure that persons who engaged in both market and non-market activities would be included in the various distributions. The question relating to non-market production activities allowed for multiple responses and respondents may have engaged in several activities during the reference period. As a consequence, the distribution of non-market activities cannot be summed to arrive at the total number of persons who engaged in such activities. However, we identify persons engaged in at least one such activity in order to provide a global figure across all activities.

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[1] Both the Time Use Survey and the Volunteer Activities Survey are available at www.statssa.gov.za.

Non-market production activities

Table 10.1: Types of non-market production activities, 2011 and 2012

	2011	2012	Per cent of working age 2011	2012
	Thousand		Per cent	
Subsistence farming	1 935	1 728	6,0	5,2
Fetching water or collecting wood	4 228	4 167	13,0	12,6
Production of other goods for household use	242	116	0,7	0,4
Construction or repairs to own/household dwellings or structures	371	271	1,1	0,8
Hunting or fishing for household use	109	37	0,3	0,1
Engagement in at least one activity*	**5 486**	**5 204**	**16,9**	**15,8**

Note: the activities do not sum to the total since an individual could have undertaken more than one type of activity.

Table 10.1 shows that in both 2011 and 2012, fetching water/collecting wood and subsistence farming were the main types of non-market activities undertaken by household members aged 15–64 years. The number of persons engaged in each type of non-market production activity declined over the period 2011 and 2012 – with the largest decline occurring among those who engaged in subsistence farming activities.

Figure 10.1: Engagement in at least one non-market production activity, 2012
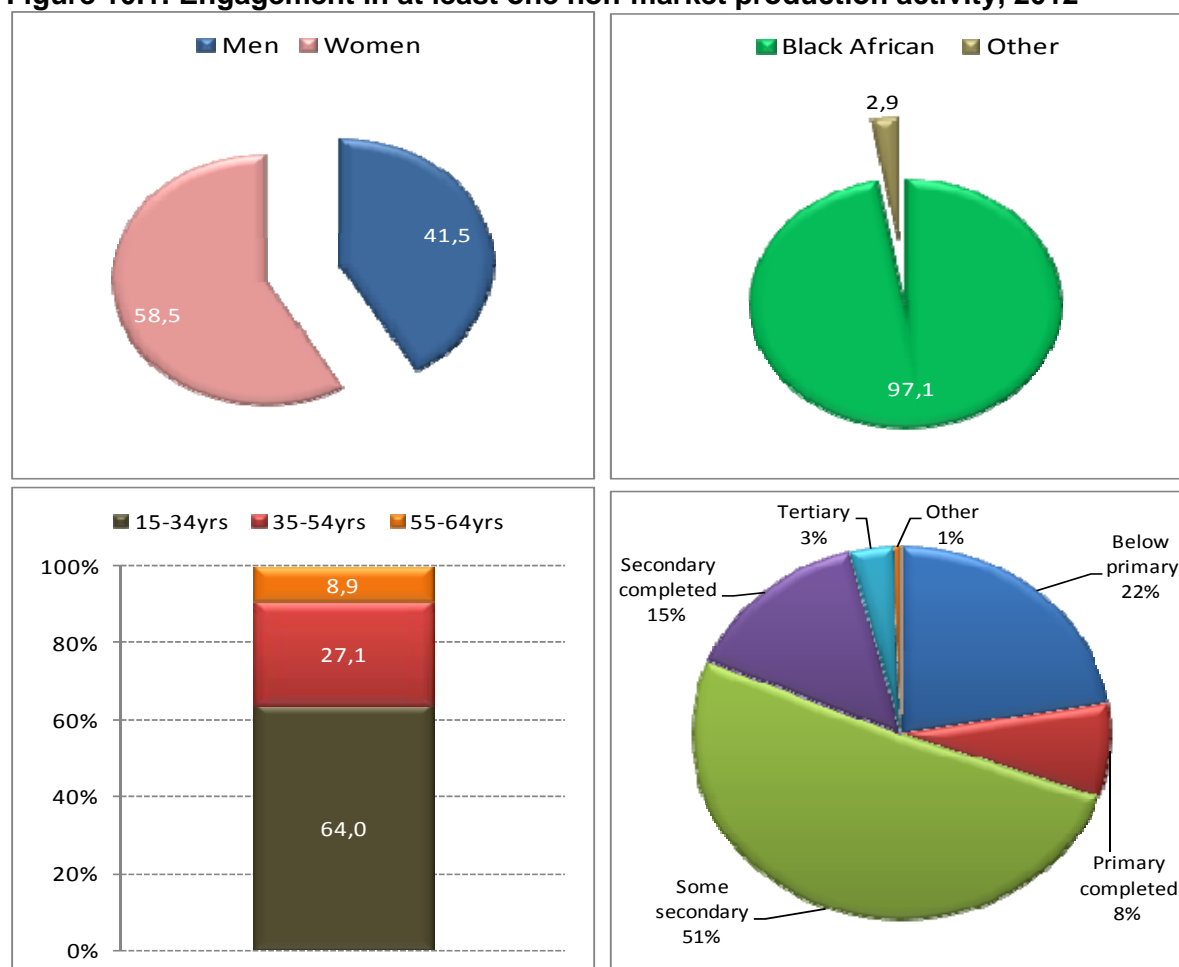
Figure 10.1 indicates that in 2012, among the 5,2 million people aged 15–64 years who did at least one non-market activity, the following patterns are evident:

- Women accounted for a larger share of non-market production activities (58,5%) than men (41,5%).

- The black African population group accounted for as much as 97,1% of all those who undertook at least one non-market production activity.

- Young people aged 15–34 years account for 64,0% of those engaged in such activities.

- One in every two (51,0%) of those engaged in non-market activities has only "Some secondary education".

Figure 10.2: Engagement in at least one non-market production activity by province, 2012
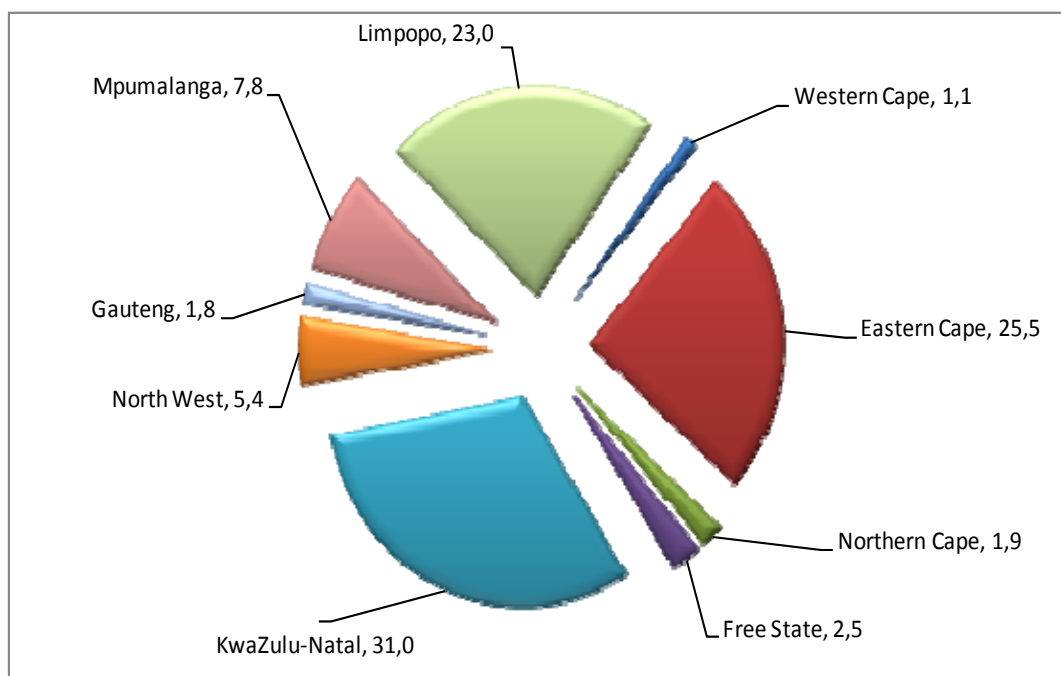
The provincial distribution of non-market activities also varies (Figure 10.2). Less than two per cent of all non-market activities were in Western Cape, Northern Cape and Gauteng while more than 20,0% occurred in Eastern Cape (26,0%), KwaZulu-Natal (31,0 %) and Limpopo (23,0%). This outcome is likely to be reflective of the different patterns of urbanisation in the various provinces.

Table 10.2: Engagement in at least one non-market production activity, 2011 and 2012

	2011	2012	Change	% Annual change
Men	2 285	2 162	-123	-5,4
Women	3 201	3 042	-159	-5,0
Both sexes	**5 486**	**5 204**	**-282**	**-5,1**
15-34yrs	3 460	3 331	-129	-3,7
35-54yrs	1 519	1 409	-111	-7,3
55-64yrs	507	464	-43	-8,4
All ages	**5 486**	**5 204**	**-282**	**-5,1**
Black African	5 229	5 054	-176	-3,4
Coloured	116	66	-50	-42,9
Indian/Asian	36	21	-15	-41,8
White	105	63	-42	-40,0
Total	**5 486**	**5 204**	**-282**	**-5,1**
Western Cape	81	56	-24	-30,3
Eastern Cape	1 286	1 329	43	3,3
Northern Cape	85	101	16	18,6
Free State	157	130	-27	-17,0
KwaZulu-Natal	1 681	1 615	-66	-3,9
North West	342	281	-61	-17,9
Gauteng	203	92	-110	-54,5
Mpumalanga	404	405	0	0,0
Limpopo	1 248	1 195	-52	-4,2
RSA	**5 486**	**5 204**	**-282**	**-5,1**

Table 10.2 shows that over the period 2011 and 2012, the number of persons who engaged in at least one non-market activity declined among both men (by 123 000 or 5,4%) and women (by 159 000 or 5,0%), in every age group, among black Africans, and in every province except Eastern Cape and Northern Cape which had year-on-year increases of 3,3% and 18,6% respectively. In Mpumalanga there was no change in the number of such persons over the period.

Figure 10.3: Non-market production activities as a percentage of the working age population by sex and population group, 2011 and 2012
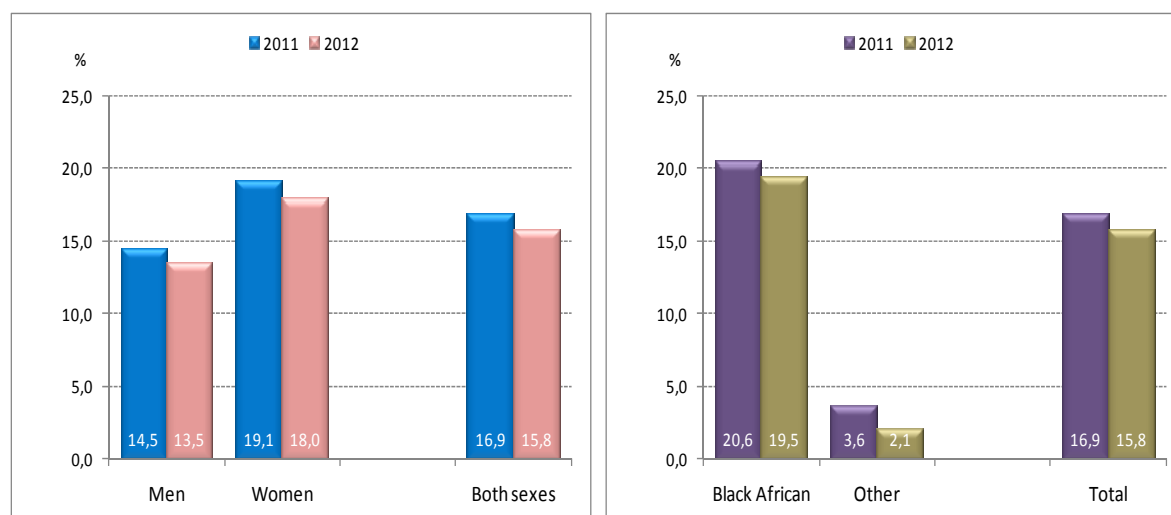
Figure 10.4: Non-market production activities as a percentage of the working age population by age and province, 2011 and 2012
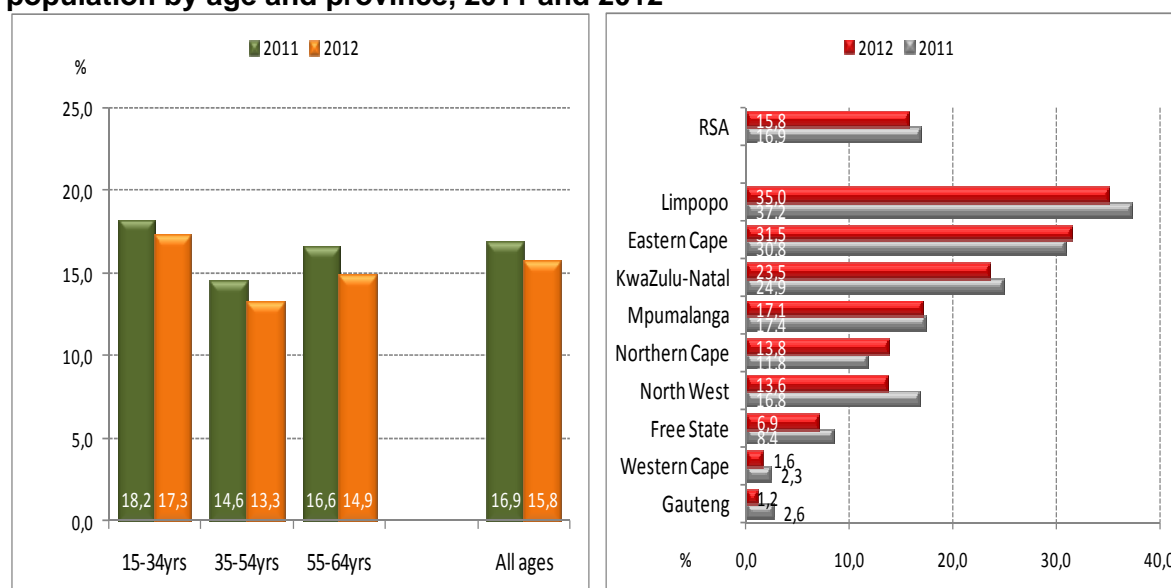
Figure 10.3 and Figure 10.4 show that on an annual basis, in 2012 non-market production activities expressed as a percentage of the working age population declined from 16,9% to 15,8%. This decline is reflected in the distributions by sex, population group, age and in six of the nine provinces.

Other forms of work

The Time Use Survey conducted in 2010

The analysis in this section focuses primarily on the time spent in undertaking other forms of work that are not typically included in labour force surveys such as the QLFS. The results are based on the patterns reported in the Time Use Survey conducted by Stats SA in 2010. The detailed report is available at www.statssa.gov.za.

The distributions relate to the mean minutes spent per day (or average time spent per day) on various activities by individuals aged 10 years and above who participated in the activities.

The **participation rate** is calculated by dividing the number of persons who took part in a specific activity by the number of persons in the specified group.

Table 10.3: Participation rate by type of activity

	Household maintenance			Care of persons			Community services		
	Male	**Female**	**Both sexes**	**Male**	**Female**	**Both sexes**	**Male**	**Female**	**Both sexes**
	Per cent								
Total	**97,1**	**98,9**	**98,2**	**8,1**	**29,5**	**20,3**	**4,8**	**4,3**	**4,5**
Age group									
10-17 years	98,2	98,9	98,6	4,6	10,7	7,8	4,1	3,3	3,7
18-45 years	97,1	98,9	98,1	8,8	40,3	26,6	4,6	4,0	4,3
46 years and older	96,2	99,1	98,0	10,0	18,8	15,4	6,3	5,7	5,9

Nearly all women and men (98,9% and 97,1% respectively) reported that they were involved in household maintenance activities (Table 10.3). Participation rates were lower for care of persons and community services activities, but the largest gender difference was recorded in care giving activities, where the participation rate of women was more than three times than that of men. In terms of age, the participation rate among women aged 18–45 years was 40,3%, which is 4,6 times that of men in this age group (8,8%). Among men and women in the oldest age group, participation rates were much lower, at 18,8% for women and 10,0% for men.

Figure 10.5: Other forms of work
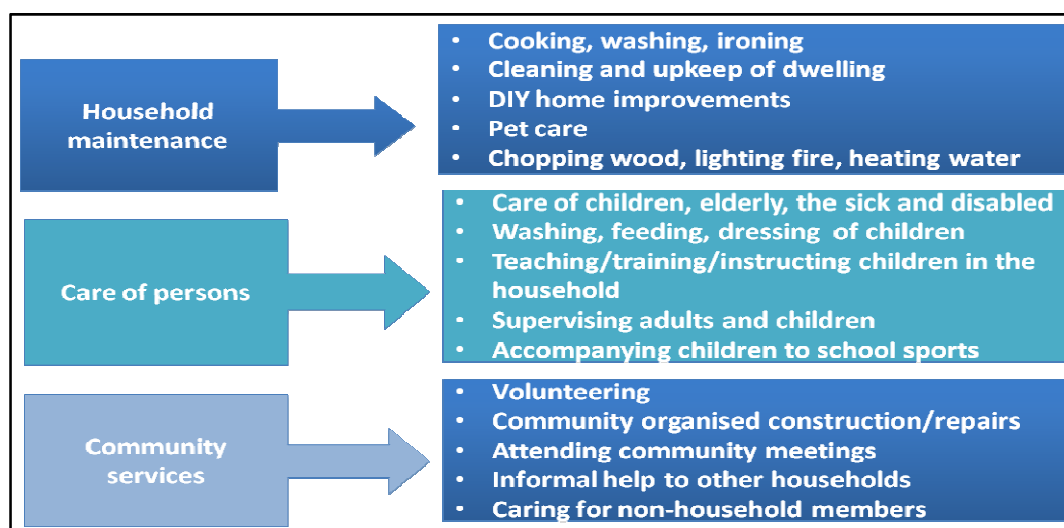
Time use surveys typically identify three broad categories of unpaid work: household maintenance; care of persons and community services (Figure 10.5). In an attempt to cover all types of activities within these broad groups, respondents were asked about the time they spent on specific tasks. Household chores such as cooking and cleaning top the list of household maintenance activities, while volunteering and community organised construction/repairs feature prominently among the activities included in community services. With regard to volunteer work, Stats SA conducted a survey (Volunteer Activities Survey) specifically targeted at collecting detailed information about the scale of this type of work. A summary of the report is provided towards the end of this chapter.

Figure 10.6: Average time spent per day on other types of work by sex, 2010
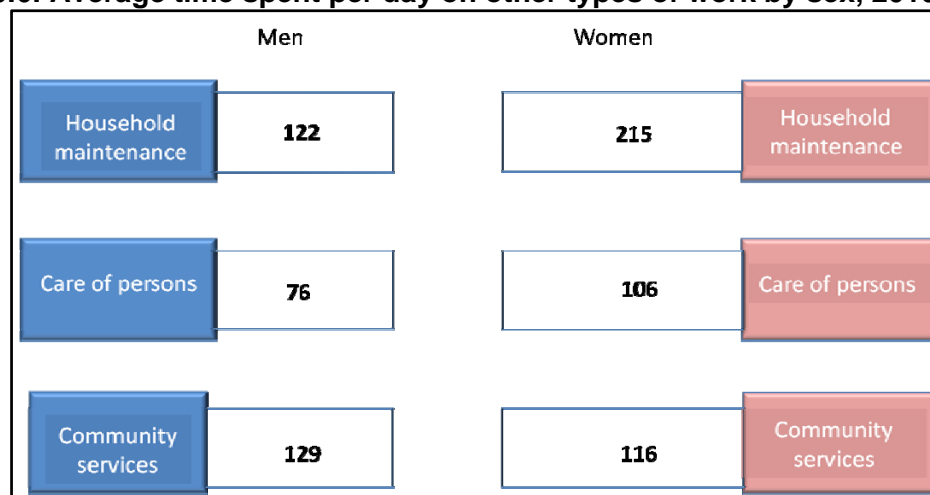
Women spent more time than men engaged in household maintenance activities (215 minutes on average each day, against 122 minutes for men) and caring for persons inside and outside their household (106 and 76 minutes per day for women and men respectively). In contrast, men spent more time engaged in community services (129 minutes per day) against 116 minutes for women. Thus women spend 1,8 times the amount of time spent by men on household maintenance, and 1,4 times the amount of time spent by men on caring for others (Figure 10.6).

Figure 10.7: Average time spent per day on other types of work
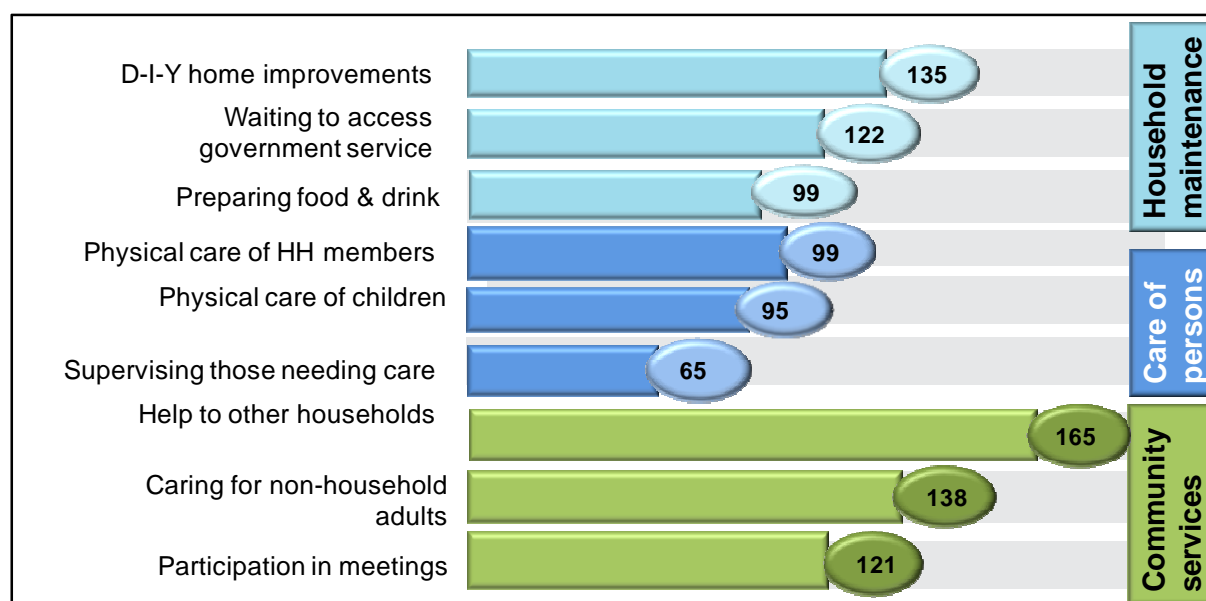
Figure 10.7 shows that among people engaged in household maintenance, the three activities on which South Africans spent the most time – measured in average minutes per day – were:

- Do -it-yourself (DIY) home improvements (135 minutes or 2 hours and 15 minutes)
- Waiting to access government services (122 minutes or 2 hours and 2 minutes)
- Preparing food and drink (99 minutes or one hour and 39 minutes)

Among those who cared for others, the top three activities were:
- Physical care of household members (99 minutes or one hour and 39 minutes)
- Physical care of children (95 minutes or one hour and 35 minutes)
- Supervising those needing care (65 minutes or one hour and 5 minutes)

Among those engaged in community services, the top three were:
- Other informal help to other households (165 minutes or 2 hours and 45 minutes)
- Caring for non-household adults (138 minutes or 2 hours and 18 minutes)
- Participation in community meetings (121 minutes or 2 hours and one minute)

Figure 10.8: Household maintenance by age

Average minutes spent per day	Male	Female	Both sexes
	10-17 years	18-45 years	46 years and older
Male	90	126	144
Female	133	234	233
Both sexes	113	188	200
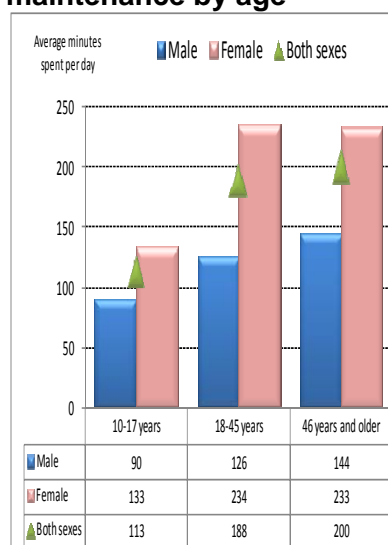
Figure 10.9: Care of persons by age

Average minutes spent per day	Male	Female	Both sexes
	10-17 years	18-45 years	46 years and older
Male	48	77	87
Female	76	112	90
Both sexes	69	107	89
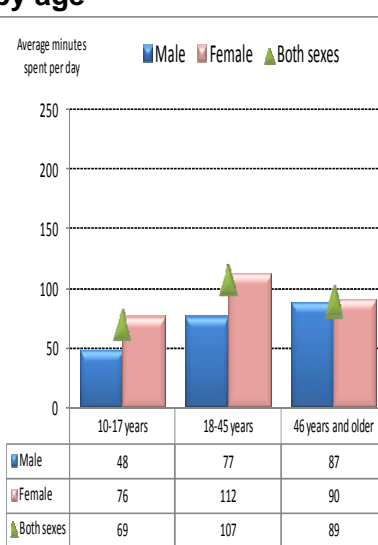
Figure 10.10: Community services by age

Average minutes spent per day	Male	Female	Both sexes
	10-17 years	18-45 years	46 years and older
Male	52	131	178
Female	46	133	121
Both sexes	49	132	144
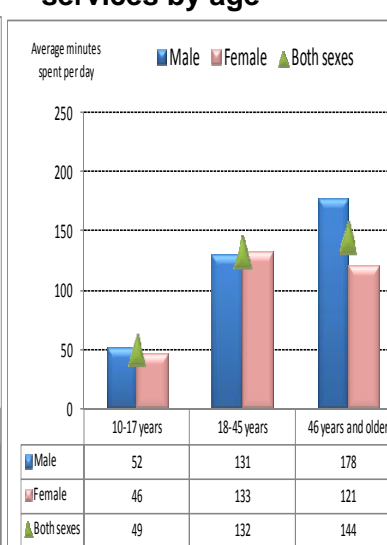
An in-depth look at the age patterns of those involved in the three broad categories of unpaid work namely household maintenance, care of persons and community services, reveals that young people aged 10–17 years also participated in such activities (Figure 10.8). In this age group, young girls spent 133 minutes (more than two hours per day) doing household maintenance tasks while boys spent 90 minutes (one hour 30 minutes) on such activities. And compared to their male counterparts, young women also spent more time as care-givers (Figure 10.9). In the older age groups, the burden of housework and caring for others also falls more heavily on women compared to men. Notably, Figure 10.10 shows that men and women aged 18–45 years spent almost equal amounts of time doing community services, while older men spent more time (178 minutes) engaged in such work than older women (121 minutes).

The ability of women (including young women) to participate in education and decision-making is often constrained by their burden of household chores and care-giving activities. A reduction in the time spent on such activities would thus save time that could be used for remunerative work and thus mitigate the effects of poverty in households across the country.

Figure 10.11: Household maintenance by age

Average minutes spent per day	Male	Female	Both sexes
	Below Grade 12	Grade 12	Tertiary
Male	120	128	118
Female	215	225	192
Both sexes	175	183	163
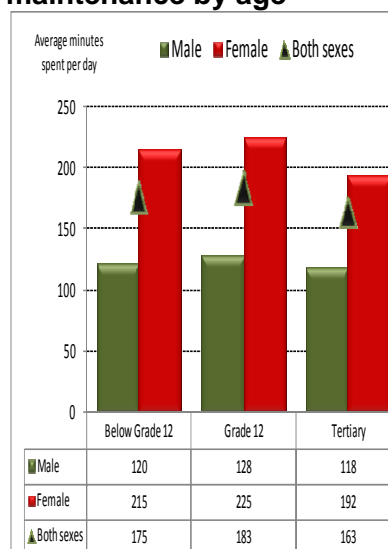
Figure 10.12: Care of persons by age

Average minutes spent per day	Male	Female	Both sexes
	Below Grade 12	Grade 12	Tertiary
Male	48	77	87
Female	76	112	90
Both sexes	69	107	89
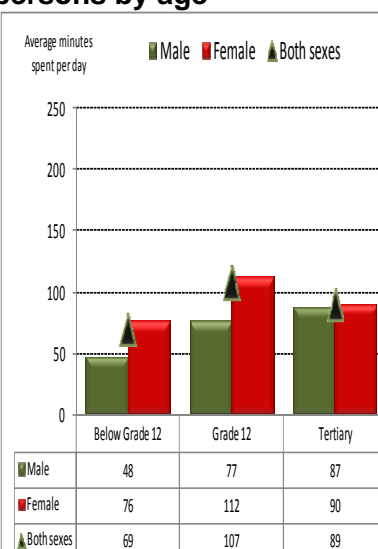
Figure 10.13: Community services by age

Average minutes spent per day	Male	Female	Both sexes
	Below Grade 12	Grade 12	Tertiary
Male	52	131	178
Female	46	133	121
Both sexes	49	132	144
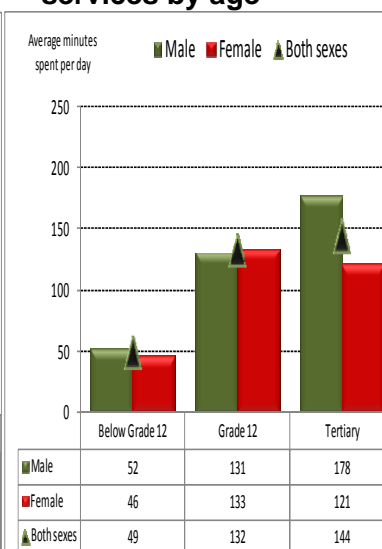
Figures 10.11 to 10.13 show interesting gender differences in the amount of time spent on the three types of unpaid work, by level of educational attainment. Irrespective of sex, individuals with tertiary education spent less time on household maintenance activities (Figure 10.11). Women with Grade 12 qualifications spent the most time caring for other persons (Figure 10.12), while men with a tertiary education spent the most time engaging in community services (Figure 10.13).

Volunteer work

The ILO (2011) acknowledges that volunteer work is a crucial renewable resource for social and environmental problem-solving the world over. The scale of such work is enormous and the contributions it makes to the quality of life in countries everywhere are larger still. Despite this, little sustained effort has gone into its measurement.

Stats SA conducted its first Volunteer Activities Survey (VAS) in 2010. VAS covers activities willingly performed that provided assistance or promoted a cause in the four weeks preceding the survey interview. These activities were performed either through an organisation or directly for someone outside one's own household. They took many forms, from picking up groceries for a disabled neighbour to participating in community policing.

Table 10.4: Distribution of volunteers by type of volunteering and number of volunteer activities

	Volunteers	
Type of volunteering	**Thousand**	**Per cent**
Total volunteer work by persons with at least one volunteer experience	**1 193**	**100,0**
Organisation-based volunteering only	439	36,8
Direct volunteering only	642	53,9
Both (organisation-based and direct volunteering)	111	9,3
Number of volunteer activities	**1 193**	**100,0**
One	1 068	89,6
Two	102	8,5
Three	23	1,9

Table 10.4 shows that those who only volunteered directly as individuals accounted for 53,9% of total volunteer work, 36,8% of the volunteers offered their services through organisations only, while the remaining 9,3% volunteered both directly as individuals and through organisations. Table 10.4 also shows that over 89,0% of volunteers performed only one volunteer activity during the reference period (four weeks prior to the interview), while 8,5% of volunteers performed two activities and 1,9% reported performing three volunteer activities.

Table 10.5: Number of volunteers, volunteer rate, volunteer hours and value of volunteering by labour market status

Total volunteering population	Number of volunteers Thousand	Volunteer rate %	Reference period		Computed	
			Total hours volunteered, 4 weeks Thousand	Value of volunteer work, 4 weeks R'000	Total hours volunteered, 12 months Thousand	Value of volunteer work, 12 months R'000
Total	**1 193**	**3,5**	**29 176**	**577 163**	**379 291**	**7 503 120**
Employed	559	4,2	10 623	241 756	138 096	3 142 832
Unemployed	180	4,1	6 353	110 573	82 585	1 437 453
Not economically active	454	2,7	12 201	224 833	158 610	2 922 835

The volunteer rate is a convenient expression of the extent to which the country's population engages in volunteer activities. It is computed by dividing the number of volunteers by the population aged 15 years and older during the reference period.

Table 10.5 shows that among the employed population, 4,2% volunteered during the reference period, while 4,1% of unemployed persons and 2,7% of the not economically active persons were involved in volunteer work. The unemployed had a higher volunteer rate than the not economically active population, possibly because they volunteered with the hope of gaining experience or skills so that they could stand a better chance of finding jobs in the labour market. Table 10.5 also suggests that the 1,2 million persons who engaged in volunteer activities contributed 29,2 million hours to the community during the four week reference period, engaging in many different activities through organisations or as individuals. If these hours are computed for the 12 month period, they amount to approximately 379 million hours valued at R7,5 billion for the year as a whole.

Figure 10.14: Volunteer rate by age and sex

	15-24	25-34	35-44	45-54	55-64	65+	All ages
Men	0,9	2,1	3,6	4,4	4,6	3,9	2,6
Women	1,6	4,1	6,3	7,5	6,0	3,0	4,3
Both sexes	1,2	3,2	5,0	6,1	5,4	3,3	3,5
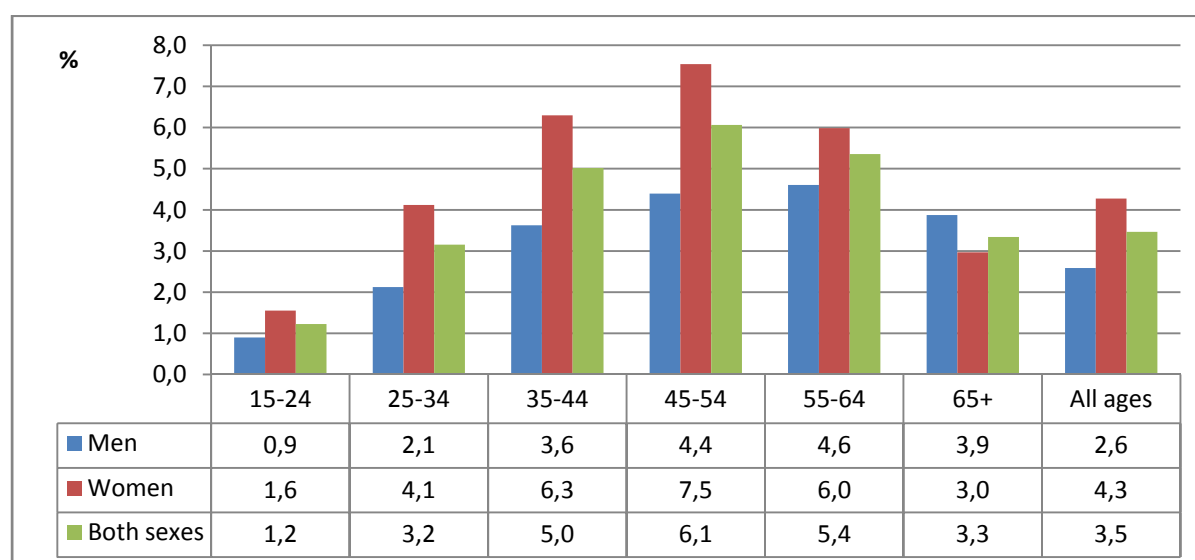
The volunteer rate increased with age up to the age of 45–54 years, after which it declined (Figure 10.14). The rate was consistently higher (higher than the national average) among women than among men in all age groups, except among those aged 65 years and older.

Table 10.6: Number of volunteers, volunteer hours and value of volunteering by occupation

Volunteer occupations (at least one volunteer activity)	Number of volunteers	Reference period		Computed	
		Total hours volunteered, 4 weeks	Value of volunteer work, 4 weeks	Total hours volunteered, 12 months	Value of volunteer work, 12 months
	Thousand		R'000	Thousand	R'000
Total	**1 193**	**29 176**	**577 163**	**379 291**	**7 503 120**
Managers	62	1 189	66 349	15 454	862 533
Professionals	53	932	54 200	12 119	704 605
Technicians	231	4 798	200 841	62 372	2 610 930
Clerks	53	1 151	29 844	14 962	387 966
Sales and service workers	374	10 762	121 658	139 900	1 581 557
Skilled agricultural and fishery workers	4	160	2 047	2 078	26 606
Craft and related trades workers	63	1 475	23 121	19 174	300 574
Plant and machine operators	31	521	7 154	6 767	92 998
Elementary occupation	425	8 190	71 950	106 465	935 350

Note: Because a person may volunteer in more than one occupation, figures do not add up to the total.

Persons in Elementary occupations accounted for the biggest number of volunteers (425 000), followed by persons in Sales and service worker occupations (374 000), and Technicians with 231 000 (Table 10.6). Volunteering is not very common within the Skilled agricultural and fishery worker occupations, as only 4 000 people who volunteered fell in this occupational category.

Summary

The importance of having an all-inclusive concept of work has gained recognition internationally. The results of the QLFS allow for an in-depth understanding of two categories of work. It includes work for a wage/profit/payment in kind (discussed in earlier chapters). And it also includes work undertaken for own use such as subsistence farming and collecting firewood and fetching water. With regard to the latter, the analysis in this chapter finds that:

- Subsistence agriculture and fetching wood/water are the dominant non-market production activities undertaken by household members.
- Women, young people, black Africans and persons with poor education feature prominently in the profile of individuals engaged in non-market production activities.

The time spent on other forms of work such as volunteer work and the provision of services for own use by the household (e.g. doing housework, cleaning, cooking, making repairs, caring for children and/or elderly members) are also important aspects of social and economic well-being. In this regard the analysis suggests that:

- Although participation rates for household maintenance activities among both men and women are above 95,0%, women spend more time than men engaging in those activities.
- Women also spend more time than men as care-givers.
- Better educated men and women spend the least time on household maintenance.
- Men with a tertiary education spend more time than women in that education category engaging in community services.

- As many as 1,2 million persons engaged in volunteer activities in 2010. They contributed 29,2 million hours to the community, engaging in many different activities through organisations or as individuals during the four week reference period. If these hours are computed for the 12 month period, they amount to approximately 379 million hours valued at R7,5 billion for the year as a whole.

Conclusion

The discussion of labour market patterns and trends analysed in earlier chapters was based on a definition of employment that included only persons engaged in market production activities. However, there is growing international awareness that work involves a whole range of other activities such as doing household chores, volunteering, cooking, cleaning etc. that affects the social and economic well-being of individuals. Based on the results of the QLFS, Time Use Survey and the Volunteer Activities Survey conducted by Statistics South Africa, the analysis in this chapter is intended to fill the gap in understanding work in an all-inclusive manner.

Appendix 1
Technical notes

Appendix 1: Technical notes

Missing values

These were imputed in the QLFS but not in the LFS. As a result, some of the historically linked variables in the LFS may sometimes include an unspecified category. This category will always be included in the totals but, depending on the size, it may not necessarily be itemised separately.

Differences between the QLFS and LFS questionnaires

A detailed report on the differences pertaining to the questions and the structure of the questionnaire is available at www.statssa.gov.za/qLFS/index.asp

Breaks in series

As noted under the heading '**Linking the LFS and the QLFS**', many of the series published by the LFS have been adjusted to make them comparable to the QLFS data. However, not all series could be linked for two reasons:

- Any of the questions common to both the LFS and QLFS questionnaires had the potential to be linked; that is, the LFS series could be adjusted to make them comparable to their QLFS counterparts. However, the linkage methodology strictly limited the number of series that could be directly linked. Priority was given to linked series related to the employed, unemployed, not economically active, sector, industry, occupation, sex, population group, province, and age. Thus, while the not economically active were controlled to enable historical continuity with the LFS, its components were not – hence, the break in series for **discouraged work-seekers.**

- Other variables, including hours worked, formal/informal sector employment, and duration of unemployment, were not adjusted directly but are nevertheless available as LFS historically adjusted data. See '**Linking the LFS and the QLFS**' for more information on the distinction between directly and indirectly historically revised LFS data.

The annual data presented in this report have been derived as follows:

- LFS historically-revised data covering the period 2007 are averages of the revised March and September LFS results that year.

- QLFS data covering the period 2008–2012 are averages of the results obtained for the four quarters of 2008 to 2012.

Rounding

Totals may sometimes differ from the sum of the constituent parts by small amounts due to rounding.

Master sample design

The Labour Force Survey (LFS) and the Quarterly Labour Force Survey (QLFS) are based on a master sample of which there have been three so far. The design of each is outlined below.

1999 master sample

For the LFSs of February 2000 to March 2004, a rotating panel sample design was used to allow for measurement of change in people's employment situation over time. The same dwellings were visited on, at most, five different occasions. After this, new dwelling units were included for interviewing from the same PSU in the master sample. This means a rotation of 20% of dwelling units each time.

The database of enumerator areas (EAs) established during the demarcation phase of Census 1996 constituted the sampling frame for selecting EAs for the LFS. Small EAs consisting of fewer than 100 dwelling units were combined with adjacent EAs to form primary sampling units (PSUs) of at least 100 dwelling units, to allow for repeated sampling of dwelling units within each PSU.

The sampling procedure for the master sample involved explicit stratification by province and within each province, by urban and non-urban areas (using Census 1996 definitions). Independent samples of PSUs were drawn for each stratum within each province. The smaller provinces (in terms of population size) were given a disproportionately large number of PSUs compared to the bigger provinces. Simple random sampling was applied to select 10 dwelling units to visit in each PSU as ultimate sampling units. If more than one household was found in the same dwelling unit, all such households were interviewed.

2004 master sample

The 2004 master sample was used in the LFSs of September 2004 to September 2007. Enumeration areas (EAs) that had a household count of less than twenty-five were omitted from the census frame that was used to draw the sample of PSUs for the master sample. Other omissions from the frame included all institution EAs except workers' hostels, convents and monasteries. EAs in the census database that were found to have fewer than sixty dwelling units during listing were pooled.

This master sample was a multi-stage stratified sample. The overall sample size of PSUs was 3 000. The explicit strata were the 53 district councils. The 3 000 PSUs were allocated to these strata using the power allocation method. The PSUs were then sampled using probability proportional to size principles. The measure of size used was the number of households in a PSU as counted in the census.

The sampled PSUs were listed with the dwelling unit as the listing unit. From these listings, systematic samples of dwelling units per PSU were drawn. These samples of dwelling units formed clusters. The size of the clusters differed depending on the specific survey requirements. The LFS used one of the clusters that contained ten dwelling units.

Current master sample

The QLFS frame has been developed as a general-purpose household survey frame that can be used by all other household surveys irrespective of the sample size requirement of the survey. The sample size for the QLFS is roughly 30 000 dwellings per quarter.

The sample is based on information collected during the 2001 Population Census conducted by Stats SA. In preparation for Census 2001, the country was divided into 80 787 enumeration areas (EAs). Stats SA's household-based surveys use a master sample of primary sampling units (PSUs) which comprise EAs that are drawn from across the country.

The sample is designed to be representative at provincial level and within provinces at metro/non-metro level. Within the metros, the sample is further distributed by geography type. The four geography types are: urban formal, urban informal, farms and tribal. This implies, for example, that within a metropolitan area the sample is representative at the different geography types that may exist within that metro.

The current sample size is 3 080 PSUs. It is divided equally into four subgroups or panels called rotation groups. The rotation groups are designed in such a way that each of these groups has the same distribution pattern as that which is observed in the whole sample. They are numbered from one to four and these numbers also correspond to the quarters of the year in which the sample will be rotated for the particular group.

The sample for the redesigned labour force survey (i.e. the QLFS) is based on a stratified two-stage design with probability proportional to size (PPS) sampling of primary sampling units (PSUs) in the first stage, and sampling of dwelling units (DUs) with systematic sampling in the second stage.

Each quarter, a ¼ of the sampled dwellings rotate out of the sample and are replaced by new dwellings from the same PSU or the next PSU on the list. Thus, sampled dwellings will remain in the sample for four consecutive quarters. It should be noted that the sampling unit is the dwelling, and the unit of observation is the household. Therefore, if a household moves out of a dwelling after being in the sample for, say two quarters, and a new household moves in, then the new household will be enumerated for the next two quarters. If no household moves into the sampled dwelling, the dwelling will be classified as vacant (unoccupied).

Linking the LFS and the QLFS

To preserve historical continuity with the QLFS, link factors were computed on the basis of an overlap of the QLFS and the LFS in March and September 2008. A detailed report regarding the methodology used to derive the link factors is available at www.statssa.gov.za/qLFS/indes.asp.

The historical adjustment methodology involved re-weighting the LFS unit record (micro data) files. In doing this re-weighting, a substantial number of variables were set as control totals. This was done using the QLFS/LFS ratios from the estimates for these variables for Q1: 2008/March 2008 and Q3: 2008/September 2008. These variables (employed, unemployed, not economically active, industry, occupation, etc.) can be said to have been adjusted directly.

However, it is possible to tabulate other variables on the LFS files. Because these variables did not enter directly into the revision process, less confidence can be put in the consistency of these data with the corresponding data from the QLFS.

In the case of variables with vastly different definitions in the LFS and QLFS, such as discouraged work-seekers, the indirect method of historical adjustment yields LFS data that are clearly inconsistent with the QLFS estimates.

Gross flows

All social and economic statistics can be expressed as either stock or flows. Stocks measure the quantities of a variable at a specific point in time while flows are the movements occurring between 2 points in time or an interval of time. Flows and stocks are linked as flows change the level of stocks.

When referring to gross and net flows, the relationship is as follows:

Gross flows in – Gross flows out = Net flows.

Surveys such as the QLFS produces net flow data, while panel data attempts to investigate gross flows underlying the net flows in the QLFS.

Gross flows matrix and interpretation

Transition matrix between period *t* and *t+1*

Status in Period t	Status in period t + 1		
	Employed	Unemployed	Not Economically Active
Employed	$E_t E_{t+1}$	$E_t U_{t+1}$	$E_t NEA_{t+1}$
Unemployed	$U_t E_{t+1}$	$U_t U_{t+1}$	$U_t NEA_{t+1}$
Not Economically Active	$NEA_t E_{t+1}$	$NEA_t U_{t+1}$	$NEA_t NEA_{t+1}$

Interpretation of flows	Definition
Inflows to	
Employment	*UE+NEAE*
Unemployment	*EU+NEAU*
Not Economically Active	*ENEA+UNEA*
Outflows from	
Employment	*EU+ENEA*
Unemployment	*UE+UNEA*
Not Economically Active	*NEAE+NEAU*

Constructing the QLFS panel for Gross flow analysis

Gross flow analysis requires the linking of individuals who appear in two consecutive quarters in the QLFS sample. Seven variables are used as matching criteria for the records namely:

- ‣ Name
- ‣ Surname
- ‣ Gender

▸ Age
▸ Year of birth
▸ Verified age
▸ Population group

The scoring model for gender and population groups requires an exact match between 2 quarters to assign a score of 0 otherwise a score of 1 is allocated. Name and surname are scored, using the SAS function Complev. Complev returns the Levenshtein edit distance between two strings. If the score is less or equal to 3 (ie the 2 names are more or less the same) the score becomes 0 If the score is higher than 3, the score becomes 1. For the variables regarding age, month, year of birth and verified age, the scoring model allows for a difference of 2 between the 2 strings. A perfect score of zero is assigned if the score for all 7 variables is 0.

Below is an example of the matched rates based on the matching procedure for the quarter Q1 and Q2: 2010.

Table x.1: Matched persons between Q1: 2012 and Q2: 2012

Result	Frequency	Per cent	Cumulative Frequency	Cumulative Per cent
Exact Match	54 171	93.43	54 171	93.43
1 Difference	2 467	4.25	56 638	97.68
2 Differences	391	0.67	57 029	98.36
3 Differences	324	0.56	57 353	98.92
4-9 Differences	629	1.08	57 982	100.00

Note: Exact match = result of matching procedure =0, all 7 variables could be used in the matching procedure. 1 Difference =result of matching procedure =1, 1 variable in the matching procedure could not be matched.

Weighting methodology for the QLFS panel[1]

The Gross Flow Estimation was based on only data from the three overlapping panels. The QLFS final full weights ('full_wgt') were therefore adjusted by a factor of $\frac{4}{3}$ to account for the non-overlapping panel.

A 'Person non-match' adjustment factor was calculated based on whether the person records at time T were matched or not with a person record at time T+1. The adjustment factor was defined as follow:

$$(Person\_NonMat\_Adj)_i = \frac{n_i^{(match)} + n_i^{(non\_match)}}{n_i^{(match)}}$$

(2.1)

Where $n_i = n_i^{(Match)} + n_i^{(non-match)}$ is the sum of the weights of the matched and non-matched persons in adjustment cell i and $n_i^{(match)}$ is the sum of the weights of the persons matched between time T and T+1.

---
[1] Please see appendix for details on matched records on a quarterly basis.

After excluding the non-matched person records at time T from the data file; the QLFS final full weights were further adjusted by applying the 'person non-match' adjustment factor within the respective adjustment cells.

The adjustment cells were defined by the rotation group as well the demographic variables Age, Gender and Race. Rotation group had three categories, Age had three categories: 15-34 years, 35-64 years and 65 years and above, Race had four categories: 1=African/Black, 2=Coloured, 3=Indian/Asian, 4=White and Gender had two categories; which resulted in a total of 72 adjustment cells.

Finally, the adjusted weights were calibrated to the known population estimates used at time T as control totals for persons aged 15 years and above.

Limitations

The calibrated weights provided should be used with caution to the following limitations:

1. The reference period for the Panel data analysis is time T.
2. The demographic variables at time T are assumed to be correct and should be used for the analysis.
3. For analysis purposes, the final Calibrated weight is 'FULL_CALWGT'

4. Estimates at aggregate levels, such as Total Number of Unemployed Persons, will not be comparable to the initial published estimates.

Analysis of transition data

The reference period for the weighted data is the first period, for example Q1 in the panel between Q1 and Q2. The population totals (working age 15-64 years) for the first period were controlled for by the weighting procedure, however this was not done for other variables including status, so that published labour market variables such as employment and unemployment will not align to weighted data.

Appendix 2
Statistical tables

Appendix 2: Statistical tables
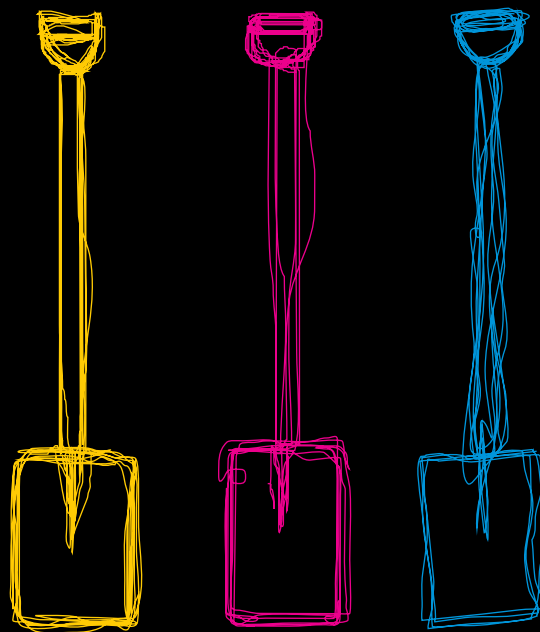
Appendix 2: Statistical tables

Table 2.1: Population of working age (15-64 years)						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Both sexes	**30 311**	**30 967**	**31 494**	**32 007**	**32 494**	**32 959**
Women	15 904	16 045	16 280	16 507	16 721	16 922
Men	14 407	14 922	15 214	15 500	15 773	16 037
Population groups	**30 311**	**30 967**	**31 494**	**32 007**	**32 494**	**32 959**
Black/African	23 423	23 985	24 483	24 973	25 438	25 887
Coloured	2 891	2 922	2 961	2 998	3 034	3 067
Indian/Asian	857	879	897	912	928	945
White	3 141	3 180	3 154	3 125	3 094	3 060
South Africa	**30 311**	**30 967**	**31 494**	**32 007**	**32 494**	**32 959**
Western Cape	3 403	3 273	3 328	3 383	3 437	3 491
Eastern Cape	3 898	3 996	4 063	4 123	4 173	4 219
Northern Cape	698	695	705	712	720	729
Free State	1 841	1 821	1 843	1 858	1 872	1 886
KwaZulu-Natal	6 180	6 411	6 528	6 649	6 761	6 867
North West	2 150	1 962	1 991	2 016	2 040	2 064
Gauteng	6 999	7 446	7 568	7 687	7 806	7 913
Mpumalanga	2 148	2 213	2 252	2 292	2 331	2 371
Limpopo	2 994	3 149	3 215	3 287	3 353	3 418

Due to rounding, numbers do not necessarily add up to totals.

Table 2.2: Labour force characteristics by sex - All population groups						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Both sexes						
Population 15-64 yrs	**30 311**	**30 967**	**31 494**	**32 007**	**32 494**	**32 959**
Labour Force	**17 338**	**17 971**	**17 670**	**17 393**	**17 662**	**18 064**
Employed	13 467	13 867	13 455	13 061	13 265	13 523
Formal sector (Non-agricultural)	9 147	9 572	9 453	9 123	9 367	9 588
Informal sector (Non-agricultural)	2 325	2 298	2 129	2 159	2 171	2 148
Agriculture	737	786	686	639	614	660
Private households	1 258	1 209	1 187	1 140	1 113	1 126
Unemployed	3 871	4 104	4 215	4 332	4 397	4 541
Not economically active	12 973	12 996	13 824	14 614	14 832	14 895
Discouraged work-seekers	2 557	1 129	1 532	1 998	2 237	2 268
Other(not economically active)	10 416	11 867	12 292	12 616	12 595	12 627
Rates (%)						
Unemployment rate	22,3	22,8	23,9	24,9	24,9	25,1
Employed / population ratio (Absorption)	44,4	44,8	42,7	40,8	40,8	41,0
Labour force participation rate	57,2	58,0	56,1	54,3	54,4	54,8
Women						
Population 15-64 yrs	**15 904**	**16 045**	**16 280**	**16 507**	**16 721**	**16 922**
Labour Force	**8 076**	**8 156**	**7 981**	**7 819**	**8 014**	**8 175**
Employed	5 944	6 000	5 894	5 671	5 783	5 900
Formal sector (Non-agricultural)	3 635	3 773	3 804	3 666	3 822	3 950
Informal sector (Non-agricultural)	1 082	1 030	945	909	898	866
Agriculture	269	256	219	217	200	215
Private households	959	941	926	879	863	868
Unemployed	2 132	2 156	2 087	2 148	2 231	2 276
Not economically active	7 828	7 888	8 300	8 688	8 706	8 747
Discouraged work-seekers	1 603	681	883	1 121	1 242	1 272
Other(not economically active)	6 225	7 208	7 416	7 568	7 464	7 475
Rates (%)						
Unemployment rate	26,4	26,4	26,2	27,5	27,8	27,8
Employed / population ratio (Absorption)	37,4	37,4	36,2	34,4	34,6	34,9
Labour force participation rate	50,8	50,8	49,0	47,4	47,9	48,3
Men						
Population 15-64 yrs	**14 407**	**14 922**	**15 214**	**15 500**	**15 773**	**16 037**
Labour Force	**9 262**	**9 815**	**9 689**	**9 574**	**9 647**	**9 889**
Employed	7 523	7 866	7 562	7 390	7 481	7 623
Formal sector (Non-agricultural)	5 512	5 799	5 649	5 457	5 545	5 639
Informal sector (Non-agricultural)	1 244	1 268	1 184	1 250	1 273	1 282
Agriculture	467	531	467	422	413	445
Private households	300	268	262	261	250	258
Unemployed	1 739	1 948	2 128	2 184	2 166	2 265
Not economically active	5 145	5 107	5 524	5 926	6 126	6 148
Discouraged work-seekers	954	448	648	877	995	996
Other(not economically active)	4 191	4 659	4 876	5 049	5 131	5 152
Rates (%)						
Unemployment rate	18,8	19,8	22,0	22,8	22,5	22,9
Employed / population ratio (Absorption)	52,2	52,7	49,7	47,7	47,4	47,5
Labour force participation rate	64,3	65,8	63,7	61,8	61,2	61,7

Due to rounding, numbers do not necessarily add up to totals.

Table 2.3: Labour force characteristics by population group						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
South Africa						
Population 15-64 yrs	**30 311**	**30 967**	**31 494**	**32 007**	**32 494**	**32 959**
Labour Force	**17 338**	**17 971**	**17 670**	**17 393**	**17 662**	**18 064**
Employed	13 467	13 867	13 455	13 061	13 265	13 523
Unemployed	3 871	4 104	4 215	4 332	4 397	4 541
Not economically active	12 973	12 996	13 824	14 614	14 832	14 895
Rates (%)						
Unemployment rate	22,3	22,8	23,9	24,9	24,9	25,1
Employed / population ratio (Absorption)	44,4	44,8	42,7	40,8	40,8	41,0
Labour force participation rate	57,2	58,0	56,1	54,3	54,4	54,8
Black/African						
Population 15-64 yrs	**23 423**	**23 985**	**24 483**	**24 973**	**25 438**	**25 887**
Labour Force	**12 785**	**13 305**	**13 023**	**12 792**	**13 101**	**13 490**
Employed	9 490	9 719	9 365	9 054	9 313	9 598
Unemployed	3 294	3 587	3 658	3 737	3 787	3 892
Not economically active	10 638	10 679	11 459	12 181	12 337	12 397
Rates (%)						
Unemployment rate	25,8	27,0	28,1	29,2	28,9	28,8
Employed / population ratio (Absorption)	40,5	40,5	38,3	36,3	36,6	37,1
Labour force participation rate	54,6	55,5	53,2	51,2	51,5	52,1
Coloured						
Population 15-64 yrs	**2 891**	**2 922**	**2 961**	**2 998**	**3 034**	**3 067**
Labour Force	**1 944**	**1 904**	**1 933**	**1 917**	**1 909**	**1 958**
Employed	1 508	1 546	1 542	1 496	1 478	1 489
Unemployed	436	359	391	422	431	469
Not economically active	947	1 018	1 028	1 081	1 125	1 109
Rates (%)						
Unemployment rate	22,4	18,8	20,2	22,0	22,6	24,0
Employed / population ratio (Absorption)	52,2	52,9	52,1	49,9	48,7	48,5
Labour force participation rate	67,2	65,2	65,3	64,0	62,9	63,8
Indian/Asian						
Population 15-64 yrs	**857**	**879**	**897**	**912**	**928**	**945**
Labour Force	**495**	**536**	**523**	**552**	**542**	**551**
Employed	445	472	461	502	485	491
Unemployed	50	64	63	50	57	60
Not economically active	361	343	373	360	387	393
Rates (%)						
Unemployment rate	10,2	12,0	12,0	9,0	10,5	10,9
Employed / population ratio (Absorption)	52,0	53,7	51,4	55,1	52,2	52,0
Labour force participation rate	57,8	61,0	58,4	60,5	58,3	58,4
White						
Population 15-64 yrs	**3 141**	**3 180**	**3 154**	**3 125**	**3 094**	**3 060**
Labour Force	**2 114**	**2 225**	**2 191**	**2 132**	**2 111**	**2 064**
Employed	2 024	2 130	2 088	2 009	1 989	1 944
Unemployed	90	94	103	123	122	120
Not economically active	1 027	955	963	992	983	996
Rates (%)						
Unemployment rate	4,3	4,2	4,7	5,8	5,8	5,8
Employed / population ratio (Absorption)	64,4	67,0	66,2	64,3	64,3	63,5
Labour force participation rate	67,3	70,0	69,5	68,2	68,2	67,5

Due to rounding, numbers do not necessarily add up to totals.

Table 2.4: Labour force characteristics by province						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
South Africa						
Population 15-64 yrs	**30 311**	**30 967**	**31 494**	**32 007**	**32 494**	**32 959**
Labour Force	**17 338**	**17 971**	**17 670**	**17 393**	**17 662**	**18 064**
Employed	13 467	13 867	13 455	13 061	13 265	13 523
Unemployed	3 871	4 104	4 215	4 332	4 397	4 541
Not economically active	12 973	12 996	13 824	14 614	14 832	14 895
Discouraged work-seekers	2 557	1 129	1 532	1 998	2 237	2 268
Other (NEA)	10 416	11 867	12 292	12 616	12 595	12 627
Rates (%)						
Unemployment rate	22,3	22,8	23,9	24,9	24,9	25,1
Employed / population ratio (Absorption)	44,4	44,8	42,7	40,8	40,8	41,0
Labour force participation rate	57,2	58,0	56,1	54,3	54,4	54,8
Western Cape						
Population 15-64 yrs	**3 403**	**3 273**	**3 328**	**3 383**	**3 437**	**3 491**
Labour Force	**2 308**	**2 215**	**2 297**	**2 288**	**2 327**	**2 393**
Employed	1 875	1 809	1 825	1 789	1 809	1 823
Unemployed	433	406	472	498	518	570
Not economically active	1 095	1 058	1 031	1 095	1 110	1 097
Discouraged work-seekers	138	34	32	41	33	30
Other (NEA)	957	1 024	999	1 054	1 077	1 068
Rates (%)						
Unemployment rate	18,8	18,3	20,5	21,8	22,2	23,8
Employed / population ratio (Absorption)	55,1	55,3	54,8	52,9	52,6	52,2
Labour force participation rate	67,8	67,7	69,0	67,6	67,7	68,6
Eastern Cape						
Population 15-64 yrs	**3 898**	**3 996**	**4 063**	**4 123**	**4 173**	**4 219**
Labour Force	**1 762**	**1 835**	**1 820**	**1 783**	**1 813**	**1 817**
Employed	1 290	1 350	1 317	1 294	1 314	1 292
Unemployed	472	485	503	489	499	525
Not economically active	2 136	2 161	2 243	2 340	2 360	2 402
Discouraged work-seekers	402	247	313	365	372	414
Other (NEA)	1 735	1 914	1 930	1 976	1 987	1 988
Rates (%)						
Unemployment rate	26,8	26,4	27,6	27,4	27,5	28,9
Employed / population ratio (Absorption)	33,1	33,8	32,4	31,4	31,5	30,6
Labour force participation rate	45,2	45,9	44,8	43,2	43,5	43,1
Northern Cape						
Population 15-64 yrs	**698**	**695**	**705**	**712**	**720**	**729**
Labour Force	**400**	**400**	**381**	**371**	**384**	**401**
Employed	309	307	279	271	274	287
Unemployed	91	92	102	99	110	114
Not economically active	297	295	323	342	336	327
Discouraged work-seekers	63	29	29	40	35	31
Other (NEA)	234	267	294	302	301	297
Rates (%)						
Unemployment rate	22,8	23,1	26,8	26,8	28,7	28,4
Employed / population ratio (Absorption)	44,3	44,2	39,6	38,1	38,0	39,4
Labour force participation rate	57,4	57,5	54,1	52,0	53,3	55,1

Due to rounding, numbers do not necessarily add up to totals.

Table 2.4: Labour force characteristics by province (continued)						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Free State						
Population 15-64 yrs	**1 841**	**1 821**	**1 843**	**1 858**	**1 872**	**1 886**
Labour Force	**1 073**	**1 087**	**1 062**	**1 075**	**1 083**	**1 087**
Employed	832	826	781	775	783	733
Unemployed	241	261	280	300	300	354
Not economically active	768	734	782	783	789	799
Discouraged work-seekers	134	66	90	88	93	80
Other (NEA)	633	668	692	695	696	719
Rates (%)						
Unemployment rate	22,5	24,0	26,4	27,9	27,7	32,6
Employed / population ratio (Absorption)	45,2	45,3	42,4	41,7	41,8	38,9
Labour force participation rate	58,3	59,7	57,6	57,9	57,9	57,6
KwaZulu-Natal						
Population 15-64 yrs	**6 180**	**6 411**	**6 528**	**6 649**	**6 761**	**6 867**
Labour Force	**3 239**	**3 392**	**3 153**	**3 049**	**3 116**	**3 186**
Employed	2 512	2 645	2 522	2 441	2 500	2 517
Unemployed	727	747	630	608	616	669
Not economically active	2 942	3 019	3 375	3 600	3 645	3 681
Discouraged work-seekers	549	202	425	528	573	581
Other (NEA)	2 393	2 817	2 950	3 072	3 072	3 100
Rates (%)						
Unemployment rate	22,4	22,0	20,0	19,9	19,8	21,0
Employed / population ratio (Absorption)	40,6	41,3	38,6	36,7	37,0	36,6
Labour force participation rate	52,4	52,9	48,3	45,9	46,1	46,4
North West						
Population 15-64 yrs	**2 150**	**1 962**	**1 991**	**2 016**	**2 040**	**2 064**
Labour Force	**1 161**	**1 075**	**1 049**	**987**	**949**	**970**
Employed	858	815	763	724	698	726
Unemployed	303	260	286	263	250	244
Not economically active	988	887	943	1 030	1 092	1 094
Discouraged work-seekers	199	112	114	151	228	226
Other (NEA)	789	776	828	878	863	868
Rates (%)						
Unemployment rate	26,1	24,2	27,3	26,6	26,4	25,2
Employed / population ratio (Absorption)	39,9	41,5	38,3	35,9	34,2	35,2
Labour force participation rate	54,0	54,8	52,7	48,9	46,5	47,0
Gauteng						
Population 15-64 yrs	**6 999**	**7 446**	**7 568**	**7 687**	**7 806**	**7 913**
Labour Force	**4 975**	**5 443**	**5 385**	**5 400**	**5 500**	**5 544**
Employed	3 972	4 270	4 101	3 951	4 015	4 159
Unemployed	1 003	1 173	1 284	1 449	1 485	1 385
Not economically active	2 024	2 003	2 183	2 287	2 306	2 369
Discouraged work-seekers	445	177	187	281	274	282
Other (NEA)	1 579	1 826	1 996	2 006	2 032	2 087
Rates (%)						
Unemployment rate	20,2	21,6	23,8	26,8	27,0	25,0
Employed / population ratio (Absorption)	56,8	57,3	54,2	51,4	51,4	52,6
Labour force participation rate	71,1	73,1	71,2	70,2	70,5	70,1

Due to rounding, numbers do not necessarily add up to totals.

Table 2.4: Labour force characteristics by province (concluded)						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Mpumalanga						
Population 15-64 yrs	**2 148**	**2 213**	**2 252**	**2 292**	**2 331**	**2 371**
Labour Force	**1 149**	**1 222**	**1 246**	**1 239**	**1 275**	**1 339**
Employed	923	935	926	887	899	938
Unemployed	225	287	320	352	376	400
Not economically active	1 000	991	1 006	1 053	1 056	1 033
Discouraged work-seekers	208	97	116	187	209	239
Other (NEA)	792	894	890	867	847	794
Rates (%)	.	.	.	.	.	.
Unemployment rate	19,6	23,5	25,7	28,4	29,5	29,9
Employed / population ratio (Absorption)	43,0	42,3	41,1	38,7	38,6	39,6
Labour force participation rate	53,5	55,2	55,3	54,0	54,7	56,5
Limpopo						
Population 15-64 yrs	**2 994**	**3 149**	**3 215**	**3 287**	**3 353**	**3 418**
Labour Force	**1 271**	**1 303**	**1 278**	**1 204**	**1 214**	**1 326**
Employed	896	909	940	928	972	1 047
Unemployed	375	393	337	276	243	278
Not economically active	1 723	1 847	1 937	2 084	2 139	2 093
Discouraged work-seekers	419	165	224	317	419	385
Other (NEA)	1 304	1 682	1 713	1 767	1 720	1 707
Rates (%)						
Unemployment rate	29,5	30,2	26,4	22,9	20,0	21,0
Employed / population ratio (Absorption)	29,9	28,9	29,2	28,2	29,0	30,6
Labour force participation rate	42,4	41,4	39,7	36,6	36,2	38,8

Due to rounding, numbers do not necessarily add up to totals.

Table 2.5: Labour force characteristics by province – expanded definition of unemployment						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
South Africa						
Population 15-64 yrs	**30 311**	**30 967**	**31 494**	**32 007**	**32 494**	**32 959**
Labour Force	20 815	19 862	20 056	20 349	20 792	21 207
Employed	13 467	13 867	13 455	13 061	13 265	13 523
Unemployed	7 347	5 995	6 601	7 288	7 528	7 684
Not economically active	9 496	11 105	11 439	11 658	11 701	11 752
Rates (%)						
Unemployment rate	35,3	30,2	32,9	35,8	36,2	36,2
Employed / population ratio (Absorption)	44,4	44,8	42,7	40,8	40,8	41,0
Labour force participation rate	68,7	64,1	63,7	63,6	64,0	64,3
Western Cape						
Population 15-64 yrs	**3 403**	**3 273**	**3 328**	**3 383**	**3 437**	**3 491**
Labour Force	2 506	2 291	2 364	2 364	2 386	2 448
Employed	1 875	1 809	1 825	1 789	1 809	1 823
Unemployed	631	482	539	575	576	625
Not economically active	897	981	964	1 019	1 051	1 043
Rates (%)						
Unemployment rate	25,2	21,0	22,8	24,3	24,2	25,5
Employed / population ratio (Absorption)	55,1	55,3	54,8	52,9	52,6	52,2
Labour force participation rate	73,6	70,0	71,0	69,9	69,4	70,1
Eastern Cape						
Population 15-64 yrs	**3 898**	**3 996**	**4 063**	**4 123**	**4 173**	**4 219**
Labour Force	2 297	2 136	2 181	2 211	2 250	2 294
Employed	1 290	1 350	1 317	1 294	1 314	1 292
Unemployed	1 006	786	864	918	936	1 002
Not economically active	1 602	1 860	1 882	1 912	1 923	1 926
Rates (%)						
Unemployment rate	43,8	36,8	39,6	41,5	41,6	43,7
Employed / population ratio (Absorption)	33,1	33,8	32,4	31,4	31,5	30,6
Labour force participation rate	58,9	53,5	53,7	53,6	53,9	54,4
Northern Cape						
Population 15-64 yrs	**698**	**695**	**705**	**712**	**720**	**729**
Labour Force	483	453	434	430	437	448
Employed	309	307	279	271	274	287
Unemployed	174	146	155	158	163	160
Not economically active	214	242	270	282	283	281
Rates (%)						
Unemployment rate	36,1	32,1	35,7	36,9	37,3	35,8
Employed / population ratio (Absorption)	44,3	44,2	39,6	38,1	38,0	39,4
Labour force participation rate	69,3	65,2	61,6	60,3	60,6	61,4
Free State						
Population 15-64 yrs	**1 841**	**1 821**	**1 843**	**1 858**	**1 872**	**1 886**
Labour Force	1 256	1 205	1 207	1 217	1 224	1 214
Employed	832	826	781	775	783	733
Unemployed	424	379	426	441	441	480
Not economically active	585	616	636	641	648	672
Rates (%)						
Unemployment rate	33,8	31,5	35,3	36,3	36,1	39,6
Employed / population ratio (Absorption)	45,2	45,3	42,4	41,7	41,8	38,9
Labour force participation rate	68,2	66,2	65,5	65,5	65,4	64,3

Due to rounding, numbers do not necessarily add up to totals.

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Table 2.5: Labour force characteristics by province – expanded definition of unemployment (concluded)						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
KwaZulu-Natal						
Population 15-64 yrs	**6 180**	**6 411**	**6 528**	**6 649**	**6 761**	**6 867**
Labour Force	4 012	3 830	3 848	3 931	4 036	4 132
Employed	2 512	2 645	2 522	2 441	2 500	2 517
Unemployed	1 500	1 185	1 326	1 489	1 535	1 615
Not economically active	2 168	2 581	2 680	2 718	2 726	2 736
Rates (%)						
Unemployment rate	37,4	30,9	34,5	37,9	38,0	39,1
Employed / population ratio (Absorption)	40,6	41,3	38,6	36,7	37,0	36,6
Labour force participation rate	64,9	59,7	58,9	59,1	59,7	60,2
North West						
Population 15-64 yrs	**2 150**	**1 962**	**1 991**	**2 016**	**2 040**	**2 064**
Labour Force	1 449	1 244	1 232	1 234	1 269	1 281
Employed	858	815	763	724	698	726
Unemployed	590	429	469	510	571	555
Not economically active	701	718	759	783	771	783
Rates (%)						
Unemployment rate	40,7	34,5	38,1	41,3	45,0	43,3
Employed / population ratio (Absorption)	39,9	41,5	38,3	35,9	34,2	35,2
Labour force participation rate	67,4	63,4	61,9	61,2	62,2	62,1
Gauteng						
Population 15-64 yrs	**6 999**	**7 446**	**7 568**	**7 687**	**7 806**	**7 913**
Labour Force	5 581	5 690	5 650	5 762	5 845	5 902
Employed	3 972	4 270	4 101	3 951	4 015	4 159
Unemployed	1 609	1 420	1 549	1 811	1 830	1 743
Not economically active	1 418	1 757	1 918	1 925	1 961	2 012
Rates (%)						
Unemployment rate	28,8	25,0	27,4	31,4	31,3	29,5
Employed / population ratio (Absorption)	56,8	57,3	54,2	51,4	51,4	52,6
Labour force participation rate	79,7	76,4	74,7	75,0	74,9	74,6
Mpumalanga						
Population 15-64 yrs	**2 148**	**2 213**	**2 252**	**2 292**	**2 331**	**2 371**
Labour Force	1 413	1 425	1 493	1 556	1 594	1 683
Employed	923	935	926	887	899	938
Unemployed	490	490	567	669	695	745
Not economically active	735	787	759	736	737	688
Rates (%)						
Unemployment rate	34,7	34,4	38,0	43,0	43,6	44,2
Employed / population ratio (Absorption)	43,0	42,3	41,1	38,7	38,6	39,6
Labour force participation rate	65,8	64,4	66,3	67,9	68,4	71,0
Limpopo						
Population 15-64 yrs	**2 994**	**3 149**	**3 215**	**3 287**	**3 353**	**3 418**
Labour Force	1 818	1 587	1 645	1 645	1 751	1 808
Employed	896	909	940	928	972	1 047
Unemployed	922	678	705	717	779	761
Not economically active	1 176	1 562	1 570	1 642	1 602	1 611
Rates (%)						
Unemployment rate	50,7	42,7	42,9	43,6	44,5	42,1
Employed / population ratio (Absorption)	29,9	28,9	29,2	28,2	29,0	30,6
Labour force participation rate	60,7	50,4	51,2	50,0	52,2	52,9

Due to rounding, numbers do not necessarily add up to totals.

Table 3.1: Employed by industry and sex - South Africa						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Both sexes	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
Agriculture	737	786	686	639	614	660
Mining	367	330	317	305	311	350
Manufacturing	1 960	1 990	1 853	1 739	1 766	1 714
Utilities	86	97	98	90	86	98
Construction	1 051	1 161	1 133	1 060	1 054	1 026
Trade	3 342	3 179	2 975	2 927	2 995	2 976
Transport	717	785	764	774	762	806
Finance	1 459	1 691	1 768	1 656	1 711	1 773
Community and social services	2 490	2 634	2 670	2 727	2 849	2 989
Private households	1 258	1 209	1 187	1 140	1 113	1 126
Other		3	4	4	5	4
Women	**5 944**	**6 000**	**5 894**	**5 671**	**5 783**	**5 900**
Agriculture	269	256	219	217	200	215
Mining	23	36	39	36	34	48
Manufacturing	662	627	599	580	595	548
Utilities	23	25	21	21	20	20
Construction	114	113	128	116	114	124
Trade	1 690	1 576	1 451	1 407	1 414	1 414
Transport	146	153	162	156	146	156
Finance	612	749	779	676	733	745
Community and social services	1 446	1 523	1 567	1 580	1 662	1 760
Private households	959	941	926	879	863	868
Other		2	2	3	2	2
Men	**7 523**	**7 866**	**7 562**	**7 390**	**7 481**	**7 623**
Agriculture	467	531	467	422	413	445
Mining	344	294	277	269	278	302
Manufacturing	1 298	1 364	1 255	1 159	1 171	1 166
Utilities	63	71	77	69	66	78
Construction	937	1 048	1 004	944	940	903
Trade	1 652	1 603	1 524	1 520	1 581	1 563
Transport	572	632	602	618	616	650
Finance	847	942	989	980	977	1 029
Community and social services	1 045	1 111	1 103	1 147	1 187	1 229
Private households	300	268	262	261	250	258
Other		1	2	1	3	2

For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

Table 3.2: Employed by industry and province						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Agriculture	**737**	**786**	**686**	**639**	**614**	**660**
Western Cape	132	143	133	145	107	120
Eastern Cape	84	79	78	65	64	57
Northern Cape	44	59	49	43	51	46
Free State	54	80	84	70	66	65
KwaZulu-Natal	177	156	118	119	100	92
North West	50	54	40	36	33	33
Gauteng	44	67	43	31	43	56
Mpumalanga	88	80	77	73	75	87
Limpopo	62	69	64	57	76	103
Mining	**367**	**330**	**317**	**305**	**311**	**350**
Western Cape	4	1	3	2	4	3
Eastern Cape	2	2	2	1	1	2
Northern Cape	21	15	11	10	11	17
Free State	61	27	33	32	21	27
KwaZulu-Natal	12	8	9	9	12	21
North West	131	138	118	115	116	117
Gauteng	40	31	31	27	27	28
Mpumalanga	40	62	59	56	61	62
Limpopo	54	45	51	52	58	73
Manufacturing	**1 960**	**1 990**	**1 853**	**1 739**	**1 766**	**1 714**
Western Cape	287	318	290	273	291	285
Eastern Cape	174	189	182	149	178	163
Northern Cape	18	14	13	12	13	12
Free State	85	87	78	68	63	61
KwaZulu-Natal	434	424	406	383	403	382
North West	82	74	78	71	64	56
Gauteng	712	728	652	644	613	603
Mpumalanga	106	84	81	78	76	82
Limpopo	62	71	73	63	65	70
Utilities	**86**	**97**	**98**	**90**	**86**	**98**
Western Cape	13	11	7	9	10	9
Eastern Cape	6	3	3	4	6	6
Northern Cape	2	1	4	1	2	3
Free State	3	5	4	4	3	5
KwaZulu-Natal	13	14	9	10	13	12
North West	4	5	3	2	3	5
Gauteng	28	33	44	36	23	26
Mpumalanga	12	17	17	17	20	22
Limpopo	6	7	7	8	7	10
Construction	**1 051**	**1 161**	**1 133**	**1 060**	**1 054**	**1 026**
Western Cape	160	177	172	142	129	138
Eastern Cape	131	113	106	118	117	122
Northern Cape	23	20	18	18	17	18
Free State	58	60	59	50	67	49
KwaZulu-Natal	168	230	238	234	234	214
North West	51	55	51	44	45	44
Gauteng	301	327	305	283	279	275
Mpumalanga	92	87	89	70	73	70
Limpopo	66	91	94	101	94	96

For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

Table 3.2: Employed by industry and province (concluded)						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Trade	**3 342**	**3 179**	**2 975**	**2 927**	**2 995**	**2 976**
Western Cape	464	390	402	383	399	387
Eastern Cape	332	321	304	314	296	312
Northern Cape	65	55	44	43	39	45
Free State	188	193	165	169	173	153
KwaZulu-Natal	616	608	530	518	578	534
North West	183	173	162	154	140	148
Gauteng	975	963	899	882	909	909
Mpumalanga	243	247	222	214	220	232
Limpopo	275	229	247	247	240	256
Transport	**717**	**785**	**764**	**774**	**762**	**806**
Western Cape	94	87	84	103	105	96
Eastern Cape	68	74	76	71	70	69
Northern Cape	14	11	11	10	11	10
Free State	36	40	41	40	34	29
KwaZulu-Natal	137	177	176	176	171	192
North West	30	27	21	22	23	30
Gauteng	265	283	272	272	274	276
Mpumalanga	47	44	43	40	38	51
Limpopo	25	41	40	40	35	53
Finance	**1 459**	**1 691**	**1 768**	**1 656**	**1 711**	**1 773**
Western Cape	245	246	260	252	274	288
Eastern Cape	101	118	125	111	137	113
Northern Cape	19	24	21	22	22	25
Free State	63	66	63	71	73	70
KwaZulu-Natal	236	284	298	283	274	290
North West	67	66	67	61	59	60
Gauteng	607	748	787	714	723	781
Mpumalanga	71	83	89	85	82	86
Limpopo	50	56	59	57	66	60
Community and social services	**2 490**	**2 634**	**2 670**	**2 727**	**2 849**	**2 989**
Western Cape	326	325	351	366	377	385
Eastern Cape	276	326	316	338	332	342
Northern Cape	72	75	81	83	81	85
Free State	191	178	166	182	196	180
KwaZulu-Natal	490	491	490	491	506	553
North West	155	141	151	152	155	171
Gauteng	643	733	735	736	791	878
Mpumalanga	131	144	160	172	166	156
Limpopo	206	220	219	206	244	240
Private households	**1 258**	**1 209**	**1 187**	**1 140**	**1 113**	**1 126**
Western Cape	148	110	124	113	114	112
Eastern Cape	114	122	123	123	113	106
Northern Cape	30	32	28	29	26	26
Free State	93	89	88	89	85	94
KwaZulu-Natal	228	252	248	219	209	227
North West	106	81	70	66	62	62
Gauteng	357	354	330	323	329	324
Mpumalanga	93	86	90	81	88	89
Limpopo	90	82	85	98	86	86

Due to rounding, numbers do not necessarily add up to totals.

Table 3.3: Employed by sector and industry - South Africa						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Total employed	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
Formal and informal sector (Non-agricultural)	**11 472**	**11 871**	**11 582**	**11 282**	**11 539**	**11 737**
Mining	367	330	317	305	311	350
Manufacturing	1 960	1 990	1 853	1 739	1 766	1 714
Utilities	86	97	98	90	86	98
Construction	1 051	1 161	1 133	1 060	1 054	1 026
Trade	3 342	3 179	2 975	2 927	2 995	2 976
Transport	717	785	764	774	762	806
Finance	1 459	1 691	1 768	1 656	1 711	1 773
Community and social services	2 490	2 634	2 670	2 727	2 849	2 989
Other		3	4	4	5	4
Formal sector (Non-agricultural)	**9 147**	**9 572**	**9 453**	**9 123**	**9 367**	**9 588**
Mining	364	328	315	303	309	349
Manufacturing	1 675	1 753	1 652	1 527	1 553	1 529
Utilities	80	93	95	89	84	97
Construction	674	837	847	758	747	711
Trade	2 195	2 105	1 975	1 915	1 979	1 967
Transport	562	575	566	571	568	606
Finance	1 383	1 542	1 629	1 511	1 568	1 639
Community and social services	2 215	2 337	2 370	2 445	2 556	2 688
Other		3	4	4	4	4
Informal sector (Non-agricultural)	**2 325**	**2 298**	**2 129**	**2 159**	**2 171**	**2 148**
Mining	2	2	2	2	2	2
Manufacturing	285	237	202	212	213	185
Utilities	6	4	3	2	2	1
Construction	378	324	285	302	307	315
Trade	1 146	1 074	999	1 011	1 016	1 009
Transport	155	210	199	203	194	200
Finance	76	149	139	145	143	135
Community and social services	276	298	300	282	293	301
Agriculture	**737**	**786**	**686**	**639**	**614**	**660**
Private households	**1 258**	**1 209**	**1 187**	**1 140**	**1 113**	**1 126**

For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

Table 3.4: Employed by province and sector	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
South Africa	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
Formal sector (Non-agricultural)	9 147	9 572	9 453	9 123	9 367	9 588
Informal sector (Non-agricultural)	2 325	2 298	2 129	2 159	2 171	2 148
Agriculture	737	786	686	639	614	660
Private households	1 258	1 209	1 187	1 140	1 113	1 126
Western Cape	**1 875**	**1 809**	**1 825**	**1 789**	**1 809**	**1 823**
Formal sector (Non-agricultural)	1 406	1 377	1 384	1 339	1 405	1 423
Informal sector (Non-agricultural)	188	178	185	192	183	168
Agriculture	132	143	133	145	107	120
Private households	148	110	124	113	114	112
Eastern Cape	**1 290**	**1 350**	**1 317**	**1 294**	**1 314**	**1 292**
Formal sector (Non-agricultural)	777	834	830	819	878	857
Informal sector (Non-agricultural)	315	315	286	287	259	272
Agriculture	84	79	78	65	64	57
Private households	114	122	123	123	113	106
Northern Cape	**309**	**307**	**279**	**271**	**274**	**287**
Formal sector (Non-agricultural)	210	186	174	170	166	185
Informal sector (Non-agricultural)	25	30	28	29	31	30
Agriculture	44	59	49	43	51	46
Private households	30	32	28	29	26	26
Free State	**832**	**826**	**781**	**775**	**783**	**733**
Formal sector (Non-agricultural)	555	518	478	493	502	469
Informal sector (Non-agricultural)	129	138	131	123	130	105
Agriculture	54	80	84	70	66	65
Private households	93	89	88	89	85	94
KwaZulu-Natal	**2 512**	**2 645**	**2 522**	**2 441**	**2 500**	**2 517**
Formal sector (Non-agricultural)	1 661	1 722	1 692	1 679	1 701	1 773
Informal sector (Non-agricultural)	446	515	464	425	491	424
Agriculture	177	156	118	119	100	92
Private households	228	252	248	219	209	227
North West	**858**	**815**	**763**	**724**	**698**	**726**
Formal sector (Non-agricultural)	561	566	551	527	516	528
Informal sector (Non-agricultural)	142	114	101	95	88	103
Agriculture	50	54	40	36	33	33
Private households	106	81	70	66	62	62
Gauteng	**3 972**	**4 270**	**4 101**	**3 951**	**4 015**	**4 159**
Formal sector (Non-agricultural)	2 931	3 303	3 247	3 068	3 124	3 253
Informal sector (Non-agricultural)	640	546	480	529	520	526
Agriculture	44	67	43	31	43	56
Private households	357	354	330	323	329	324
Mpumalanga	**923**	**935**	**926**	**887**	**899**	**938**
Formal sector (Non-agricultural)	548	556	560	545	543	554
Informal sector (Non-agricultural)	195	213	199	188	193	208
Agriculture	88	80	77	73	75	87
Private households	93	86	90	81	88	89
Limpopo	**896**	**909**	**940**	**928**	**972**	**1 047**
Formal sector (Non-agricultural)	499	510	536	482	532	545
Informal sector (Non-agricultural)	245	249	255	291	278	313
Agriculture	62	69	64	57	76	103
Private households	90	82	85	98	86	86

Due to rounding, numbers do not necessarily add up to totals.

Table 3.5: Employed by sex and occupation - South Africa						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Both sexes	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
Manager	976	1 048	1 041	1 051	1 130	1 093
Professional	563	764	716	730	755	792
Technician	1 439	1 488	1 538	1 459	1 467	1 534
Clerk	1 380	1 475	1 463	1 447	1 412	1 415
Sales and services	1 755	1 784	1 838	1 869	1 946	1 996
Skilled agriculture	105	108	90	88	68	64
Craft and related trade	1 995	1 956	1 732	1 597	1 622	1 627
Plant and machine operator	1 176	1 205	1 184	1 116	1 119	1 126
Elementary	3 059	3 083	2 920	2 824	2 868	2 989
Domestic worker	1 019	954	935	880	877	887
Other		1				
Women	**5 944**	**6 000**	**5 894**	**5 671**	**5 783**	**5 900**
Manager	309	311	314	312	351	342
Professional	284	353	331	332	349	345
Technician	791	813	823	802	817	846
Clerk	952	1 010	1 025	996	982	990
Sales and services	793	843	884	841	857	921
Skilled agriculture	52	29	20	25	20	21
Craft and related trade	337	285	222	185	192	175
Plant and machine operator	184	171	171	156	169	148
Elementary	1 296	1 270	1 203	1 175	1 205	1 259
Domestic worker	945	916	902	846	842	852
Other						
Men	**7 523**	**7 866**	**7 562**	**7 390**	**7 481**	**7 623**
Manager	667	736	727	738	779	751
Professional	279	411	385	398	406	447
Technician	648	676	716	657	650	688
Clerk	428	466	438	451	430	425
Sales and services	962	941	954	1 028	1 088	1 074
Skilled agriculture	53	80	69	64	48	43
Craft and related trade	1 657	1 671	1 510	1 412	1 431	1 452
Plant and machine operator	992	1 034	1 013	960	950	978
Elementary	1 763	1 813	1 717	1 648	1 663	1 730
Domestic worker	74	38	33	35	35	34
Other		1				

For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

Table 3.6: Employed by sex and status in employment - South Africa						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Both sexes	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
Employee	11 038	11 690	11 388	11 026	11 210	11 468
Employer	917	772	719	709	723	707
Own-account worker	1 452	1 282	1 232	1 216	1 229	1 253
Unpaid household member	59	123	118	109	104	95
Unspecified	1					
Women	**5 944**	**6 000**	**5 894**	**5 671**	**5 783**	**5 900**
Employee	4 786	5 050	5 045	4 853	4 972	5 132
Employer	278	182	149	157	162	142
Own-account worker	843	680	613	592	583	561
Unpaid household member	35	88	87	69	67	64
Unspecified	1					
Men	**7 523**	**7 866**	**7 562**	**7 390**	**7 481**	**7 623**
Employee	6 252	6 640	6 343	6 174	6 238	6 336
Employer	639	590	570	552	561	565
Own-account worker	608	602	618	624	645	692
Unpaid household member	24	34	31	40	37	31
Unspecified						

For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

Table 3.7: Employed by sex and usual hours of work - South Africa						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Both sexes	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
Working less than 15 hours per week	358	311	272	240	230	237
Working 15-29 hours per week	709	796	823	780	766	802
Working 30-39 hours per week	985	1 039	984	959	943	964
Working 40-45 hours per week	6 861	7 011	7 168	7 117	7 289	7 435
Working more than 45 hours per week	4 554	4 709	4 208	3 964	4 037	4 086
Women	**5 944**	**6 000**	**5 894**	**5 671**	**5 783**	**5 900**
Working less than 15 hours per week	233	195	171	143	136	156
Working 15-29 hours per week	471	528	548	515	492	529
Working 30-39 hours per week	594	640	619	600	577	600
Working 40-45 hours per week	2 995	2 974	3 069	3 042	3 180	3 201
Working more than 45 hours per week	1 652	1 663	1 487	1 371	1 397	1 414
Men	**7 523**	**7 866**	**7 562**	**7 390**	**7 481**	**7 623**
Working less than 15 hours per week	126	116	101	97	94	81
Working 15-29 hours per week	238	268	275	265	274	273
Working 30-39 hours per week	391	399	365	360	366	364
Working 40-45 hours per week	3 866	4 037	4 099	4 075	4 109	4 234
Working more than 45 hours per week	2 902	3 047	2 721	2 593	2 640	2 672

Due to rounding, numbers do not necessarily add up to totals.

Table 3.8: Time-related underemployment - South Africa						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Both sexes	**380**	**626**	**637**	**544**	**514**	**547**
Women	225	380	400	334	308	331
Men	155	247	238	210	205	217
As percentage of the labour force (Both sexes)	**2,2**	**3,5**	**3,6**	**3,1**	**2,9**	**3,0**
Women	2,8	4,7	5,0	4,3	3,8	4,0
Men	1,7	2,5	2,5	2,2	2,1	2,2
As percentage of total employment (Both sexes)	**2,8**	**4,5**	**4,7**	**4,2**	**3,9**	**4,0**
Women	3,8	6,3	6,8	5,9	5,3	5,6
Men	2,1	3,1	3,1	2,8	2,7	2,8
Industry	**380**	**626**	**637**	**544**	**514**	**547**
Agriculture	16	21	13	10	10	11
Mining		1				
Manufacturing	25	43	40	30	38	30
Utilities		2				
Construction	37	58	53	56	51	65
Trade	103	128	122	110	97	103
Transport	16	22	19	15	12	15
Finance	13	38	35	28	36	37
Community and social services	51	91	96	83	72	86
Private households	120	223	260	211	197	200
Occupation	**380**	**626**	**637**	**544**	**514**	**547**
Manager	7	12	9	8	13	9
Professional	3	16	14	9	5	6
Technician	26	41	42	30	28	31
Clerk	19	23	21	23	18	15
Sales and services	38	61	60	63	47	58
Skilled agriculture	8	4	4	3	3	4
Craft and related trade	53	76	59	61	63	66
Plant and machine operator	17	22	19	9	13	14
Elementary	126	208	208	185	179	192
Domestic worker	83	163	199	154	145	152

For all values of 10 000 or lower the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

Table 3.9: Employed by industry and volume of hours worked - South Africa						
Market production activities	**LFS 2007**	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Both sexes	**599 984**	**609 104**	**581 922**	**561 463**	**574 596**	**578 637**
Agriculture	32 862	36 559	32 120	29 114	28 397	30 257
Mining	17 614	15 098	14 171	13 745	13 887	15 539
Manufacturing	86 508	85 987	78 902	73 820	75 911	72 371
Utilities	3 726	4 136	4 116	3 869	3 671	4 179
Construction	45 966	49 363	47 267	43 071	43 332	41 545
Trade	157 132	152 021	141 465	139 007	142 706	139 614
Transport	36 263	40 772	38 924	38 880	38 365	39 702
Finance	67 820	76 603	79 184	73 698	75 631	78 402
Community and social services	103 844	106 350	105 403	107 509	114 409	118 793
Private households	48 248	42 086	40 200	38 605	38 097	38 075
Women	**250 526**	**247 090**	**239 583**	**229 058**	**236 619**	**237 089**
Agriculture	11 015	11 075	9 683	9 409	8 806	9 315
Mining	1 025	1 531	1 648	1 539	1 434	2 047
Manufacturing	27 334	25 770	24 452	23 729	25 045	22 512
Utilities	919	1 011	867	809	807	845
Construction	4 046	4 066	4 580	4 003	3 878	4 022
Trade	78 066	73 502	67 100	65 100	65 222	63 771
Transport	6 173	6 601	6 992	6 446	6 243	6 522
Finance	26 263	31 113	32 468	27 726	29 982	30 611
Community and social services	58 502	59 337	60 041	60 145	64 962	67 722
Private households	37 184	33 021	31 658	30 046	30 169	29 659
Men	**349 458**	**362 014**	**342 339**	**332 405**	**337 977**	**341 547**
Agriculture	21 848	25 484	22 437	19 705	19 591	20 941
Mining	16 589	13 567	12 522	12 206	12 453	13 492
Manufacturing	59 174	60 217	54 450	50 092	50 866	49 859
Utilities	2 807	3 125	3 250	3 059	2 863	3 334
Construction	41 919	45 297	42 687	39 067	39 455	37 523
Trade	79 066	78 519	74 365	73 907	77 485	75 843
Transport	30 090	34 171	31 932	32 434	32 122	33 180
Finance	41 557	45 490	46 717	45 972	45 649	47 791
Community and social services	45 343	47 013	45 362	47 364	49 448	51 071
Private households	11 065	9 065	8 543	8 559	7 928	8 417

Due to rounding, numbers do not necessarily add up to totals.

Table 3.10: Employed by industry and average hours of work						
Market production activities	**LFS 2007**	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Both sexes	**45**	**45**	**44**	**44**	**44**	**44**
Agriculture	45	47	47	46	47	46
Mining	48	47	46	46	45	46
Manufacturing	45	44	43	43	43	43
Utilities	44	43	43	44	43	43
Construction	44	44	43	42	42	42
Trade	48	49	48	48	48	48
Transport	51	53	52	51	51	50
Finance	47	46	45	45	45	45
Community and social services	42	41	41	41	41	41
Private households	39	35	34	34	34	34
Women	**43**	**42**	**42**	**41**	**42**	**41**
Agriculture	42	44	45	44	44	44
Mining	45	43	43	45	43	44
Manufacturing	42	42	42	42	43	42
Utilities	41	41	42	40	41	42
Construction	36	37	37	35	35	33
Trade	47	48	47	47	47	46
Transport	43	44	44	42	43	42
Finance	44	42	42	42	42	42
Community and social services	41	40	40	40	41	40
Private households	39	35	35	35	35	34
Men	**47**	**47**	**46**	**46**	**46**	**46**
Agriculture	47	49	49	47	48	47
Mining	49	47	46	46	46	46
Manufacturing	46	45	44	44	44	43
Utilities	45	44	43	45	44	43
Construction	45	44	43	43	43	43
Trade	48	50	49	49	49	49
Transport	53	55	54	53	53	52
Finance	50	49	48	47	47	47
Community and social services	44	43	42	42	43	43
Private households	37	34	33	33	32	33

Table 3.11: Employed by occupation and volume of hours worked						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Both sexes	**599 984**	**609 104**	**581 922**	**561 463**	**574 596**	**578 637**
Manager	46 553	49 328	48 810	48 085	51 792	49 628
Professional	23 805	32 303	29 394	29 936	31 737	32 805
Technician	59 911	59 087	59 930	56 680	57 180	59 294
Clerk	59 136	62 842	61 196	60 239	59 503	58 961
Sales and services	88 116	90 195	91 010	91 404	96 058	97 115
Skilled agriculture	2 731	5 007	4 017	3 822	3 094	2 760
Craft and related trade	86 894	83 593	73 507	67 060	69 163	68 570
Plant and machine operator	57 431	58 850	56 394	53 435	53 329	53 035
Elementary	135 871	134 417	125 723	120 898	122 289	126 294
Domestic worker	39 536	33 452	31 937	29 904	30 451	30 173
Women	**250 526**	**247 090**	**239 583**	**229 058**	**236 619**	**237 089**
Manager	13 682	13 785	13 665	13 446	15 223	14 461
Professional	11 505	14 137	13 124	13 149	14 395	13 916
Technician	31 961	30 900	30 956	30 076	31 159	31 756
Clerk	40 233	42 275	42 323	40 856	40 944	40 903
Sales and services	37 848	39 777	40 676	38 059	39 052	41 370
Skilled agriculture	1 118	1 164	753	984	858	841
Craft and related trade	13 046	11 186	8 855	7 438	7 919	7 002
Plant and machine operator	8 158	7 375	7 263	6 451	7 210	6 253
Elementary	56 333	54 442	51 200	49 879	50 555	51 516
Domestic worker	36 642	32 044	30 767	28 721	29 303	29 071
Men	**349 458**	**362 014**	**342 339**	**332 405**	**337 977**	**341 547**
Manager	32 871	35 543	35 145	34 638	36 569	35 167
Professional	12 300	18 166	16 269	16 788	17 342	18 889
Technician	27 950	28 187	28 974	26 605	26 020	27 538
Clerk	18 904	20 567	18 873	19 383	18 559	18 058
Sales and services	50 268	50 418	50 334	53 345	57 007	55 745
Skilled agriculture	1 613	3 843	3 264	2 838	2 236	1 919
Craft and related trade	73 847	72 407	64 652	59 622	61 244	61 568
Plant and machine operator	49 273	51 476	49 130	46 984	46 119	46 783
Elementary	79 538	79 975	74 523	71 019	71 735	74 778
Domestic worker	2 893	1 408	1 170	1 183	1 148	1 103

Due to rounding, numbers do not necessarily add up to totals.

Table 3.12: Employed by occupation and average hours of work						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Both sexes	**45**	**45**	**44**	**44**	**44**	**44**
Manager	48	48	48	47	46	46
Professional	42	43	42	42	43	42
Technician	42	41	40	40	41	40
Clerk	43	43	42	42	43	42
Sales and services	51	52	51	50	50	49
Skilled agriculture	27	47	45	45	46	45
Craft and related trade	44	44	43	43	43	43
Plant and machine operator	49	49	49	49	48	48
Elementary	45	44	44	44	43	43
Domestic worker	39	35	34	34	35	34
Women	**43**	**42**	**42**	**41**	**42**	**41**
Manager	45	45	44	44	44	43
Professional	41	41	41	41	42	41
Technician	41	39	39	39	40	40
Clerk	43	43	42	42	43	42
Sales and services	49	48	47	46	46	46
Skilled agriculture	22	41	38	41	43	41
Craft and related trade	39	41	41	42	43	41
Plant and machine operator	45	44	44	43	43	43
Elementary	44	44	44	44	43	42
Domestic worker	39	35	34	34	35	34
Men	**47**	**47**	**46**	**46**	**46**	**46**
Manager	50	49	49	47	47	47
Professional	44	45	43	43	43	43
Technician	43	43	42	42	41	42
Clerk	44	45	44	44	44	43
Sales and services	53	54	53	53	53	52
Skilled agriculture	31	49	48	46	47	47
Craft and related trade	45	44	44	43	43	43
Plant and machine operator	50	50	49	50	49	48
Elementary	46	45	44	44	44	44
Domestic worker	39	37	36	34	33	32

Table 3.13: Employed by sector and volume of hours worked

Market production activities	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Both Sexes	**599 984**	**609 104**	**581 922**	**561 463**	**574 596**	**578 637**
Formal sector (Non-agricultural)	413 299	424 006	411 695	394 271	406 540	412 800
Informal sector (Non-agricultural)	105 574	106 453	97 907	99 474	101 562	97 504
Agriculture	32 862	36 559	32 120	29 114	28 397	30 257
Private households	48 248	42 086	40 200	38 605	38 097	38 075
Women	**250 526**	**247 090**	**239 583**	**229 058**	**236 619**	**237 089**
Formal sector (Non-agricultural)	154 901	157 656	156 869	149 513	157 299	161 202
Informal sector (Non-agricultural)	47 427	45 338	41 373	40 090	40 345	36 913
Agriculture	11 015	11 075	9 683	9 409	8 806	9 315
Private households	37 184	33 021	31 658	30 046	30 169	29 659
Men	**349 458**	**362 014**	**342 339**	**332 405**	**337 977**	**341 547**
Formal sector (Non-agricultural)	258 398	266 350	254 826	244 758	249 242	251 598
Informal sector (Non-agricultural)	58 147	61 115	56 534	59 383	61 217	60 591
Agriculture	21 848	25 484	22 437	19 705	19 591	20 941
Private households	11 065	9 065	8 543	8 559	7 928	8 417

Due to rounding, numbers do not necessarily add up to totals.

Table 3.14: Employed by sector and average hours of work

Market production activities	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Both Sexes	**45**	**45**	**44**	**44**	**44**	**44**
Formal sector (Non-agricultural)	46	45	44	44	44	44
Informal sector (Non-agricultural)	46	48	47	48	48	47
Agriculture	45	47	47	46	47	46
Private households	39	35	34	34	34	34
Women	**43**	**42**	**42**	**41**	**42**	**41**
Formal sector (Non-agricultural)	43	43	42	42	42	42
Informal sector (Non-agricultural)	45	46	45	46	46	44
Agriculture	42	44	45	44	44	44
Private households	39	35	35	35	35	34
Men	**47**	**47**	**46**	**46**	**46**	**46**
Formal sector (Non-agricultural)	47	47	46	46	45	45
Informal sector (Non-agricultural)	48	49	49	49	49	48
Agriculture	47	49	49	47	48	47
Private households	37	34	33	33	32	33

Table 3.15: Employment by sex and province						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Both sexes	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
Western Cape	1 875	1 809	1 825	1 789	1 809	1 823
Eastern Cape	1 290	1 350	1 317	1 294	1 314	1 292
Northern Cape	309	307	279	271	274	287
Free Sate	832	826	781	775	783	733
KwaZulu-Natal	2 512	2 645	2 522	2 441	2 500	2 517
North West	858	815	763	724	698	726
Gauteng	3 972	4 270	4 101	3 951	4 015	4 159
Mpumalanga	923	935	926	887	899	938
Limpopo	896	909	940	928	972	1 047
Women	**5 944**	**6 000**	**5 894**	**5 671**	**5 783**	**5 900**
Western Cape	867	793	814	821	839	857
Eastern Cape	626	629	621	621	621	599
Northern Cape	123	124	120	123	109	126
Free Sate	360	352	338	333	323	312
KwaZulu-Natal	1 179	1 197	1 177	1 121	1 140	1 140
North West	337	311	285	274	261	286
Gauteng	1 605	1 762	1 694	1 583	1 671	1 736
Mpumalanga	397	400	409	385	382	395
Limpopo	451	432	436	410	437	448
Men	**7 523**	**7 866**	**7 562**	**7 390**	**7 481**	**7 623**
Western Cape	1 008	1 016	1 012	968	970	966
Eastern Cape	664	721	696	672	693	693
Northern Cape	186	183	159	148	164	161
Free Sate	472	474	444	443	460	421
KwaZulu-Natal	1 333	1 448	1 345	1 320	1 360	1 376
North West	521	504	478	450	438	440
Gauteng	2 367	2 508	2 407	2 369	2 345	2 423
Mpumalanga	527	536	517	502	517	544
Limpopo	445	478	504	518	534	599

Due to rounding, numbers do not necessarily add up to totals.

Table 3.16: Employees Access to benefits by sex						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Both sexes						
Pension	5 552	5 284	5 253	5 047	5 322	5 586
Paid Leave	6 526	6 729	6 873	6 877	7 364	7 323
UIF	7 019	6 483	6 492	6 212	6 399	6 805
Medical Aid	3 241	3 350	3 465	3 511	3 557	3 740
Written Contract	7 822	8 789	8 872	8 661	8 899	9 229
Women						
Pension	2 255	2 126	2 159	2 084	2 201	2 316
Paid Leave	2 736	2 838	2 944	2 946	3 186	3 180
UIF	2 860	2 564	2 612	2 500	2 619	2 809
Medical Aid	1 354	1 418	1 494	1 511	1 546	1 614
Written Contract	3 309	3 718	3 830	3 725	3 879	4 053
Men						
Pension	3 298	3 158	3 094	2 963	3 122	3 270
Paid Leave	3 791	3 891	3 929	3 931	4 178	4 143
UIF	4 159	3 919	3 879	3 712	3 780	3 997
Medical Aid	1 887	1 932	1 971	2 000	2 011	2 127
Written Contract	4 513	5 071	5 041	4 936	5 019	5 175

Due to rounding, numbers do not necessarily add up to totals.

Table 3.17: Time-related underemployment by population group

	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Population group	**380**	**626**	**637**	**544**	**514**	**547**
Black African	318	534	543	470	441	473
Coloured	39	55	58	53	49	48
Indian/Asian	6	11	9	6	3	7
White	16	26	27	15	21	20
As a percentage of the labour force (Both population group)	**2,2**	**3,5**	**3,6**	**3,1**	**2,9**	**3,0**
Black African	2,5	4,0	4,2	3,7	3,4	3,5
Coloured	2,0	2,9	3,0	2,8	2,6	2,5
Indian/Asian	1,3	2,1	1,7	1,1	0,6	1,2
White	0,7	1,2	1,3	0,7	1,0	1,0
As a percentage of total employment (Both population group)	**2,8**	**4,5**	**4,7**	**4,2**	**3,9**	**4,0**
Black African	3,4	5,5	5,8	5,2	4,7	4,9
Coloured	2,6	3,6	3,8	3,6	3,3	3,3
Indian/Asian	1,4	2,4	2,0	1,2	0,7	1,3
White	0,8	1,2	1,3	0,8	1,0	1,0

For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

Table 3.18: Distribution of monthly earnings for employees by selected demographic variables						
	R0- R500	R501-R1 00	R1001-R4 500	R4 501-R8 000	R8 001 or more	Total
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Sex	**459**	**1 001**	**5 367**	**1 606**	**2 626**	**11 059**
Male	202	372	3 030	973	1 518	6 095
Female	257	629	2 336	633	1 108	4 964
Population group	**459**	**1 001**	**5 367**	**1 606**	**2 626**	**11 059**
Black/African	392	890	4 289	1 020	1 292	7 884
Coloured	40	84	693	200	310	1 328
Indian/Asian	3	4	122	94	159	382
White	24	22	263	292	865	1 466
Age group	**459**	**1 001**	**5 367**	**1 606**	**2 626**	**11 059**
15-24 yrs	36	113	664	132	146	1 091
25-34 yrs	131	327	2 027	533	817	3 835
35-44 yrs	136	281	1 515	481	863	3 277
45-54 yrs	104	191	831	313	539	1 977
55-64 yrs	53	89	330	146	260	879

For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

Table 3.19: Distribution of monthly earnings for employees by selected population group and sex								
	No. of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
Both sexes	**11 059**	**600**	**866**	**1 516**	**3 100**	**8 000**	**15 000**	**20 000**
Black African	7 884	510	800	1 400	2 500	5 500	12 000	16 000
Coloured	1 328	700	1 060	1 733	3 250	8 000	15 000	22 000
Indian/Asian	382	1 500	2 426	3 500	7 000	12 000	18 000	20 000
White	1 466	1 560	2 946	5 000	10 006	17 000	27 000	36 000
Women	**4 964**	**500**	**720**	**1 300**	**2 600**	**7 300**	**14 000**	**18 000**
Black African	3 488	500	650	1 152	2 000	4 800	11 171	15 000
Coloured	642	650	1 000	1 516	3 000	7 000	14 000	19 000
Indian/Asian	154	2 000	2 800	4 000	7 000	12 000	17 650	19 200
White	680	1 500	2 946	4 800	9 000	14 000	21 000	30 000
Men	**6 095**	**693**	**1 083**	**1 885**	**3 500**	**8 000**	**16 000**	**23 000**
Black African	4 396	600	1 000	1 650	3 000	6 000	12 000	16 466
Coloured	686	780	1 200	1 800	3 500	8 000	16 500	25 000
Indian/Asian	228	1 500	2 166	3 466	6 700	11 750	18 000	22 966
White	786	1 600	2 900	6 000	12 000	20 000	30 000	39 000

Due to rounding, numbers do not necessarily add up to totals.

Table 3.20: Distribution of monthly earnings for employees by province and sex

	No. of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
Both sexes	**11 059**	**600**	**866**	**1 516**	**3 100**	**8 000**	**15 000**	**20 000**
Western Cape	1 603	800	1 200	1 841	3 423	8 000	16 000	25 000
Eastern Cape	1 036	500	600	1 300	2 513	6 933	15 000	20 000
Northern Cape	249	0	600	1 260	2 000	5 900	12 000	17 000
Free State	624	500	693	1 200	2 166	6 000	12 000	16 000
KwaZulu-Natal	2 055	510	800	1 500	2 800	6 500	12 000	16 000
North West	602	700	1 000	1 603	3 500	7 500	14 166	18 000
Gauteng	3 373	700	1 200	2 163	4 200	10 000	18 000	25 000
Mpumalanga	750	650	866	1 400	2 600	6 017	14 044	19 800
Limpopo	767	500	700	1 100	2 000	6 500	13 700	16 000
Women	**4 964**	**500**	**720**	**1 300**	**2 600**	**7 300**	**14 000**	**18 000**
Western Cape	772	735	1 040	1 700	3 000	8 000	15 000	20 000
Eastern Cape	488	480	600	1 100	2 400	6 900	14 272	18 000
Northern Cape	112	0	500	1 083	1 625	5 500	11 715	15 000
Free State	273	500	600	1 000	1 800	4 900	11 700	15 000
KwaZulu-Natal	942	500	600	1 126	2 166	6 000	12 000	15 000
North West	246	600	800	1 300	2 500	6 700	13 000	16 000
Gauteng	1 487	650	1 000	1 800	3 705	10 000	15 900	21 000
Mpumalanga	311	600	760	1 200	2 000	5 000	12 700	17 040
Limpopo	334	500	600	900	1 500	5 000	12 000	16 000
Men	**6 095**	**693**	**1 083**	**1 885**	**3 500**	**8 000**	**16 000**	**23 000**
Western Cape	830	850	1 300	2 000	3 500	9 000	17 766	27 000
Eastern Cape	548	520	693	1 516	2 600	7 000	15 950	24 000
Northern Cape	137	0	700	1 365	2 250	6 000	14 000	19 800
Free State	352	520	800	1 400	2 600	6 500	13 000	18 529
KwaZulu-Natal	1 113	780	1 083	1 800	3 150	7 000	12 500	17 500
North West	356	800	1 200	2 000	4 200	8 000	15 000	20 000
Gauteng	1 886	866	1 470	2 500	4 500	10 000	19 000	27 000
Mpumalanga	439	800	1 000	1 500	3 200	7 000	15 000	21 000
Limpopo	433	600	800	1 400	2 500	7 500	14 400	17 900

Due to rounding, numbers do not necessarily add up to totals.

Table 3.21: Distribution of monthly earnings for employees by occupation and sex								
	No. of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
Both sexes	**11 059**	**600**	**866**	**1 516**	**3 100**	**8 000**	**15 000**	**20 000**
Manager	623	1 500	3 700	7 000	12 700	20 833	34 666	46 200
Professional	662	2 000	3 700	8 000	13 000	22 000	35 000	49 000
Technician	1 341	1 000	1 700	3 500	8 000	13 241	17 000	20 120
Clerk	1 325	1 000	1 500	2 500	4 900	9 000	13 600	16 200
Sales and services	1 642	650	1 000	1 733	2 800	5 600	11 000	15 000
Skilled agriculture	30	500	500	1 000	1 500	2 340	5 000	10 500
Craft and related trade	1 149	800	1 200	2 000	3 466	6 500	13 000	18 000
Plant and machine operator	1 042	700	1 083	1 733	3 033	5 200	8 666	12 000
Elementary	2 373	480	600	1 200	1 733	3 000	5 000	6 933
Domestic worker	872	400	520	800	1 200	1 733	2 400	3 000
Women	**4 964**	**500**	**720**	**1 300**	**2 600**	**7 300**	**14 000**	**18 000**
Manager	226	2 000	4 000	6 700	12 000	20 000	30 000	40 000
Professional	299	1 666	3 400	7 000	12 000	20 000	30 000	49 000
Technician	760	800	1 500	3 500	8 000	13 000	16 000	19 000
Clerk	931	871	1 500	2 500	4 500	9 000	13 000	16 000
Sales and services	727	600	750	1 300	2 300	4 000	9 533	13 000
Skilled agriculture	12	480	500	900	1 300	2 000	3 033	9 150
Craft and related trade	119	600	800	1 300	2 383	4 000	7 500	11 000
Plant and machine operator	135	758	1 000	1 482	2 400	4 116	6 700	9 100
Elementary	917	480	510	1 000	1 600	2 500	4 300	5 300
Domestic worker	839	400	520	800	1 200	1 733	2 400	3 000
Men	**6 095**	**693**	**1 083**	**1 885**	**3 500**	**8 000**	**16 000**	**23 000**
Manager	397	1 500	3 500	8 000	14 000	23 000	35 000	49 000
Professional	363	2 500	4 000	8 000	15 000	24 500	38 000	50 000
Technician	582	1 200	1 950	3 466	8 000	14 000	19 000	25 000
Clerk	394	1 200	1 646	2 800	5 200	9 600	15 000	18 977
Sales and services	915	800	1 300	2 100	3 100	7 000	12 000	16 000
Skilled agriculture	18	500	550	1 200	1 733	3 000	5 000	12 000
Craft and related trade	1 030	866	1 300	2 000	3 500	6 800	14 000	18 500
Plant and machine operator	907	700	1 100	1 841	3 250	5 500	9 000	12 000
Elementary	1 456	500	693	1 213	1 900	3 400	5 900	7 800
Domestic worker	33	303	390	800	1 040	1 516	2 166	2 585

Due to rounding, numbers do not necessarily add up to totals.

Table 3.22: Distribution of monthly earnings for employees by industry and sex							
	No. of employees	Bottom 5%	Bottom 10%	Bottom 25%	Median	Top 25%	Top 10%	Top 5%
Both sexes	**11 059**	**600**	**866**	**1 516**	**3 100**	**8 000**	**15 000**	**20 000**
Agriculture	602	500	758	1 200	1 460	1 800	3 000	5 000
Mining	331	1 083	1 800	3 900	6 000	10 000	17 000	22 000
Manufacturing	1 453	800	1 200	1 950	3 500	7 300	14 733	20 000
Utilities	92	600	1 200	2 800	6 000	12 500	20 000	25 000
Construction	709	500	600	1 516	2 600	4 600	9 700	14 000
Trade	1 954	800	1 100	1 800	3 000	5 633	12 000	16 000
Transport	663	750	1 200	2 100	3 900	8 750	15 000	20 000
Finance	1 514	900	1 500	2 300	4 000	10 000	20 000	30 000
Community and social services	2 642	600	1 000	2 500	6 500	12 500	18 000	24 000
Private household	1 096	400	500	800	1 200	1 733	2 500	3 250
Other	3	0	0	866	7 000	9 000	14 000	25 000
Women	**4 964**	**500**	**720**	**1 300**	**2 600**	**7 300**	**14 000**	**18 000**
Agriculture	201	500	700	1 083	1 367	1 590	2 166	3 900
Mining	47	1 000	1 700	3 500	6 000	11 000	16 000	20 000
Manufacturing	443	650	1 000	1 625	2 900	5 500	11 000	16 000
Utilities	19	1 000	2 000	3 500	7 000	13 000	26 000	30 000
Construction	113	400	480	510	1 300	3 900	8 233	13 000
Trade	927	750	1 000	1 700	2 600	5 000	10 588	14 400
Transport	135	666	1 083	2 166	5 000	11 000	18 000	22 000
Finance	665	758	1 300	2 100	4 500	10 000	18 000	26 000
Community and social services	1 562	520	800	2 000	6 000	12 000	16 000	20 000
Private household	851	400	520	800	1 200	1 733	2 400	3 000
Other	1	2 600	3 200	7 000	7 500	14 000	25 000	25 000
Men	**6 095**	**693**	**1 083**	**1 885**	**3 500**	**8 000**	**16 000**	**23 000**
Agriculture	401	500	800	1 200	1 500	1 950	3 466	6 000
Mining	284	1 083	1 800	3 930	6 000	10 000	17 333	24 000
Manufacturing	1 010	866	1 300	2 166	3 986	8 000	16 000	24 000
Utilities	73	500	1 200	2 600	5 200	12 500	19 800	24 168
Construction	596	650	1 000	1 733	2 800	4 800	9 750	14 500
Trade	1 027	800	1 200	2 000	3 200	6 000	12 000	18 000
Transport	528	800	1 200	2 100	3 500	8 000	15 000	20 000
Finance	849	1 000	1 500	2 400	3 900	10 000	21 000	30 000
Community and social services	1 079	758	1 300	3 000	8 000	14 000	20 000	27 000
Private household	245	350	480	700	1 200	1 733	2 800	4 333
Other	2	0	0	0	3 300	7 000	11 000	11 000

For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

Table 3.23: Characteristics of the not economically active - South Africa						
Decent Work Indicators	**LFS 2007**	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Per cent	**Per cent**	**Per cent**	**Per cent**	**Per cent**	**Per cent**
Unemployment rate by level of education	**22,6**	**22,3**	**22,8**	**23,9**	**24,9**	**25,1**
None	16,3	13,2	14,6	16,4	16,5	17,0
Less than primary completed	20,3	20,4	21,6	22,3	24,3	22,9
Primary completed	23,5	24,2	23,9	23,2	24,1	25,1
Secondary not completed	28,3	28,9	29,2	30,5	31,5	32,1
Secondary completed	23,7	22,6	24,1	25,5	26,6	26,4
Tertiary	8,0	7,2	7,7	8,4	9,2	9,5
Other	13,9	9,8	15,4	16,8	16,5	15,0

Table 3.24: Adequate earnings and productive work – Low pay rate (below 2/3 of median monthly earnings)						
Decent Work Indicators	**LFS 2007**	**QLFS 2008**	**QLFS 2009***	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Per cent	**Per cent**	**Per cent**	**Per cent**	**Per cent**	**Per cent**
Low pay rate (proportion of workers with monthly earnings below 2/3 of median monthly earnings, excl. agriculture)						
All workers	**..**	**..**	**32,5**	**34,0**	**34,6**	**33,0**
Male	..	..	25,7	27,0	28,0	26,2
Female	..	..	41,1	43,0	42,9	41,5

*Quarter 4 2009

Table 3.25: Proportion of employees who are entitled to paid sick leave						
Decent Work Indicators	**LFS 2007**	**QLFS 2008**	**QLFS 2009**	**QLFS 2010***	**QLFS 2011**	**QLFS 2012**
	Per cent	**Per cent**	**Per cent**	**Per cent**	**Per cent**	**Per cent**
Both sexes	**..**	**..**	**..**	**64,8**	**67,4**	**68,7**
Male	..	..	..	65,3	68,2	70,1
Female	..	..	..	64,2	66,4	67,1

*Quarter 4 2010

Table 3.26: Proportion of employees who are entitled to maternity/paternity leave						
Decent Work Indicators	**LFS 2007**	**QLFS 2008**	**QLFS 2009**	**QLFS 2010***	**QLFS 2011**	**QLFS 2012**
	Per cent	**Per cent**	**Per cent**	**Per cent**	**Per cent**	**Per cent**
Both sexes	**..**	**..**	**..**	**53,2**	**54,1**	**53,6**
Male	..	..	..	50,8	52,8	52,2
Female	..	..	..	56,3	55,8	55,3

*Quarter 4 2010

Table 3.27: Decent hours

Decent Work Indicators	LFS 2007 Per cent	QLFS 2008 Per cent	QLFS 2009 Per cent	QLFS 2010 Per cent	QLFS 2011 Per cent	QLFS 2012 Per cent
Excessive hours (workers with more than 48 hours per week)	**27,2**	**28,0**	**25,5**	**24,1**	**23,9**	**23,1**
Male	31,1	32,0	29,3	27,9	27,8	27,0
Female	22,2	22,7	20,5	19,1	18,8	18,0
Time-related underemployment rate	**2,8**	**4,5**	**4,7**	**4,2**	**3,9**	**4,0**
Male	2,1	3,1	3,1	2,8	2,7	2,8
Female	3,8	6,3	6,8	5,9	5,3	5,6
Rate of workers with decent hours	**70,0**	**67,5**	**69,9**	**71,7**	**72,3**	**72,9**
Male	66,8	64,8	67,7	69,3	69,4	70,2
Female	74,0	71,0	72,8	75,0	75,9	76,4

Table 3.28: Rights at work and social dialogue

Decent Work Indicators	LFS 2007 Per cent	QLFS 2008 Per cent	QLFS 2009 Per cent	QLFS 2010* Per cent	QLFS 2011 Per cent	QLFS 2012 Per cent
Trade union members	**3 347**	**..**	**..**	**3 310**	**3 252**	**3 380**
Male	2 026	..	..	1 965	1 938	2 012
Female	1 321	..	..	1 345	1 314	1 368
Trade union density rate	**30,3**	**..**	**..**	**30,0**	**29,0**	**29,5**
Male	32,4	..	..	31,8	31,1	31,8
Female	27,6	..	..	27,7	26,4	26,7

*Quarter 4 2010

Table 3.29: Proportion of employees whose employer contributes to a pension/retirement fund for them

Decent Work Indicators	LFS 2007 Per cent	QLFS 2008 Per cent	QLFS 2009 Per cent	QLFS 2010* Per cent	QLFS 2011 Per cent	QLFS 2012 Per cent
Both sexes	**50,3**	**45,2**	**46,1**	**45,8**	**47,5**	**48,7**
Male	52,7	47,6	48,8	48,0	50,0	51,6
Female	47,1	42,1	42,8	43,0	44,3	45,1

Table 3.30: Proportion of employees who are entitled to medical aid benefit from their employer by sex

Decent Work Indicators	LFS 2007 Per cent	QLFS 2008 Per cent	QLFS 2009 Per cent	QLFS 2010* Per cent	QLFS 2011 Per cent	QLFS 2012 Per cent
Both sexes	..	28,7	30,4	31,8	31,7	32,6
Male	..	29,1	31,1	32,4	32,2	33,6
Female	..	28,1	29,6	31,1	31,1	31,4

Table 3.31: Proportion of employees by how their salary is negotiated						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010*	QLFS 2011	QLFS 2012
Decent Work Indicators	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
Individual and employer	..	..	..	14,6	14,1	12,0
Collective bargaining	..	..	..	32,7	31,6	32,5
Employer only	..	..	..	46,0	48,2	49,8
No regular increment	..	..	..	6,1	5,6	5,1
Other	..	..	..	0,7	0,5	0,5

*Quarter 4 2010

Table 4.1: Characteristics of the unemployed - South Africa						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Unemployed	**3 871**	**4 104**	**4 215**	**4 332**	**4 397**	**4 541**
Short-term unemployment (less than 1 year)	1 754	1 691	1 700	1 503	1 405	1 468
Long-term unemployment (1 year and more)	2 016	2 413	2 515	2 829	2 992	3 073
1year less than 3years	858	971	992	1 100	1 084	1 065
3years and over	1 159	1 436	1 516	1 725	1 901	1 996
Long-term unemployment (%)						
Proportion of the labour force	11,6	13,4	14,2	16,3	16,9	17,0
Proportion of the unemployed	52,1	58,8	59,7	65,3	68,0	67,7

Due to rounding, numbers do not necessarily add up to totals.

Table 4.2: Characteristics of the unemployed by province						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Long-term unemployment	**2 016**	**2 413**	**2 515**	**2 829**	**2 992**	**3 073**
Western cape	131	188	235	272	313	339
Eastern Cape	274	271	296	298	307	348
Northern Cape	45	53	55	57	64	68
Free State	137	146	154	175	183	244
KwaZulu-Natal	324	384	345	388	392	437
North West	171	163	174	177	177	160
Gauteng	603	831	890	1 063	1 132	1 022
Mpumalanga	108	148	178	239	272	294
Limpopo	223	229	187	160	151	162
Long-term unemployment (%)	**52,1**	**58,8**	**59,7**	**65,3**	**68,0**	**67,7**
Western cape	30,3	46,3	49,7	54,6	60,4	59,4
Eastern Cape	58,0	55,9	58,9	60,9	61,5	66,2
Northern Cape	49,6	57,2	54,0	57,7	58,2	59,4
Free State	56,7	56,1	55,1	58,4	61,0	68,8
KwaZulu-Natal	44,6	51,4	54,7	63,9	63,7	65,3
North West	56,4	62,7	60,8	67,3	70,6	65,6
Gauteng	60,2	70,8	69,3	73,4	76,3	73,8
Mpumalanga	48,0	51,5	55,8	68,1	72,4	73,3
Limpopo	59,5	58,3	55,4	58,1	62,2	58,1
Short-term unemployment	**1 754**	**1 691**	**1 700**	**1 503**	**1 405**	**1 468**
Western cape	276	218	237	226	205	231
Eastern Cape	187	214	207	191	192	178
Northern Cape	44	40	47	42	46	46
Free State	100	115	126	125	117	111
KwaZulu-Natal	381	363	285	219	224	232
North West	126	97	112	86	73	84
Gauteng	385	342	394	386	352	363
Mpumalanga	108	139	141	112	104	107
Limpopo	146	164	151	116	92	117
Short-term unemployment (%)	**45,3**	**41,2**	**40,3**	**34,7**	**32,0**	**32,3**
Western cape	63,8	53,7	50,3	45,4	39,6	40,6
Eastern Cape	39,7	44,1	41,1	39,1	38,5	33,8
Northern Cape	48,1	42,8	46,0	42,3	41,8	40,6
Free State	41,6	43,9	44,9	41,6	39,0	31,2
KwaZulu-Natal	52,4	48,6	45,3	36,1	36,3	34,7
North West	41,5	37,3	39,2	32,7	29,4	34,4
Gauteng	38,4	29,2	30,7	26,6	23,7	26,2
Mpumalanga	47,8	48,5	44,2	31,9	27,6	26,7
Limpopo	39,0	41,7	44,6	41,9	37,8	41,9

Due to rounding, numbers do not necessarily add up to totals.

Totals include the 'don't know and 'other'.

Table 4.3: The duration of unemployment

	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Both Sexes	**3 871**	**4 104**	**4 215**	**4 332**	**4 397**	**4 541**
Less than 3 moths	1 030	620	604	493	455	543
3 months less than 6 months	318	428	418	362	339	330
6 months less than 1 year	407	644	678	649	611	595
1 year less than 3 years	858	971	992	1 100	1 084	1 065
3 years and over	1 159	1 436	1 516	1 725	1 901	1 996
Women	**2 132**	**2 156**	**2 087**	**2 148**	**2 231**	**2 276**
Less than 3 moths	547	265	240	200	187	216
3 months less than 6 months	161	204	179	157	149	153
6 months less than 1 year	206	332	307	294	298	286
1 year less than 3 years	482	532	513	567	564	533
3 years and over	686	820	844	928	1 031	1 080
Men	**1 739**	**1 948**	**2 128**	**2 184**	**2 166**	**2 265**
Less than 3 moths	482	355	364	292	268	327
3 months less than 6 months	157	224	239	205	190	177
6 months less than 1 year	201	312	371	355	313	308
1 year less than 3 years	376	439	479	533	520	532
3 years and over	473	615	672	797	871	916

Due to rounding, numbers do not necessarily add up to totals.
Totals include the 'don't know and 'other'.

Table 5.1: Characteristics of the not economically active - South Africa						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Not economically active	**12 973**	**12 996**	**13 824**	**14 614**	**14 832**	**14 895**
Student	5 178	5 702	5 834	6 057	6 171	6 267
Home-maker	1 178	2 539	2 740	2 876	2 848	2 772
Illness/disability	1 411	1 803	1 792	1 799	1 645	1 643
Too old/young to work	1 035	991	1 080	1 148	1 219	1 222
Discouraged work seekers	2 557	1 129	1 532	1 998	2 237	2 268
Other	1 614	831	845	736	711	722
Inactivity rate by age (Both sexes)	**42,8**	**42,0**	**43,9**	**45,7**	**45,6**	**45,2**
15-24 yrs	70,7	69,6	72,2	74,1	74,8	74,8
25-54 yrs	25,5	24,6	26,2	27,9	27,7	27,1
55-64 yrs	55,2	56,1	58,1	59,8	59,5	59,2
Inactivity rate by age (Women)	**49,2**	**49,2**	**51,0**	**52,6**	**52,1**	**51,7**
15-24 yrs	73,4	72,5	74,9	76,7	76,7	77,1
25-54 yrs	33,8	33,9	35,5	37,4	36,6	35,9
55-64 yrs	66,7	67,3	69,2	69,2	68,6	67,9
Inactivity rate by age (Men)	**35,7**	**34,2**	**36,3**	**38,2**	**38,8**	**38,3**
15-24 yrs	68,0	66,7	69,5	71,5	72,9	72,6
25-54 yrs	16,0	14,3	16,0	17,7	18,1	17,7
55-64 yrs	40,9	42,7	44,9	48,4	48,7	48,9

Due to rounding, numbers do not necessarily add up to totals.

Table 6.1: Socio-demographic characteristics - South Africa						
	LFS 2007	**QLFS 2008**	**QLFS 2009**	**QLFS 2010**	**QLFS 2011**	**QLFS 2012**
	Thousand	**Thousand**	**Thousand**	**Thousand**	**Thousand**	**Thousand**
Age group of the employed	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
15-24 yrs	1 538	1 650	1 460	1 311	1 306	1 265
25-34 yrs	4 547	4 728	4 513	4 373	4 396	4 520
35-44 yrs	3 633	3 707	3 753	3 738	3 854	3 999
45-54 yrs	2 592	2 625	2 593	2 530	2 549	2 553
55-64 yrs	1 158	1 157	1 137	1 109	1 159	1 185
Age group of the unemployed	**3 871**	**4 104**	**4 215**	**4 332**	**4 397**	**4 541**
15-24 yrs	1 336	1 379	1 351	1 339	1 296	1 345
25-34 yrs	1 598	1 661	1 744	1 776	1 847	1 876
35-44 yrs	568	690	728	787	828	871
45-54 yrs	300	290	315	344	352	361
55-64 yrs	69	84	77	88	74	88
Age group of the not economically active	**12 973**	**12 996**	**13 824**	**14 614**	**14 832**	**14 895**
15-24 yrs	6 933	6 945	7 299	7 588	7 715	7 767
25-34 yrs	2 093	1 992	2 212	2 412	2 445	2 432
35-44 yrs	1 198	1 219	1 320	1 464	1 492	1 487
45-54 yrs	1 235	1 254	1 307	1 374	1 364	1 360
55-64 yrs	1 515	1 586	1 686	1 777	1 815	1 850
Highest level of education of the employed	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
No schooling	627	574	480	395	344	346
Less than primary completed	1 598	1 455	1 267	1 101	1 089	1 043
Primary completed	793	734	696	631	594	595
Secondary not completed	4 501	4 585	4 402	4 304	4 427	4 563
Secondary completed	3 814	3 964	3 960	3 974	3 991	4 186
Tertiary	2 054	2 385	2 503	2 473	2 655	2 645
Other	80	169	148	184	165	143
Highest level of education of the unemployed	**3 871**	**4 104**	**4 215**	**4 332**	**4 397**	**4 541**
No schooling	96	98	94	78	72	71
Less than primary completed	409	401	364	353	303	309
Primary completed	254	230	210	200	201	200
Secondary not completed	1 833	1 890	1 931	1 975	2 055	2 158
Secondary completed	1 112	1 256	1 358	1 441	1 483	1 499
Tertiary	159	198	228	250	256	279
Other	9	31	30	36	28	25
Highest level of education of the not economically active	**12 973**	**12 996**	**13 824**	**14 614**	**14 832**	**14 895**
No schooling	918	883	875	835	816	781
Less than primary completed	1 925	1 893	1 949	2 000	1 893	1 797
Primary completed	1 074	1 068	1 083	1 144	1 127	1 065
Secondary not completed	6 759	6 893	7 273	7 630	7 886	8 014
Secondary completed	1 944	1 870	2 197	2 480	2 565	2 702
Tertiary	293	291	346	403	426	428
Other	60	99	102	123	118	109
Current marital status of the employed	**13 467**	**13 867**	**13 455**	**13 061**	**13 265**	**13 523**
Married or living together like husband and wife	7 275	7 333	7 199	7 022	7 054	7 214
Widow/widower	492	464	431	449	425	414
Divorced or separated	447	499	477	453	452	479
Never married	5 248	5 571	5 349	5 137	5 334	5 415
Unspecified	5					

For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

Table 6.1: Socio-demographic characteristics - South Africa (concluded)						
	LFS 2007	QLFS 2008	QLFS 2009	QLFS 2010	QLFS 2011	QLFS 2012
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
Current marital status of the unemployed	**3 871**	**4 104**	**4 215**	**4 332**	**4 397**	**4 541**
Married or living together like husband and wife	1 047	1 144	1 164	1 168	1 156	1 219
Widow/widower	66	62	57	51	56	58
Divorced or separated	61	77	66	74	78	79
Never married	2 696	2 822	2 928	3 039	3 107	3 184
Unspecified						
Current marital status of the not economically active	**12 973**	**12 996**	**13 824**	**14 614**	**14 832**	**14 895**
Married or living together like husband and wife	3 244	3 472	3 589	3 698	3 656	3 659
Widow/widower	592	593	623	631	661	640
Divorced or separated	235	233	231	230	236	237
Never married	8 892	8 697	9 381	10 055	10 279	10 360
Unspecified	10					

For all values of 10 000 or lower the sample size is too small for reliable estimates.
Due to rounding, numbers do not necessarily add up to totals.

Appendix 2: Statistical tables

Panel data

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Table A2.1: Quarterly transition rates between different labour market states.

		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Employed		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	93,8	2,7	1,0	2,5	100
Q4 2010	Q1 2011	93,3	2,8	1,3	2,6	100
Q1 2011	Q2 2011	93,0	3,2	1,2	2,6	100
Q2 2011	Q3 2011	93,4	3,1	1,2	2,2	100
Q3 2011	Q4 2011	93,6	2,9	1,1	2,3	100
Q4 2011	Q1 2012	92,8	3,5	1,1	2,6	100
Q1 2012	Q2 2012	93,2	3,0	1,4	2,4	100
Q2 2012	Q3 2012	93,7	3,1	1,0	2,1	100
Q3 2012	Q4 2012	93,2	3,1	1,1	2,6	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Unemployed		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	10,3	66,5	8,5	14,8	100
Q4 2010	Q1 2011	11,1	68,6	6,8	13,5	100
Q1 2011	Q2 2011	10,0	69,6	6,9	13,5	100
Q2 2011	Q3 2011	10,2	67,0	7,7	15,1	100
Q3 2011	Q4 2011	10,7	67,2	7,6	14,5	100
Q4 2011	Q1 2012	10,4	67,0	8,4	14,2	100
Q1 2012	Q2 2012	10,2	68,5	7,5	13,8	100
Q2 2012	Q3 2012	12,4	68,7	7,1	11,8	100
Q3 2012	Q4 2012	10,6	66,8	7,1	15,5	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Discouragement		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	7,6	13,0	57,8	21,6	100
Q4 2010	Q1 2011	8,4	13,0	58,4	20,2	100
Q1 2011	Q2 2011	8,7	16,4	52,1	22,8	100
Q2 2011	Q3 2011	7,4	13,3	56,9	22,4	100
Q3 2011	Q4 2011	7,1	15,6	59,0	18,3	100
Q4 2011	Q1 2012	7,2	14,4	57,2	21,2	100
Q1 2012	Q2 2012	8,3	14,2	58,3	19,2	100
Q2 2012	Q3 2012	8,4	15,4	56,2	20,0	100
Q3 2012	Q4 2012	6,7	15,1	56,1	22,1	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Other NEA		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	2,4	4,4	3,8	89,4	100
Q4 2010	Q1 2011	2,5	5,2	4,4	87,9	100
Q1 2011	Q2 2011	2,4	5,1	4,0	88,5	100
Q2 2011	Q3 2011	2,3	4,9	3,6	89,2	100
Q3 2011	Q4 2011	2,1	4,6	4,0	89,3	100
Q4 2011	Q1 2012	2,4	5,8	4,4	87,4	100
Q1 2012	Q2 2012	2,2	5,0	4,0	88,7	100
Q2 2012	Q3 2012	2,6	5,2	3,5	88,8	100
Q3 2012	Q4 2012	2,0	4,3	3,5	90,2	100

Table A2.2: Quarterly transition rates between different sectors

		t status				
		Formal	Informal	Agriculture	Private hh	Total
t+1 status: Formal				Per cent		
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	96,4	3,0	0,3	0,3	100
Q4 2010	Q1 2011	96,6	2,8	0,3	0,3	100
Q1 2011	Q2 2011	96,1	3,4	0,3	0,2	100
Q2 2011	Q3 2011	96,6	2,8	0,3	0,3	100
Q3 2011	Q4 2011	96,4	2,9	0,5	0,2	100
Q4 2011	Q1 2012	96,3	3,0	0,3	0,3	100
Q1 2012	Q2 2012	96,4	2,9	0,4	0,3	100
Q2 2012	Q3 2012	96,7	2,8	0,4	0,2	100
Q3 2012	Q4 2012	96,4	3,1	0,3	0,2	100
		Formal	**Informal**	**Agriculture**	**Private hh**	**Total**
t +1 status: Informal				Per cent		
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	15,2	83,1	0,6	1,2	100
Q4 2010	Q1 2011	14,8	83,6	0,4	1,2	100
Q1 2011	Q2 2011	13,1	86,0	0,3	0,5	100
Q2 2011	Q3 2011	13,6	84,9	0,3	1,3	100
Q3 2011	Q4 2011	16,6	81,7	0,5	1,3	100
Q4 2011	Q1 2012	15,8	83,2	0,1	0,9	100
Q1 2012	Q2 2012	14,7	84,2	0,4	0,7	100
Q2 2012	Q3 2012	14,5	83,8	0,4	1,3	100
Q3 2012	Q4 2012	15,8	83,2	0,4	0,6	100
		Formal	**Informal**	**Agriculture**	**Private hh**	**Total**
t +1 status: Agriculture				Per cent		
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	5,6	0,7	90,5	3,2	100
Q4 2010	Q1 2011	5,5	1,5	91,7	1,3	100
Q1 2011	Q2 2011	3,4	1,4	94,2	0,9	100
Q2 2011	Q3 2011	3,1	1,6	94,1	1,2	100
Q3 2011	Q4 2011	6,1	0,9	91,7	1,3	100
Q4 2011	Q1 2012	7,4	1,3	90,2	1,1	100
Q1 2012	Q2 2012	4,0	1,7	92,4	1,9	100
Q2 2012	Q3 2012	6,2	0,9	92,2	0,7	100
Q3 2012	Q4 2012	6,4	1,5	90,8	1,2	100
		Formal	**Informal**	**Agriculture**	**Private hh**	**Total**
t +1 status: Private hh				Per cent		
t quarter	**t+1 quarter**					
Q1 2011	Q2 2011	2,9	3,3	1,0	92,8	100
Q2 2011	Q3 2011	2,6	2,5	1,2	93,6	100
Q3 2011	Q4 2011	1,8	1,0	0,8	96,3	100
Q4 2011	Q1 2012	2,2	1,9	0,5	95,4	100
Q1 2012	Q2 2012	2,3	1,9	0,7	95,1	100
Q2 2012	Q3 2012	1,5	2,1	1,0	95,5	100
Q3 2012	Q4 2012	2,4	2,5	1,0	94,1	100

Table A2.3: Quarterly transition rates between different labour market states, by education

		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Employed: Primary and less		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	90,8	3,1	1,9	4,2	100
Q4 2010	Q1 2011	88,3	4,1	2,5	5,1	100
Q1 2011	Q2 2011	87,2	4,7	2,3	5,7	100
Q2 2011	Q3 2011	90,1	3,2	2,0	4,7	100
Q3 2011	Q4 2011	91,0	3,1	1,5	4,3	100
Q4 2011	Q1 2012	90,0	3,9	1,8	4,3	100
Q1 2012	Q2 2012	90,2	3,0	2,4	4,4	100
Q2 2012	Q3 2012	91,4	3,1	1,8	3,8	100
Q3 2012	Q4 2012	90,4	3,7	1,8	4,2	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Unemployed: Primary and less		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	14,7	58,1	9,8	17,4	100
Q4 2010	Q1 2011	15,0	60,1	6,9	18,0	100
Q1 2011	Q2 2011	12,9	62,3	7,7	17,1	100
Q2 2011	Q3 2011	12,5	59,4	10,0	18,1	100
Q3 2011	Q4 2011	9,9	61,3	6,8	22,0	100
Q4 2011	Q1 2012	12,6	59,4	11,4	16,6	100
Q1 2012	Q2 2012	11,8	62,7	9,5	16,0	100
Q2 2012	Q3 2012	12,6	64,0	7,7	15,7	100
Q3 2012	Q4 2012	11,4	59,7	9,4	19,6	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Discouragement: Primary and less		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	8,5	6,9	59,6	25,0	100
Q4 2010	Q1 2011	9,6	10,3	52,6	27,4	100
Q1 2011	Q2 2011	9,2	9,0	56,0	25,9	100
Q2 2011	Q3 2011	7,9	7,5	55,3	29,3	100
Q3 2011	Q4 2011	8,2	10,8	59,1	21,9	100
Q4 2011	Q1 2012	6,5	7,9	56,1	29,5	100
Q1 2012	Q2 2012	8,6	9,8	56,9	24,7	100
Q2 2012	Q3 2012	10,3	9,0	57,4	23,4	100
Q3 2012	Q4 2012	8,7	9,3	54,3	27,8	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Other NEA: primary and less		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	2,9	2,8	3,8	90,6	100
Q4 2010	Q1 2011	3,1	2,9	4,1	90,0	100
Q1 2011	Q2 2011	2,8	2,7	4,0	90,6	100
Q2 2011	Q3 2011	2,8	3,2	3,7	90,3	100
Q3 2011	Q4 2011	2,0	3,1	3,7	91,1	100
Q4 2011	Q1 2012	2,8	3,1	4,1	90,1	100
Q1 2012	Q2 2012	2,5	2,7	4,5	90,3	100
Q2 2012	Q3 2012	2,9	3,1	4,2	89,9	100
Q3 2012	Q4 2012	2,0	2,7	3,7	91,5	100

Table A2.3: Quarterly transition rates between different labour market states, by education (continued)

		t+1 status				
		Employed	**Unemployed**	**Discouraged**	**Other NEA**	**Total**
t status: Employed: less than Secondary		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	92,0	3,4	1,4	3,2	100
Q4 2010	Q1 2011	91,2	3,8	1,8	3,2	100
Q1 2011	Q2 2011	90,8	4,2	1,7	3,3	100
Q2 2011	Q3 2011	91,1	4,4	1,9	2,7	100
Q3 2011	Q4 2011	91,3	4,3	1,6	2,8	100
Q4 2011	Q1 2012	90,7	4,6	1,7	3,0	100
Q1 2012	Q2 2012	90,0	5,1	2,0	3,0	100
Q2 2012	Q3 2012	91,3	4,8	1,5	2,5	100
Q3 2012	Q4 2012	90,8	4,4	1,5	3,3	100
		t+1 status				
		Employed	**Unemployed**	**Discouraged**	**Other NEA**	**Total**
t status: Unemployed : less than Secondary		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	10,7	66,3	7,6	15,3	100
Q4 2010	Q1 2011	10,7	69,1	6,9	13,2	100
Q1 2011	Q2 2011	10,1	67,9	7,8	14,2	100
Q2 2011	Q3 2011	10,3	67,5	7,6	14,7	100
Q3 2011	Q4 2011	10,8	67,4	8,3	13,5	100
Q4 2011	Q1 2012	10,9	67,6	8,2	13,3	100
Q1 2012	Q2 2012	10,2	68,9	7,4	13,4	100
Q2 2012	Q3 2012	12,5	70,7	6,6	10,2	100
Q3 2012	Q4 2012	10,2	67,3	6,7	15,8	100
		t+1 status				
		Employed	**Unemployed**	**Discouraged**	**Other NEA**	**Total**
t status: Discouragement: less than Secondary		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	7,6	13,8	55,0	23,6	100
Q4 2010	Q1 2011	8,6	11,1	61,1	19,3	100
Q1 2011	Q2 2011	10,5	15,1	52,2	22,1	100
Q2 2011	Q3 2011	7,8	12,5	58,3	21,4	100
Q3 2011	Q4 2011	7,3	14,8	58,9	18,9	100
Q4 2011	Q1 2012	7,7	14,2	57,3	20,8	100
Q1 2012	Q2 2012	8,5	13,3	59,7	18,5	100
Q2 2012	Q3 2012	7,8	15,0	56,6	20,6	100
Q3 2012	Q4 2012	6,0	15,1	56,3	22,6	100
		t+1 status				
		Employed	**Unemployed**	**Discouraged**	**Other NEA**	**Total**
t status: Other NEA: less than Secondary		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	1,8	4,0	3,3	90,9	100
Q4 2010	Q1 2011	2,0	4,9	4,6	88,5	100
Q1 2011	Q2 2011	2,1	4,4	3,8	89,7	100
Q2 2011	Q3 2011	1,8	4,5	3,3	90,5	100
Q3 2011	Q4 2011	1,6	4,1	3,8	90,6	100
Q4 2011	Q1 2012	1,7	5,5	4,6	88,2	100
Q1 2012	Q2 2012	1,7	4,2	3,8	90,3	100
Q2 2012	Q3 2012	1,8	4,4	3,2	90,6	100
Q3 2012	Q4 2012	1,5	3,6	3,5	91,4	100

Table A2.3: Quarterly transition rates between different labour market states, by education (continued)

		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Employed: Secondary completed		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	94,6	2,8	0,6	2,0	100
Q4 2010	Q1 2011	94,9	2,5	0,7	1,9	100
Q1 2011	Q2 2011	94,7	3,1	0,8	1,4	100
Q2 2011	Q3 2011	95,0	3,0	0,9	1,2	100
Q3 2011	Q4 2011	94,3	2,8	1,1	1,9	100
Q4 2011	Q1 2012	93,7	3,4	0,8	2,2	100
Q1 2012	Q2 2012	94,8	2,4	1,0	1,8	100
Q2 2012	Q3 2012	94,9	2,7	0,6	1,8	100
Q3 2012	Q4 2012	94,2	2,7	0,9	2,2	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Unemployed : Secondary completed		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	7,6	71,1	8,2	13,1	100
Q4 2010	Q1 2011	9,8	71,4	6,2	12,7	100
Q1 2011	Q2 2011	7,8	74,9	5,2	12,1	100
Q2 2011	Q3 2011	8,8	68,4	7,3	15,5	100
Q3 2011	Q4 2011	10,2	67,9	7,4	14,4	100
Q4 2011	Q1 2012	8,3	69,1	7,4	15,2	100
Q1 2012	Q2 2012	9,5	70,0	6,9	13,6	100
Q2 2012	Q3 2012	12,2	68,5	7,2	12,0	100
Q3 2012	Q4 2012	10,8	68,2	6,8	14,2	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Discouragement: Secondary completed		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	6,6	16,9	61,8	14,6	100
Q4 2010	Q1 2011	7,0	19,0	59,5	14,4	100
Q1 2011	Q2 2011	4,6	24,7	48,4	22,3	100
Q2 2011	Q3 2011	6,1	19,7	57,3	16,9	100
Q3 2011	Q4 2011	4,9	20,9	59,4	14,8	100
Q4 2011	Q1 2012	7,0	19,8	56,9	16,4	100
Q1 2012	Q2 2012	7,3	17,9	58,6	16,2	100
Q2 2012	Q3 2012	7,7	20,6	56,0	15,7	100
Q3 2012	Q4 2012	6,4	20,9	58,5	14,2	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Other NEA: Secondary completed		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	3,2	8,8	5,4	82,7	100
Q4 2010	Q1 2011	2,9	11,1	4,3	81,7	100
Q1 2011	Q2 2011	2,8	11,1	4,9	81,2	100
Q2 2011	Q3 2011	3,1	9,1	4,4	83,4	100
Q3 2011	Q4 2011	3,3	9,0	5,2	82,5	100
Q4 2011	Q1 2012	4,2	11,0	4,5	80,3	100
Q1 2012	Q2 2012	2,9	10,6	4,5	82,0	100
Q2 2012	Q3 2012	3,8	11,2	3,5	81,5	100
Q3 2012	Q4 2012	2,9	9,0	3,5	84,6	100

Table A2.3: Quarterly transition rates between different labour market states, by education (concluded)

		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Employed: Tertiary		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	98,2	0,8	0,2	0,7	100
Q4 2010	Q1 2011	98,6	0,6	0,2	0,7	100
Q1 2011	Q2 2011	98,2	0,8	0,1	0,9	100
Q2 2011	Q3 2011	97,5	1,1	0,2	1,2	100
Q3 2011	Q4 2011	98,0	0,9	0,3	0,8	100
Q4 2011	Q1 2012	97,0	1,7	0,2	1,2	100
Q1 2012	Q2 2012	98,5	0,4	0,1	1,0	100
Q2 2012	Q3 2012	98,0	1,1	0,1	0,7	100
Q3 2012	Q4 2012	98,1	1,1	0,1	0,7	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Unemployed : Tertiary		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	9,6	64,1	12,8	13,4	100
Q4 2010	Q1 2011	11,8	68,2	9,2	10,9	100
Q1 2011	Q2 2011	12,4	69,1	8,5	10,1	100
Q2 2011	Q3 2011	12,8	70,8	5,7	10,7	100
Q3 2011	Q4 2011	13,5	73,9	5,3	7,3	100
Q4 2011	Q1 2012	11,0	69,2	9,5	10,3	100
Q1 2012	Q2 2012	10,1	69,8	6,8	13,4	100
Q2 2012	Q3 2012	11,6	65,6	8,5	14,2	100
Q3 2012	Q4 2012	12,0	68,4	7,6	12,1	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Discouragement: Tertiary		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	7,9	22,3	61,4	8,5	100
Q4 2010	Q1 2011	7,5	22,1	58,9	11,6	100
Q1 2011	Q2 2011	9,8	27,5	48,0	14,7	100
Q2 2011	Q3 2011	7,3	26,5	49,2	17,1	100
Q3 2011	Q4 2011	8,8	24,3	57,5	9,3	100
Q4 2011	Q1 2012	5,1	21,6	68,2	5,1	100
Q1 2012	Q2 2012	7,3	38,4	46,5	7,9	100
Q2 2012	Q3 2012	6,6	33,9	45,8	13,7	100
Q3 2012	Q4 2012	2,9	23,0	50,9	23,2	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Other NEA: Tertiary		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	5,0	9,4	5,0	80,7	100
Q4 2010	Q1 2011	4,8	7,7	3,0	84,5	100
Q1 2011	Q2 2011	3,9	7,5	3,1	85,5	100
Q2 2011	Q3 2011	3,8	7,7	3,1	85,5	100
Q3 2011	Q4 2011	7,6	8,3	3,0	81,1	100
Q4 2011	Q1 2012	5,3	9,0	2,7	82,9	100
Q1 2012	Q2 2012	5,9	7,6	3,2	83,3	100
Q2 2012	Q3 2012	6,7	6,5	3,4	83,3	100
Q3 2012	Q4 2012	6,4	7,5	3,0	83,1	100

Table A2.4: Quarterly transition rates between different labour market states and sectors

		t+1 status				
		Formal	**Informal**	**Agriculture**	**Private hh**	**Total**
t status: Employed		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	71,8	15,1	4,8	8,4	100
Q4 2010	Q1 2011	71,9	15,2	4,9	8,1	100
Q1 2011	Q2 2011	71,8	15,5	4,7	8,0	100
Q2 2011	Q3 2011	71,9	15,5	4,4	8,2	100
Q3 2011	Q4 2011	72,6	14,5	4,9	8,0	100
Q4 2011	Q1 2012	72,8	14,3	4,7	8,3	100
Q1 2012	Q2 2012	72,8	13,9	4,8	8,5	100
Q2 2012	Q3 2012	72,1	14,5	4,9	8,5	100
Q3 2012	Q4 2012	72,6	14,8	4,6	8,0	100
		t+1 status				
		Formal	**Informal**	**Agriculture**	**Private hh**	**Total**
t status: Unemployed		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	48,8	32,8	4,6	13,8	100
Q4 2010	Q1 2011	51,8	29,1	4,7	14,5	100
Q1 2011	Q2 2011	55,8	26,5	3,6	14,0	100
Q2 2011	Q3 2011	52,2	28,4	5,9	13,5	100
Q3 2011	Q4 2011	54,3	29,0	4,3	12,5	100
Q4 2011	Q1 2012	54,5	28,4	4,4	12,7	100
Q1 2012	Q2 2012	58,3	23,5	4,8	13,4	100
Q2 2012	Q3 2012	56,6	28,7	3,4	11,4	100
Q3 2012	Q4 2012	55,8	28,1	5,9	10,2	100
		t+1 status				
		Formal	**Informal**	**Agriculture**	**Private hh**	**Total**
t status: Discouragement		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	31,7	47,9	7,2	13,3	100
Q4 2010	Q1 2011	40,1	36,4	7,0	16,5	100
Q1 2011	Q2 2011	34,9	42,9	10,6	11,6	100
Q2 2011	Q3 2011	40,2	38,1	6,6	15,1	100
Q3 2011	Q4 2011	42,0	37,8	8,5	11,8	100
Q4 2011	Q1 2012	37,1	35,3	10,7	16,9	100
Q1 2012	Q2 2012	38,6	37,6	9,4	14,3	100
Q2 2012	Q3 2012	38,4	42,3	4,5	14,8	100
Q3 2012	Q4 2012	38,0	39,9	8,8	13,3	100
		t+1 status				
		Formal	**Informal**	**Agriculture**	**Private hh**	**Total**
t status: Other NEA		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	38,1	38,4	7,4	16,1	100
Q4 2010	Q1 2011	36,9	32,7	5,7	24,7	100
Q1 2011	Q2 2011	40,8	38,6	6,8	13,8	100
Q2 2011	Q3 2011	44,8	35,0	4,6	15,6	100
Q3 2011	Q4 2011	43,8	34,4	7,6	14,1	100
Q4 2011	Q1 2012	44,4	35,5	4,4	15,7	100
Q1 2012	Q2 2012	39,2	37,8	6,9	16,1	100
Q2 2012	Q3 2012	41,6	38,0	5,3	15,1	100
Q3 2012	Q4 2012	41,0	34,7	10,9	13,5	100

Table A2.5: Quarterly transition rates between different labour market states, for youths (15-34 yrs) and adults (35-64 yrs)

		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Employed Youth		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	91,8	4,2	1,4	2,5	100
Q4 2010	Q1 2011	91,4	4,2	1,8	2,7	100
Q1 2011	Q2 2011	91,1	4,7	1,6	2,6	100
Q2 2011	Q3 2011	91,5	4,5	1,8	2,2	100
Q3 2011	Q4 2011	91,6	4,4	1,6	2,4	100
Q4 2011	Q1 2012	90,5	5,0	1,5	2,9	100
Q1 2012	Q2 2012	91,3	4,5	1,9	2,3	100
Q2 2012	Q3 2012	92,0	4,4	1,4	2,2	100
Q3 2012	Q4 2012	90,8	4,9	1,7	2,6	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Unemployed Youth		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	9,4	67,4	9,0	14,3	100
Q4 2010	Q1 2011	10,2	69,8	6,9	13,1	100
Q1 2011	Q2 2011	9,1	70,4	7,2	13,4	100
Q2 2011	Q3 2011	9,6	68,0	7,5	14,8	100
Q3 2011	Q4 2011	9,5	69,1	7,9	13,5	100
Q4 2011	Q1 2012	9,1	67,9	8,5	14,5	100
Q1 2012	Q2 2012	9,3	69,1	7,9	13,7	100
Q2 2012	Q3 2012	11,4	70,1	7,1	11,3	100
Q3 2012	Q4 2012	9,9	68,5	6,9	14,7	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Discouragement Youth		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	7,0	14,5	58,0	20,5	100
Q4 2010	Q1 2011	7,8	14,1	59,7	18,3	100
Q1 2011	Q2 2011	7,7	17,7	53,4	21,2	100
Q2 2011	Q3 2011	6,0	14,8	58,1	21,1	100
Q3 2011	Q4 2011	6,3	16,5	59,0	18,1	100
Q4 2011	Q1 2012	6,3	15,1	57,8	20,8	100
Q1 2012	Q2 2012	7,1	14,9	59,1	18,9	100
Q2 2012	Q3 2012	7,9	16,7	56,2	19,2	100
Q3 2012	Q4 2012	5,8	17,0	57,4	19,7	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Other NEA Youth		Per cent				
t quarter	t+1 quarter					
Q3 2010	Q4 2010	1,6	4,6	3,9	90,0	100
Q4 2010	Q1 2011	2,1	5,8	4,5	87,7	100
Q1 2011	Q2 2011	1,7	5,7	4,2	88,4	100
Q2 2011	Q3 2011	1,8	5,4	3,6	89,2	100
Q3 2011	Q4 2011	1,6	5,2	4,1	89,2	100
Q4 2011	Q1 2012	1,8	6,6	4,7	86,9	100
Q1 2012	Q2 2012	1,6	5,6	4,1	88,7	100
Q2 2012	Q3 2012	1,9	5,6	3,3	89,2	100
Q3 2012	Q4 2012	1,5	4,6	3,5	90,5	100

Table A2.5: Quarterly transition rates between different labour market states, for youth (15-34 yrs) and adults (35-64 yrs) – (concluded)

		Employed	Unemployed	Discouraged	Other NEA	Total
		t+1 status				
t status: Employed Adults		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	95,4	1,5	0,7	2,5	100
Q4 2010	Q1 2011	94,7	1,8	0,9	2,6	100
Q1 2011	Q2 2011	94,4	2,2	0,9	2,5	100
Q2 2011	Q3 2011	94,9	2,1	0,8	2,3	100
Q3 2011	Q4 2011	95,1	1,9	0,8	2,3	100
Q4 2011	Q1 2012	94,5	2,4	0,8	2,3	100
Q1 2012	Q2 2012	94,7	1,8	1,0	2,5	100
Q2 2012	Q3 2012	95,0	2,2	0,7	2,1	100
Q3 2012	Q4 2012	95,0	1,8	0,6	2,5	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Unemployed Adults		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	12,6	64,2	7,3	16,0	#REF!
Q4 2010	Q1 2011	13,2	65,5	6,6	14,7	100
Q1 2011	Q2 2011	12,3	67,5	6,1	14,0	100
Q2 2011	Q3 2011	11,7	64,5	7,9	15,9	100
Q3 2011	Q4 2011	13,5	62,6	7,0	16,8	100
Q4 2011	Q1 2012	13,3	64,8	8,2	13,7	100
Q1 2012	Q2 2012	12,4	67,0	6,5	14,1	100
Q2 2012	Q3 2012	14,9	65,2	7,1	12,8	100
Q3 2012	Q4 2012	12,4	62,5	7,6	17,5	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Discouragement Adults		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	9,0	10,0	57,4	23,7	100
Q4 2010	Q1 2011	9,7	10,6	55,6	24,1	100
Q1 2011	Q2 2011	11,1	13,4	49,2	26,3	100
Q2 2011	Q3 2011	10,7	9,6	54,1	25,6	100
Q3 2011	Q4 2011	9,1	13,3	59,0	18,6	100
Q4 2011	Q1 2012	9,3	12,9	55,8	21,9	100
Q1 2012	Q2 2012	11,1	12,7	56,3	19,9	100
Q2 2012	Q3 2012	9,6	12,4	56,3	21,8	100
Q3 2012	Q4 2012	8,6	11,1	53,4	26,9	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Other NEA Adults		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	4,1	4,0	3,6	88,3	100
Q4 2010	Q1 2011	3,5	4,1	4,0	88,4	100
Q1 2011	Q2 2011	4,0	3,9	3,5	88,6	100
Q2 2011	Q3 2011	3,4	3,8	3,5	89,3	100
Q3 2011	Q4 2011	3,4	3,5	3,7	89,4	100
Q4 2011	Q1 2012	3,8	3,9	3,8	88,5	100
Q1 2012	Q2 2012	3,5	3,9	3,9	88,7	100
Q2 2012	Q3 2012	4,1	4,2	3,9	87,7	100
Q3 2012	Q4 2012	3,1	3,7	3,6	89,6	100

Table A2.6: Quarterly transition rates between different labour market states, by experience

		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Unemployed: With experience		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	14,0	64,2	8,1	13,7	100
Q4 2010	Q1 2011	14,2	67,2	6,4	12,2	100
Q1 2011	Q2 2011	14,1	68,1	6,8	11,0	100
Q2 2011	Q3 2011	14,1	64,9	7,9	13,2	100
Q3 2011	Q4 2011	14,1	64,6	8,0	13,3	100
Q4 2011	Q1 2012	14,2	65,7	8,0	12,1	100
Q1 2012	Q2 2012	13,3	67,8	7,2	11,6	100
Q2 2012	Q3 2012	15,9	66,2	7,2	10,7	100
Q3 2012	Q4 2012	14,1	66,8	6,4	12,6	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Unemployed: Without experience		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	5,7	69,3	9,0	16,0	100
Q4 2010	Q1 2011	6,9	70,4	7,3	15,3	100
Q1 2011	Q2 2011	4,6	71,5	7,0	16,9	100
Q2 2011	Q3 2011	5,5	69,6	7,4	17,4	100
Q3 2011	Q4 2011	6,5	70,5	7,1	15,9	100
Q4 2011	Q1 2012	5,6	68,5	9,0	16,9	100
Q1 2012	Q2 2012	6,2	69,4	7,9	16,6	100
Q2 2012	Q3 2012	7,7	72,0	7,0	13,3	100
Q3 2012	Q4 2012	6,2	66,7	8,0	19,2	100

Table A2.7: Quarterly transition rates between different labour market states, by length of unemployment

		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Long term unemployed		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	6,7	71,2	7,7	14,4	100
Q4 2010	Q1 2011	8,3	72,2	6,5	13,0	100
Q1 2011	Q2 2011	6,6	72,9	7,0	13,5	100
Q2 2011	Q3 2011	8,1	70,6	7,0	14,3	100
Q3 2011	Q4 2011	8,0	70,6	6,7	14,7	100
Q4 2011	Q1 2012	6,9	71,8	7,5	13,8	100
Q1 2012	Q2 2012	7,4	71,7	7,0	14,0	100
Q2 2012	Q3 2012	9,4	72,2	6,6	11,9	100
Q3 2012	Q4 2012	7,2	69,6	6,9	16,3	100
		t+1 status				
		Employed	Unemployed	Discouraged	Other NEA	Total
t status: Short term unemployed		Per cent				
t quarter	**t+1 quarter**					
Q3 2010	Q4 2010	17,2	57,2	10,0	15,5	100
Q4 2010	Q1 2011	17,0	61,0	7,4	14,7	100
Q1 2011	Q2 2011	17,2	62,4	6,6	13,7	100
Q2 2011	Q3 2011	14,7	59,3	9,2	16,8	100
Q3 2011	Q4 2011	16,4	60,1	9,5	14,0	100
Q4 2011	Q1 2012	17,8	56,6	10,4	15,2	100
Q1 2012	Q2 2012	15,9	61,9	8,6	13,6	100
Q2 2012	Q3 2012	18,7	61,5	8,2	11,6	100
Q3 2012	Q4 2012	17,4	61,2	7,5	13,9	100

Table A2.8: Quarterly distribution of those who found employment by sector

Employed	Sector				
Quarter	Formal	Informal	Agriculture	Private hh	Total
	Per cent				
Q4 2010	42,5	37,1	6,0	14,5	100
Q1 2011	44,6	31,7	5,4	18,3	100
Q2 2011	46,7	33,8	6,1	13,5	100
Q3 2011	47,8	32,2	5,6	14,4	100
Q4 2011	49,1	32,1	6,0	12,9	100
Q1 2012	48,1	32,0	5,5	14,5	100
Q2 2012	48,6	30,6	6,4	14,4	100
Q3 2012	48,9	33,8	4,2	13,1	100
Q4 2012	48,8	31,8	7,8	11,6	100,0

Table A2.9: Quarterly distribution of those who found employmentby sector and level of education

Employed with Primary and less education	Sector			
	Formal	Informal	Agriculture	Private hh
	Per cent			
Quarter				
Q4 2010	15,0	31,8	55,1	42,4
Q1 2011	16,0	27,6	47,5	45,1
Q2 2011	14,6	26,5	32,2	39,5
Q3 2011	15,5	28,2	19,7	34,4
Q4 2011	8,4	21,7	33,2	39,7
Q1 2012	12,6	27,5	30,2	37,5
Q2 2012	9,8	28,6	27,2	39,6
Q3 2012	10,5	24,0	34,8	40,9
Q4 2012	10,8	27,4	40,4	29,3

Employed with Secondary not completed	Formal	Informal	Agriculture	Private hh
	Per cent			
Quarter				
Q4 2010	44,1	48,8	36,0	40,9
Q1 2011	41,2	49,3	39,7	44,5
Q2 2011	40,9	55,6	60,6	51,6
Q3 2011	41,8	44,8	71,3	51,3
Q4 2011	38,8	54,5	57,4	44,0
Q1 2012	42,1	47,8	53,7	48,1
Q2 2012	45,4	42,5	56,0	44,8
Q3 2012	41,3	46,9	50,2	47,3
Q4 2012	41,0	45,4	43,9	54,0

	Formal	Informal	Agriculture	Private hh
Employed with Secondary completed	Per cent			
Quarter				
Q4 2010	32,2	14,8	7,6	14,6
Q1 2011	33,9	19,3	5,9	9,8
Q2 2011	32,8	14,2	7,2	7,1
Q3 2011	33,6	20,6	8,0	12,4
Q4 2011	38,8	17,4	7,4	12,9
Q1 2012	36,4	18,6	9,5	11,8
Q2 2012	34,5	22,4	15,1	15,5
Q3 2012	37,5	23,6	12,8	10,7
Q4 2012	38,9	20,5	13,7	15,0

	Formal	Informal	Agriculture	Private hh
Employed with Tertiary	Per cent			
Quarter				
Q2 2010				
Q3 2010				
Q4 2010	7,4	3,9	1,3	1,1
Q1 2011	8,2	2,8	7,0	0,6
Q2 2011	10,6	2,0	0,0	0,0
Q3 2011	8,7	6,1	0,9	0,0
Q4 2011	13,2	3,8	2,0	2,9
Q1 2012	8,6	3,9	4,1	0,0
Q2 2012	9,3	3,7	0,0	0,0
Q3 2012	9,1	3,2	2,1	0,4
Q4 2012	9,3	5,7	1,2	1,7

Table A2.10: Quarterly distribution of those who found employment by sector and age

Employed Youth (15-34 years)	Sector			
	Formal	Informal	Agriculture & Private hh	Total
	Per cent			
Quarter				
Q4 2010	49,4	35,7	14,9	100
Q1 2011	50,9	29,3	19,8	100
Q2 2011	54,9	28,3	16,8	100
Q3 2011	52,4	30,8	16,8	100
Q4 2011	56,9	28,0	15,1	100
Q1 2012	55,9	28,9	15,2	100
Q2 2012	53,7	26,2	20,2	100
Q3 2012	55,1	31,6	13,3	100
Q4 2012	53,9	30,3	15,8	100
	Formal	Informal	Agriculture & Private hh	Total
Employed Adults (35-64 years)	Per cent			
Quarter				
Q4 2010	32,9	39,1	28,0	100
Q1 2011	34,1	35,6	30,3	100
Q2 2011	35,1	41,5	23,4	100
Q3 2011	40,8	34,3	24,9	100
Q4 2011	37,7	37,9	24,4	100
Q1 2012	37,3	36,2	26,5	100
Q2 2012	41,3	37,1	21,6	100
Q3 2012	39,5	37,3	23,2	100
Q4 2012	40,9	34,2	24,9	100

Table A2.11: Quarterly distribution of those who found employment by size of firm

Employed	Firm size				Total
	0-9 employees	10-49 employees	>50 employees	Don't know	
Quarter	Per cent				
Q4 2010	60,4	18,6	16,9	4,1	100
Q1 2011	57,5	20,0	17,5	5,0	100
Q2 2011	56,6	21,1	17,7	4,7	100
Q3 2011	55,5	19,7	19,3	5,6	100
Q4 2011	54,4	21,9	18,4	5,2	100
Q1 2012	54,0	20,4	21,8	3,8	100
Q2 2012	54,7	21,7	19,8	3,8	100
Q3 2012	53,9	19,8	18,6	7,7	100
Q4 2012	50,9	22,7	21,0	5,4	100