



Quarterly Labour Force Survey (QLFS)

Q3:2020

Risenga Maluleke
Statistician-General

 #StatsSA





COVID-19 Impact on Data Collection

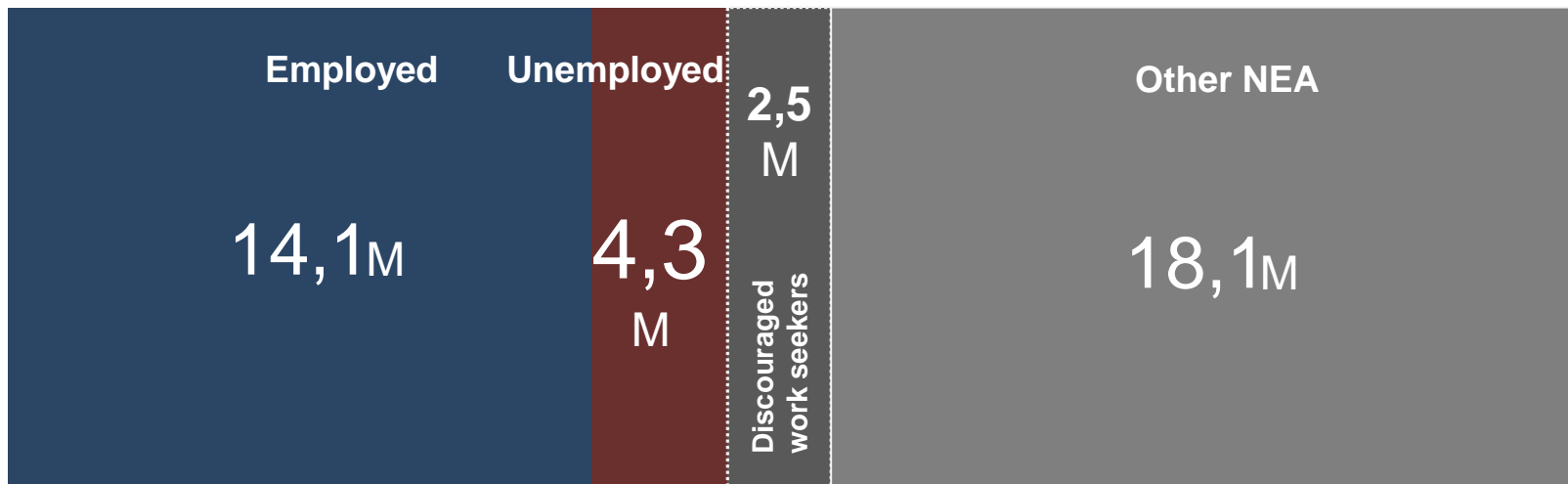
Restrictions necessary to combat COVID-19 created an obstacle to normal data collection approaches and operations, exactly when there was a massive increase in the demand for information.

Stats SA changed the mode of collection for QLFS data to **Computer Assisted Telephone Interviewing (CATI)**. To facilitate CATI, the sample that was used for QLFS Q1:2020 was also used in Q2:2020 and Q3:2020.

Not all dwelling units on the sample had contact numbers resulting in data being collected from part of the sample where contact numbers were available for QLFS Q3:2020.

This introduced bias in the estimates. Details on how the **bias adjustment** was done is contained in the report.

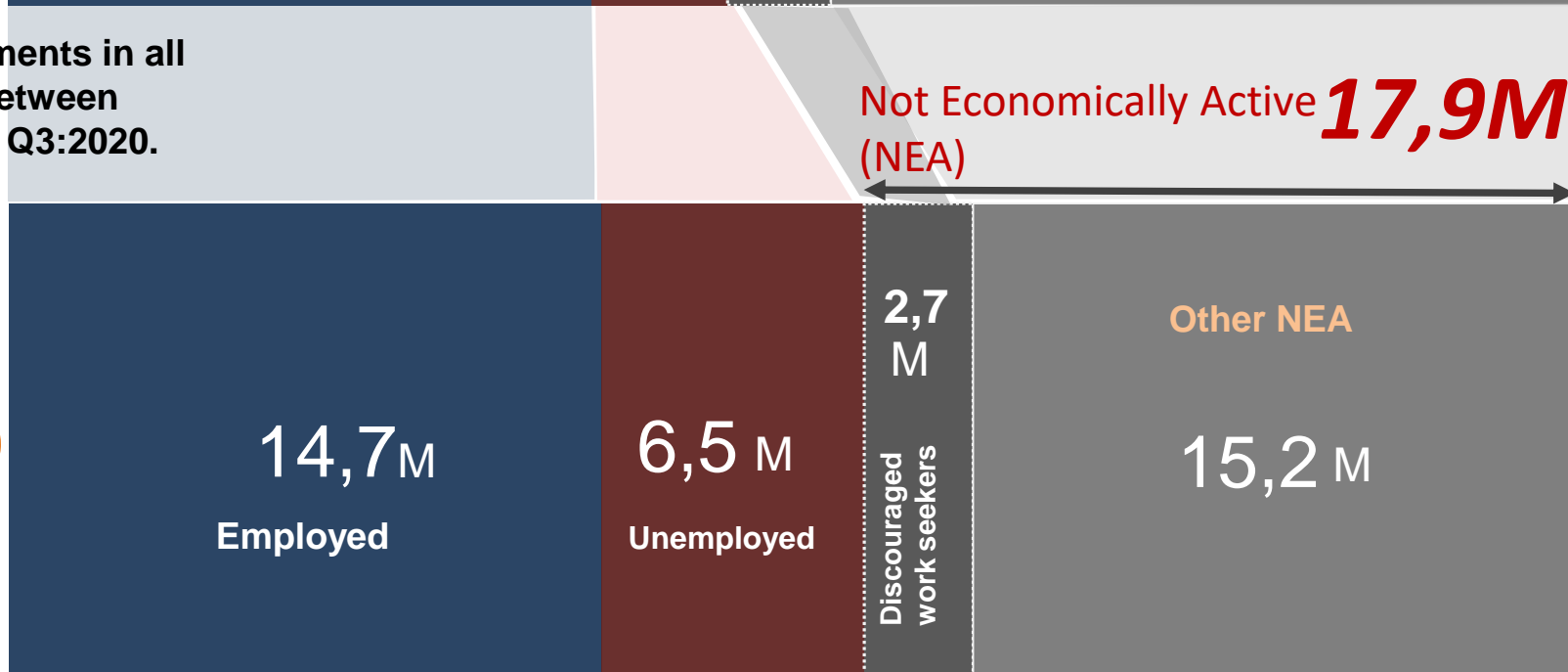
Q2:2020



Large movements in all categories between Q2:2020 and Q3:2020.

Not Economically Active (NEA) **17,9M**

Q3:2020



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More than 0,5 Million Employed between Q2 and Q3 2020

2,2 Million More Unemployed between Q2 and Q3 2020

2,6 Million Fewer Not Economically Active between Q2 & Q3 2020

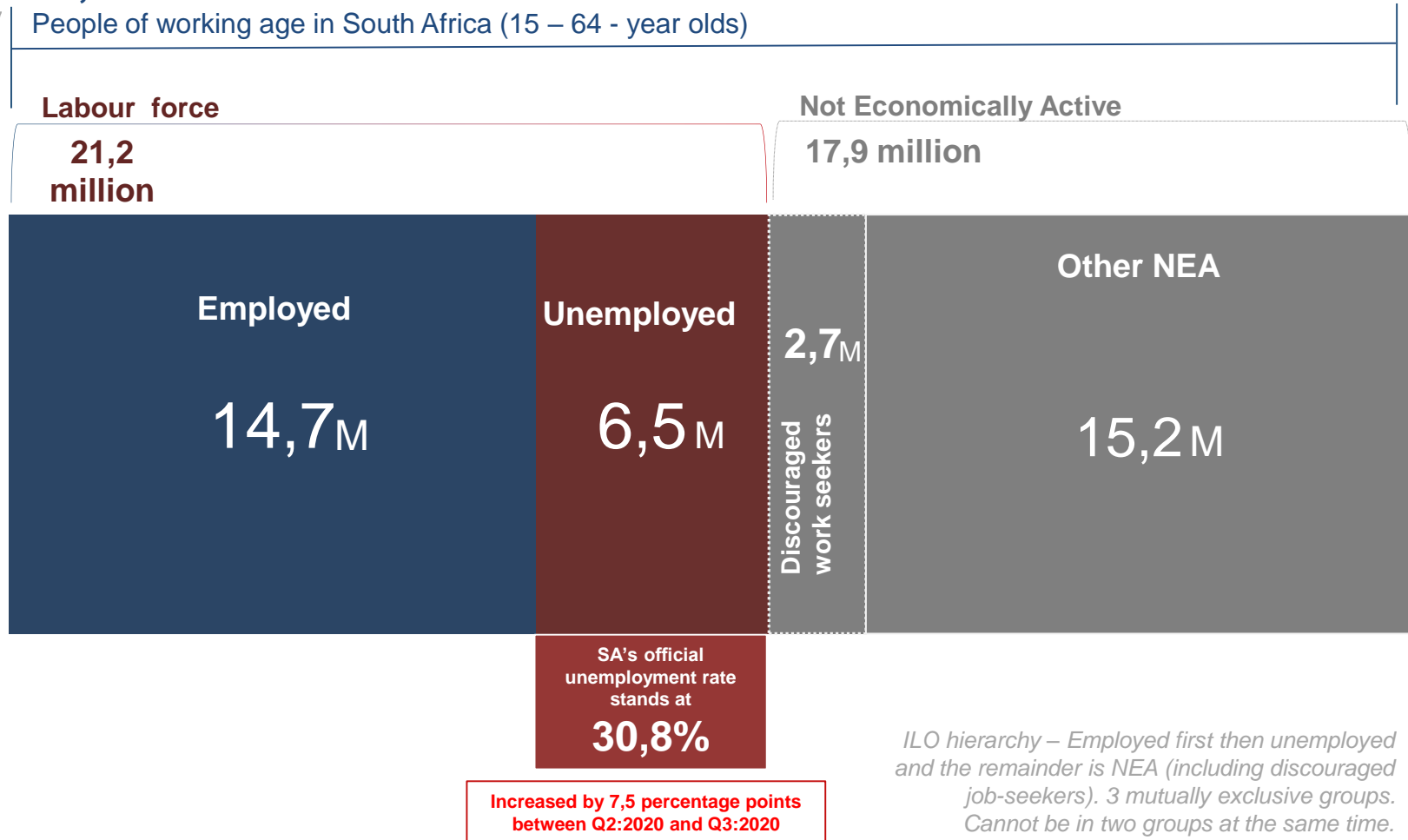


There were 543 thousand more people employed in Q3:2020 than Q2:2020



39,2 million

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



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



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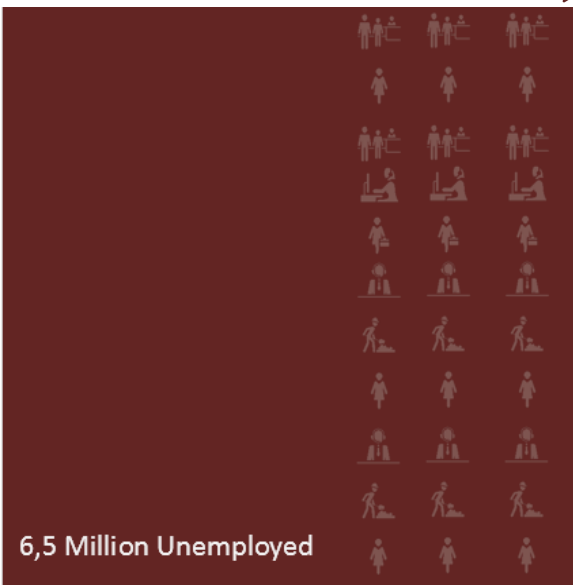
Large movements in all categories between Q2:2020 and Q3:2020.

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

3,8% More Employed

52,1% More Unemployed

12,8% Fewer Not Economically Active



14,7 Million Employed

6,5 Million Unemployed

17,9 Million Not Economically Active

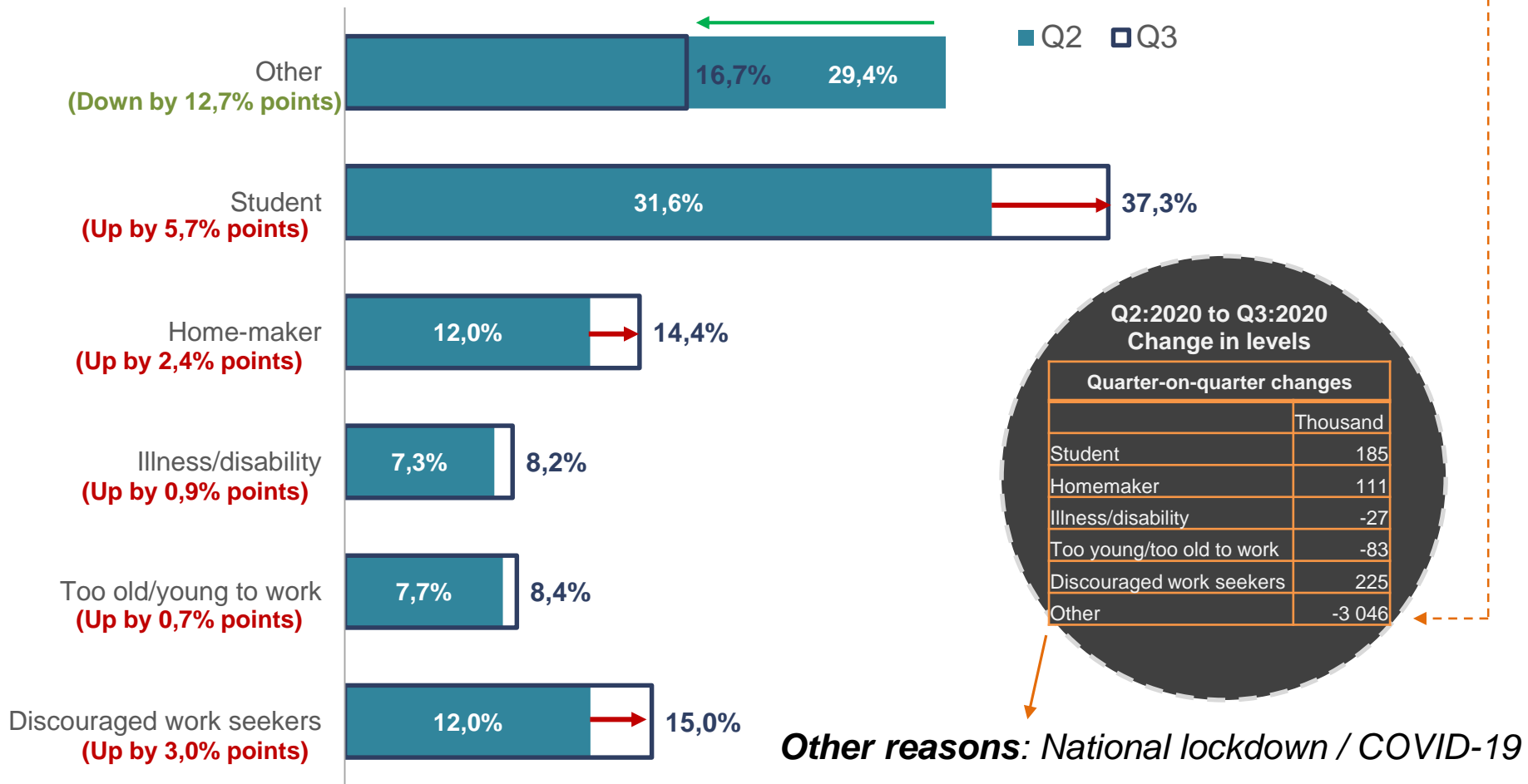
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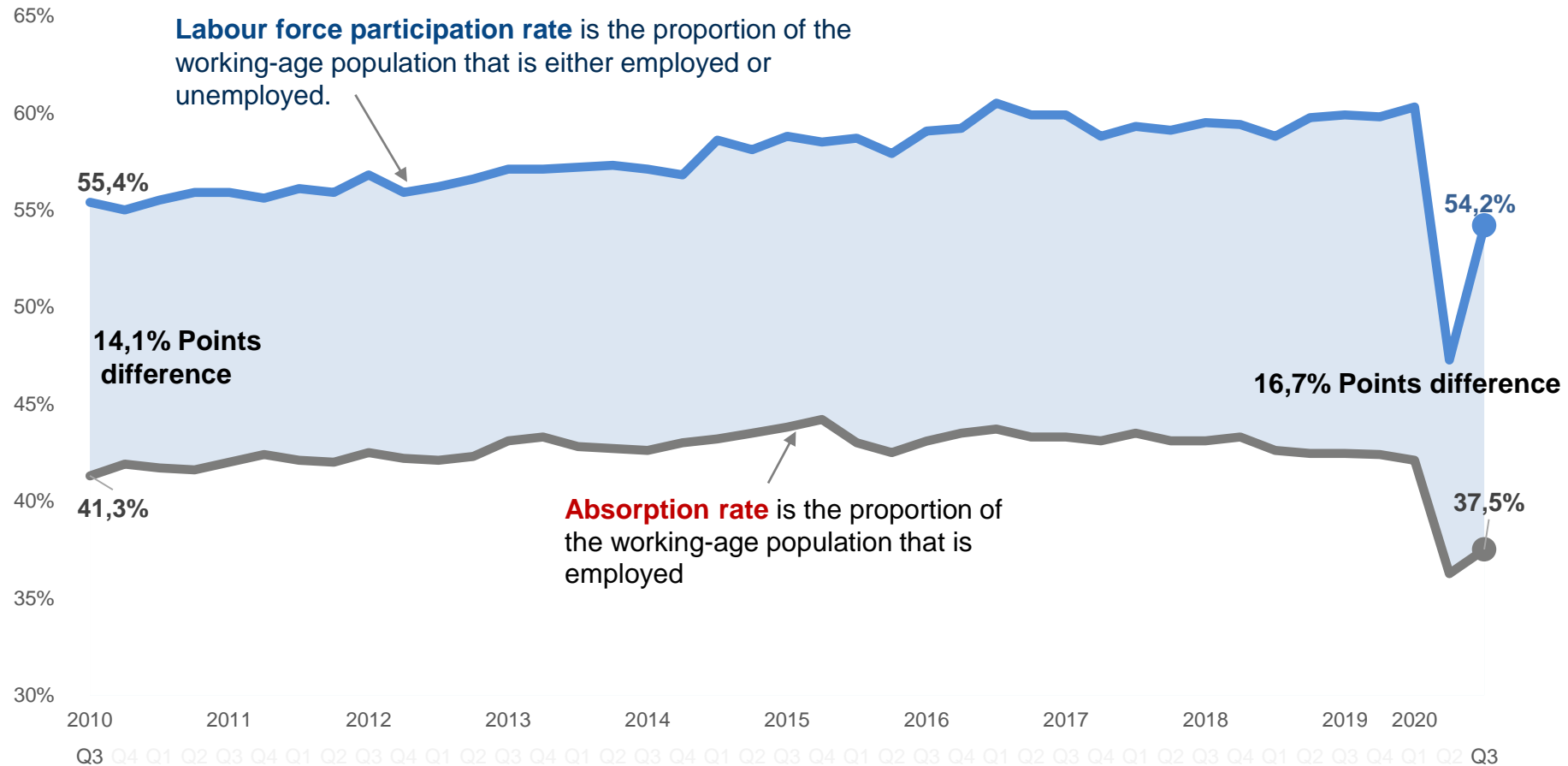
More than 3 million people moved out of “Other Not Economically Active” status in Q3:2020.

Characteristics of the not economically active, Q2:2020 vs Q3:2020



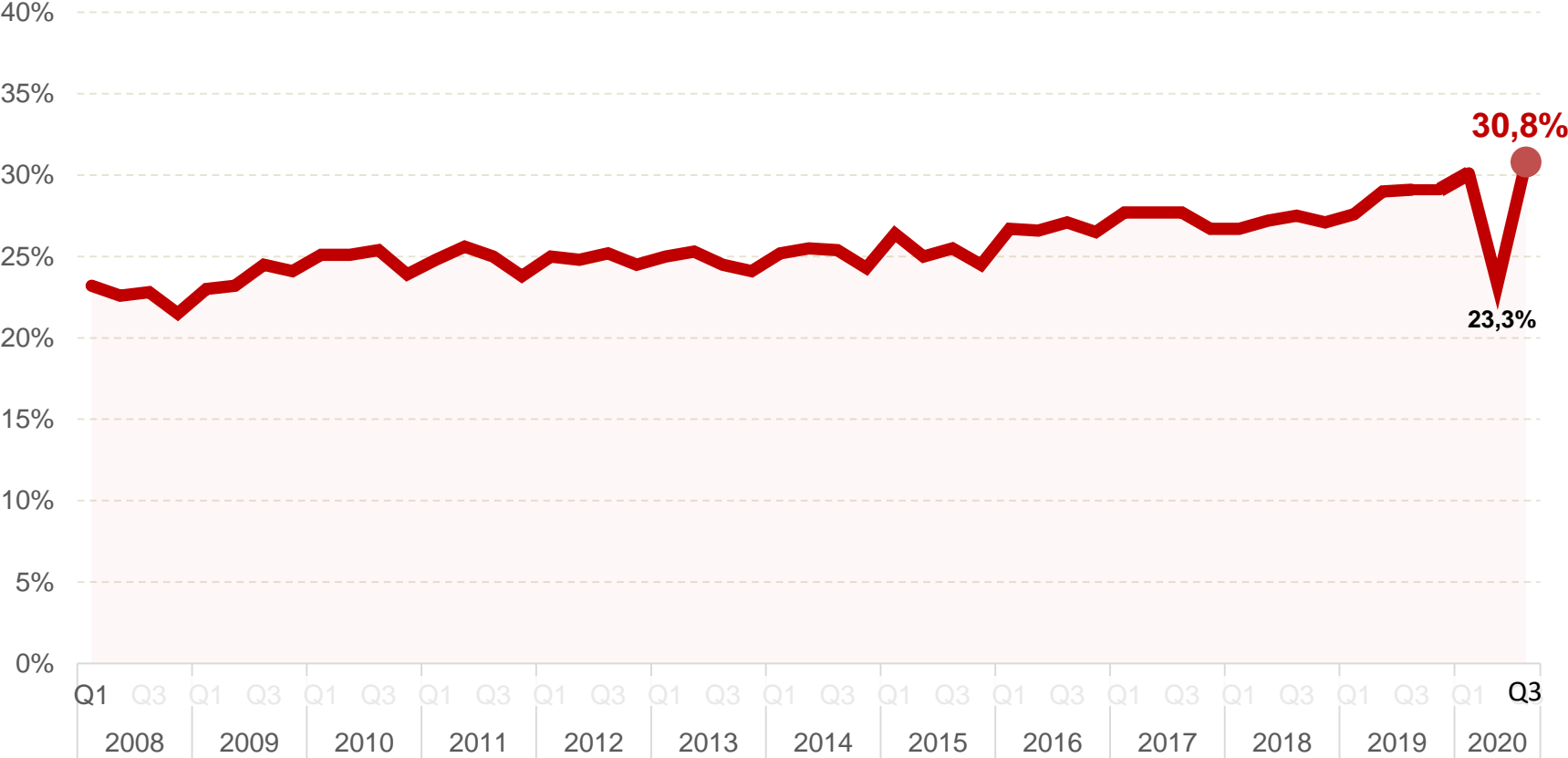
The Labour force participation rate **decreased by 1,2 percentage points** from 55,4% in Q3:2010 to 54,2% in Q3:2020

Labour force participation and absorption rate, Q3:2010-Q3:2020

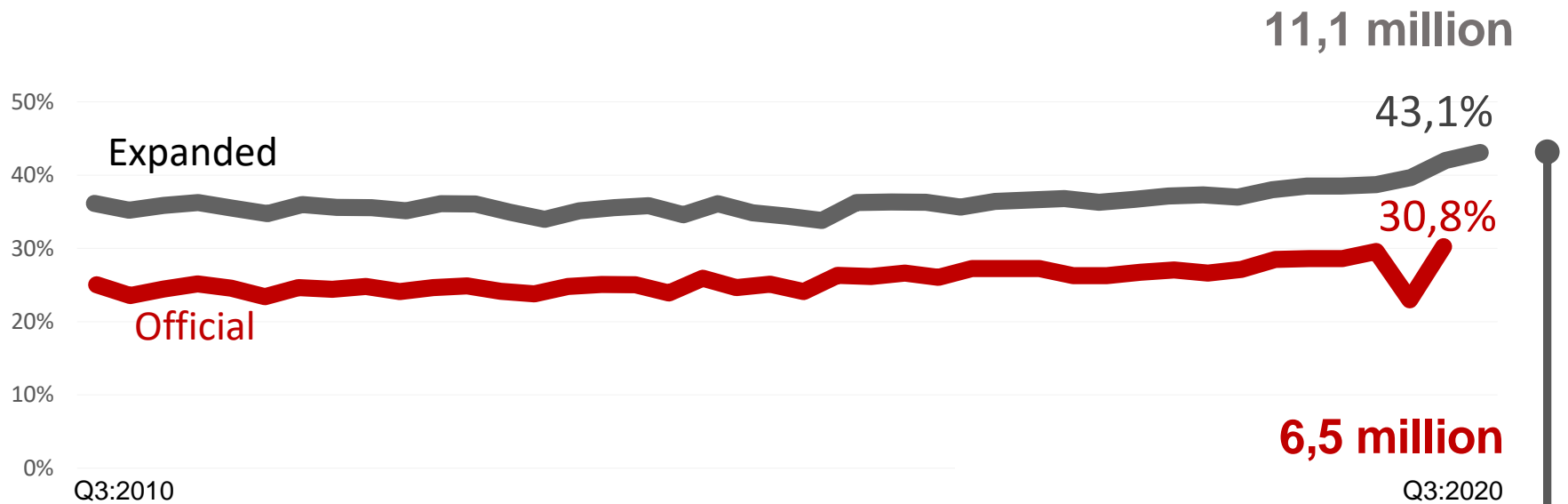


South Africa's unemployment rate **increased by 7,5** percentage points to **30,8%** in Q3:2020 compared to Q2:2020.

Unemployment rate from Q1:2008 to Q3:2020



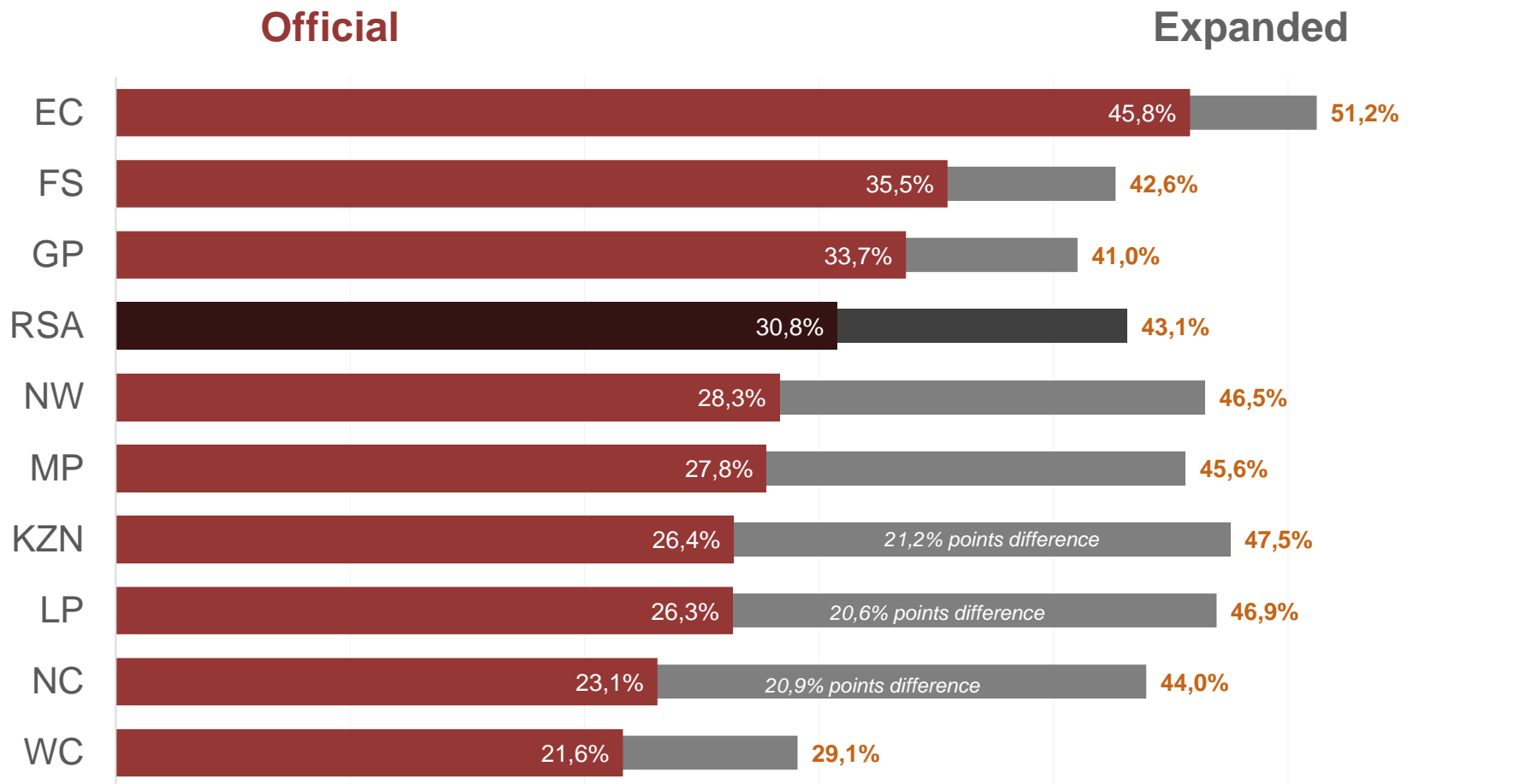
The Expanded definition which **includes those discouraged and those having other reasons for not searching (e.g. Lockdown)** showed a **1,1 percentage points increase to 43,1% in Q3:2020 compared to Q2:2020.**



Expanded Definition includes the following	
- Official unemployment (searched and available)	6,5 M
- Available to work but are/or	
• Discouraged work-seekers	2,7 M
• Have other reasons for not searching	1,9 M

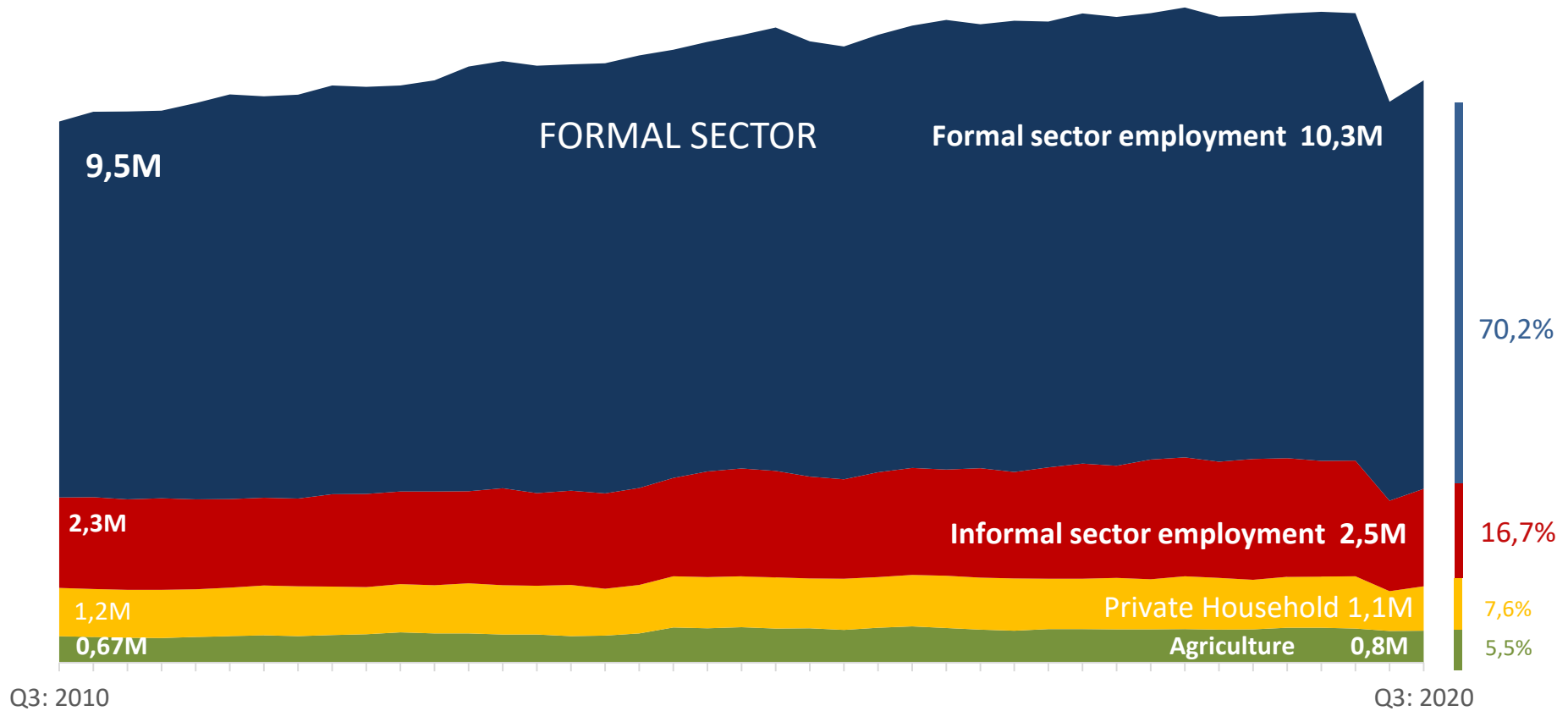
EC recorded the highest official and expanded unemployment rates. KZN, NC and LP provinces have more than 20,0 percentage points difference between their expanded and official unemployment rates.

Provincial unemployment rate: Official vs Expanded Q3:2020



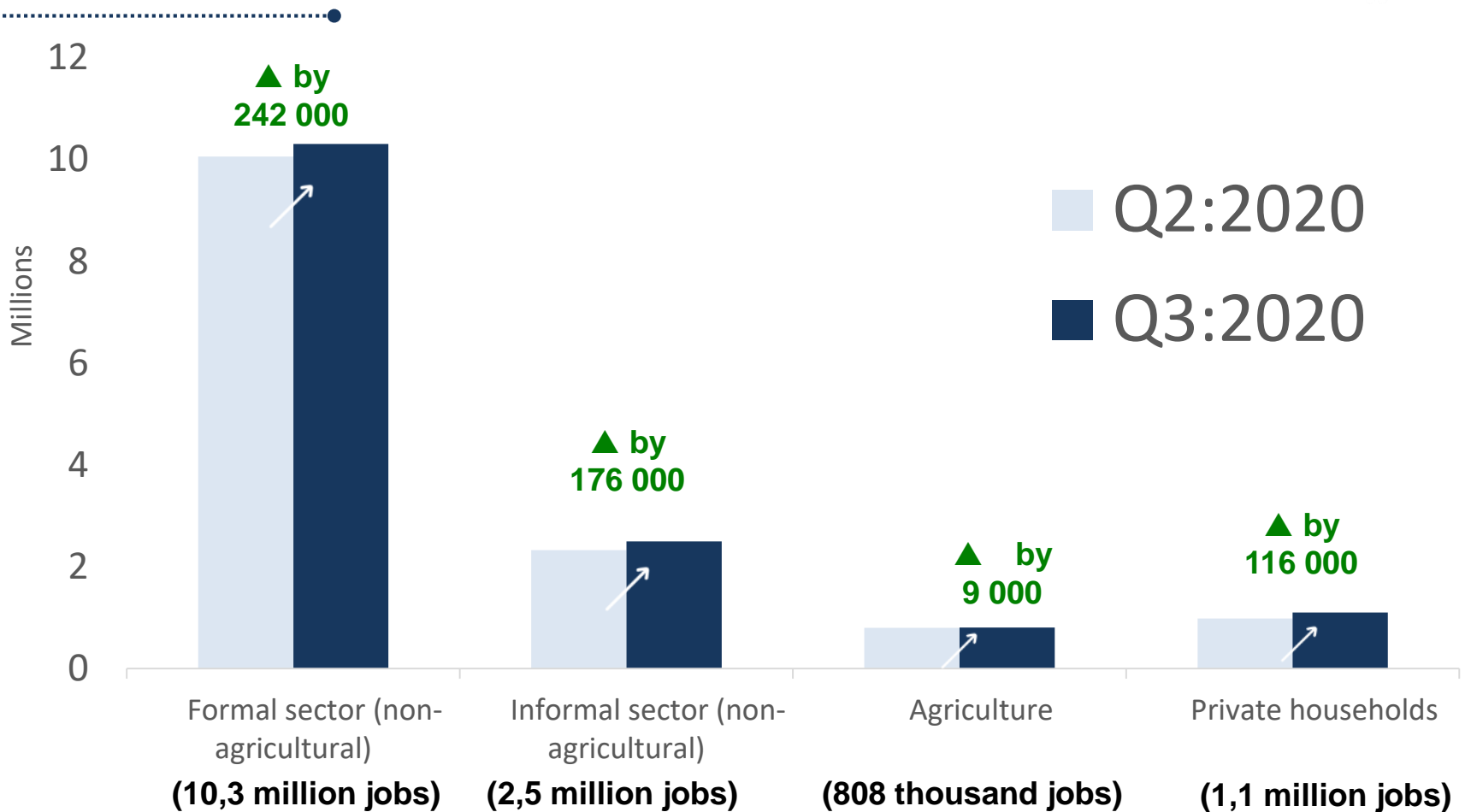
The **formal sector** in South Africa accounts for **70,2%** of total employment.

Employment share by sector, Q3:2010 to Q3:2020



The formal sector employment increased by close to a quarter of a million jobs between Q2:2020 and Q3:2020

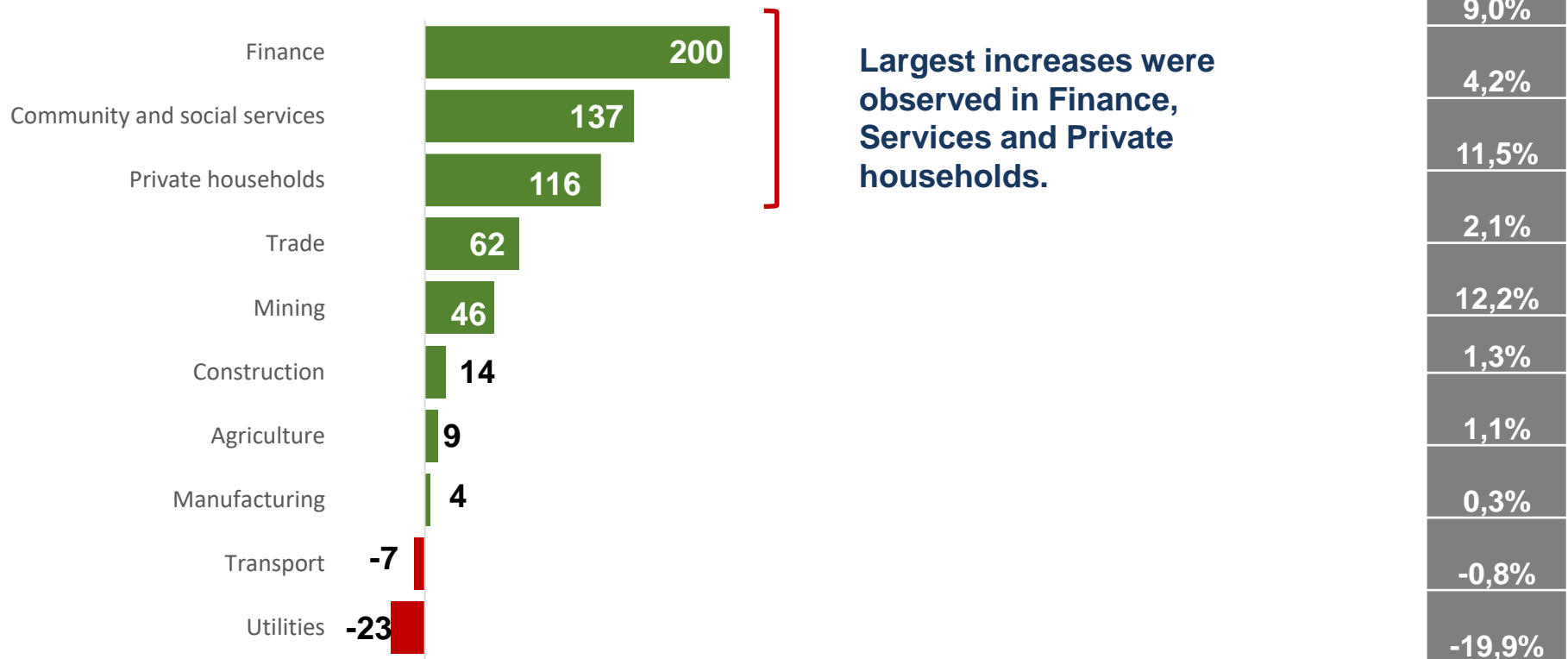
Employment changes by sector, (▲ Quarter-on-quarter increase)



Employment gains were observed across all industries with the exception of Transport and Utilities.

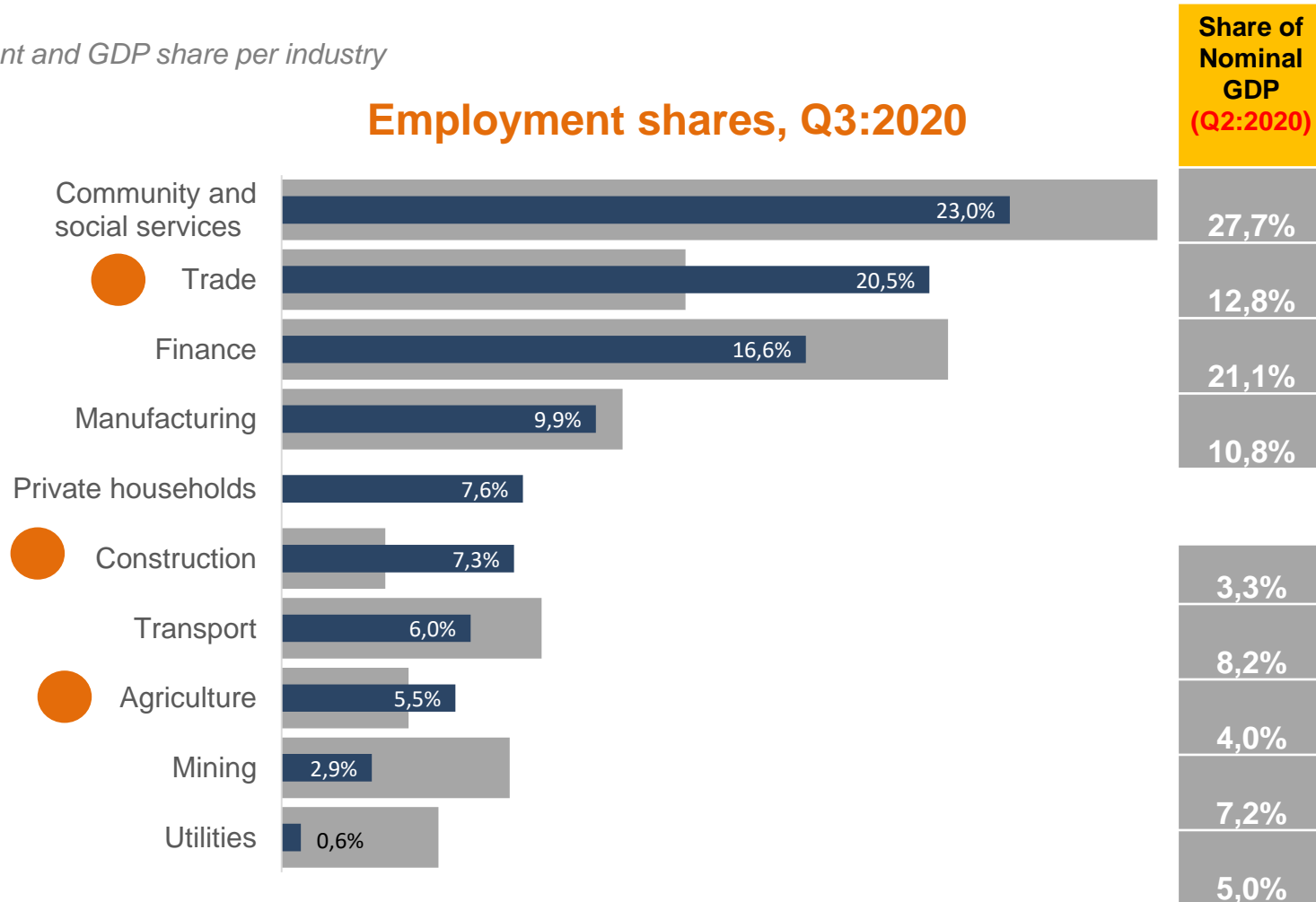
Employment changes by industry

Quarter-on-quarter change ('000)



Trade, construction and agriculture have higher employment shares relative to their GDP contribution.

Employment and GDP share per industry

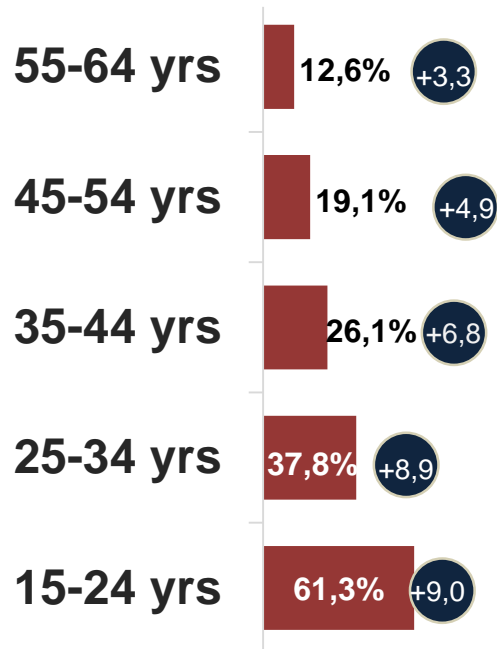


The **unemployment rate** for those aged 15-24 (61,3%) increased by **9,0** percentage points.

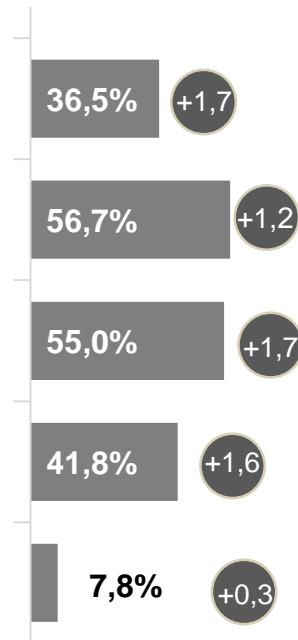
Labour market rates by age group, Q3:2020

Change: Percentage points
Q2:2020 to Q3:2020

Unemployment rate



Absorption rate

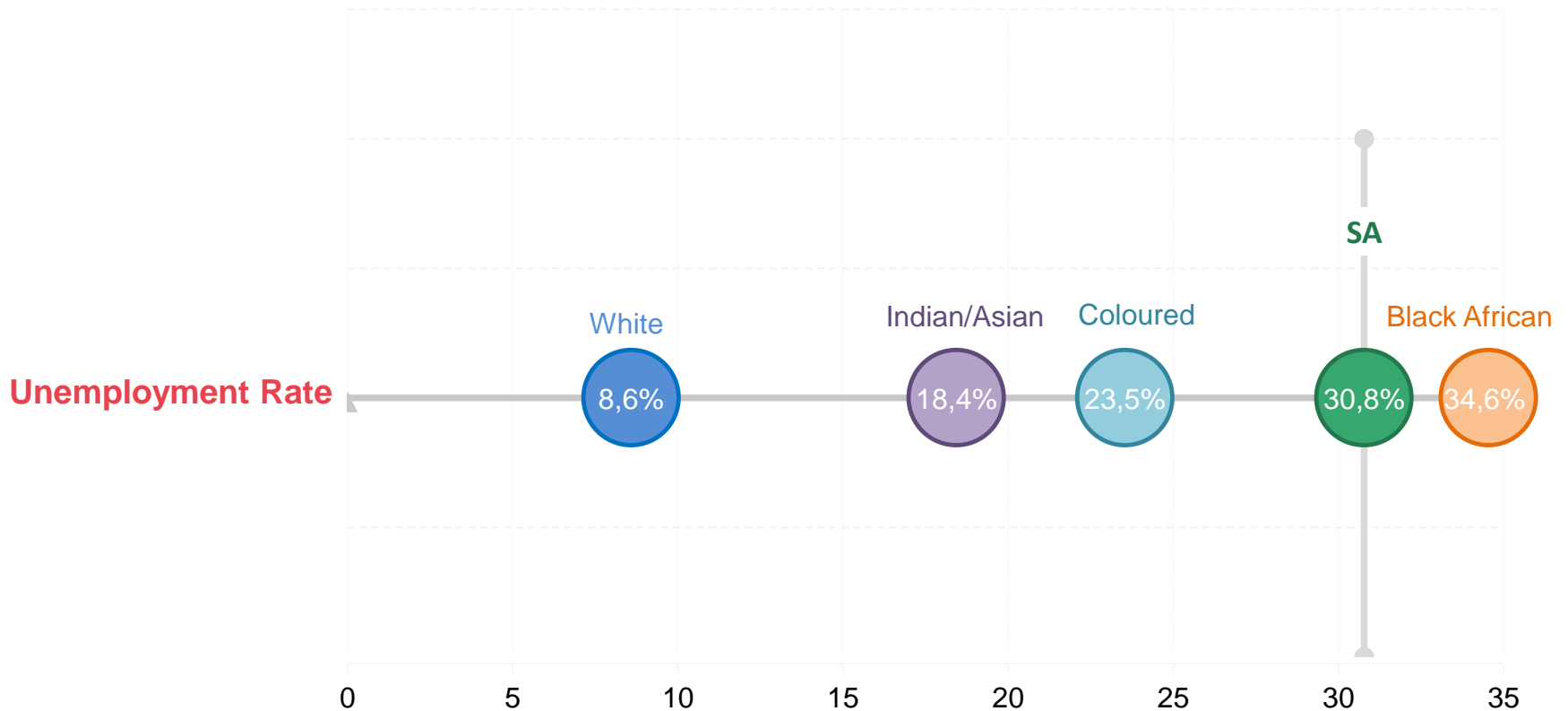


Participation rate



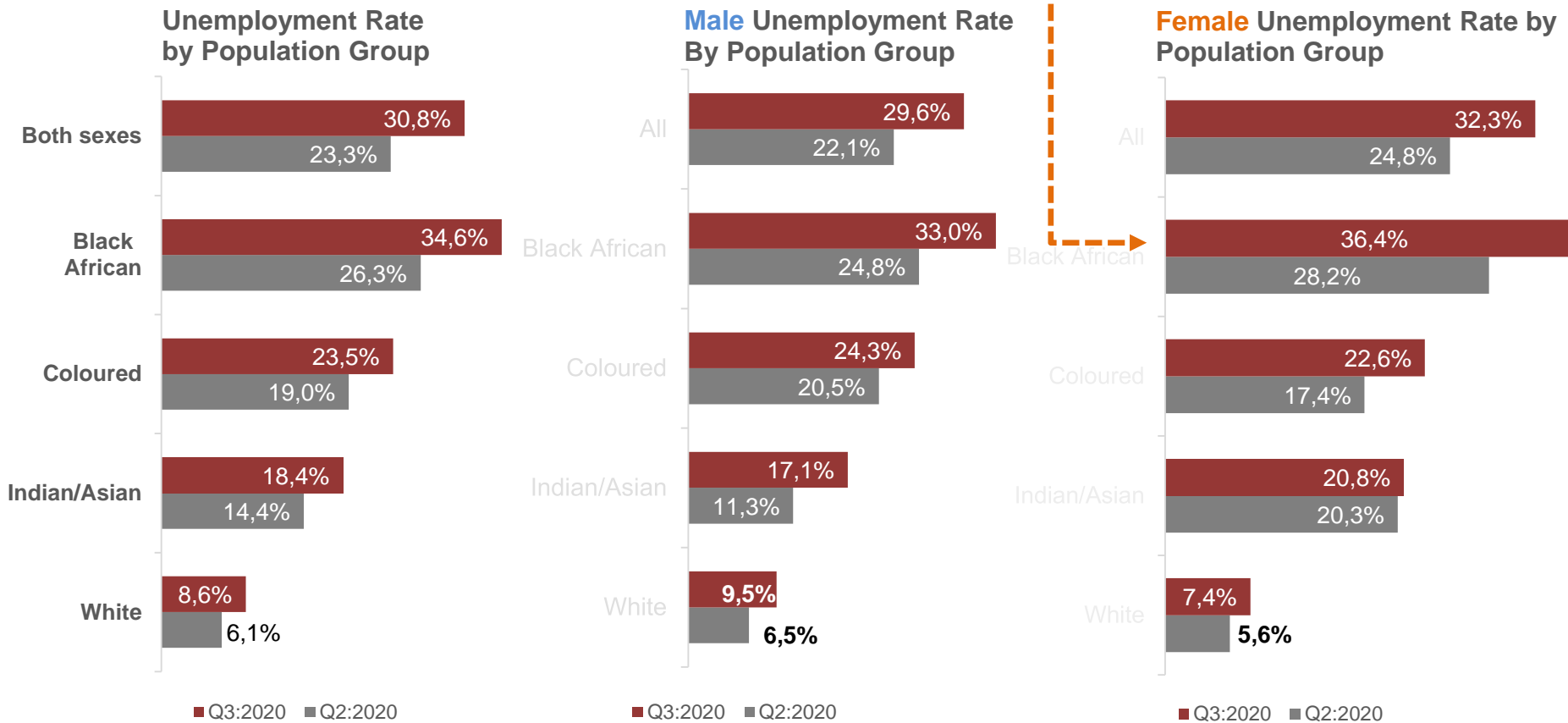
Unemployment among the **black African** population group remains **higher** than the national average and other population groups.

OFFICIAL unemployment rate by population group



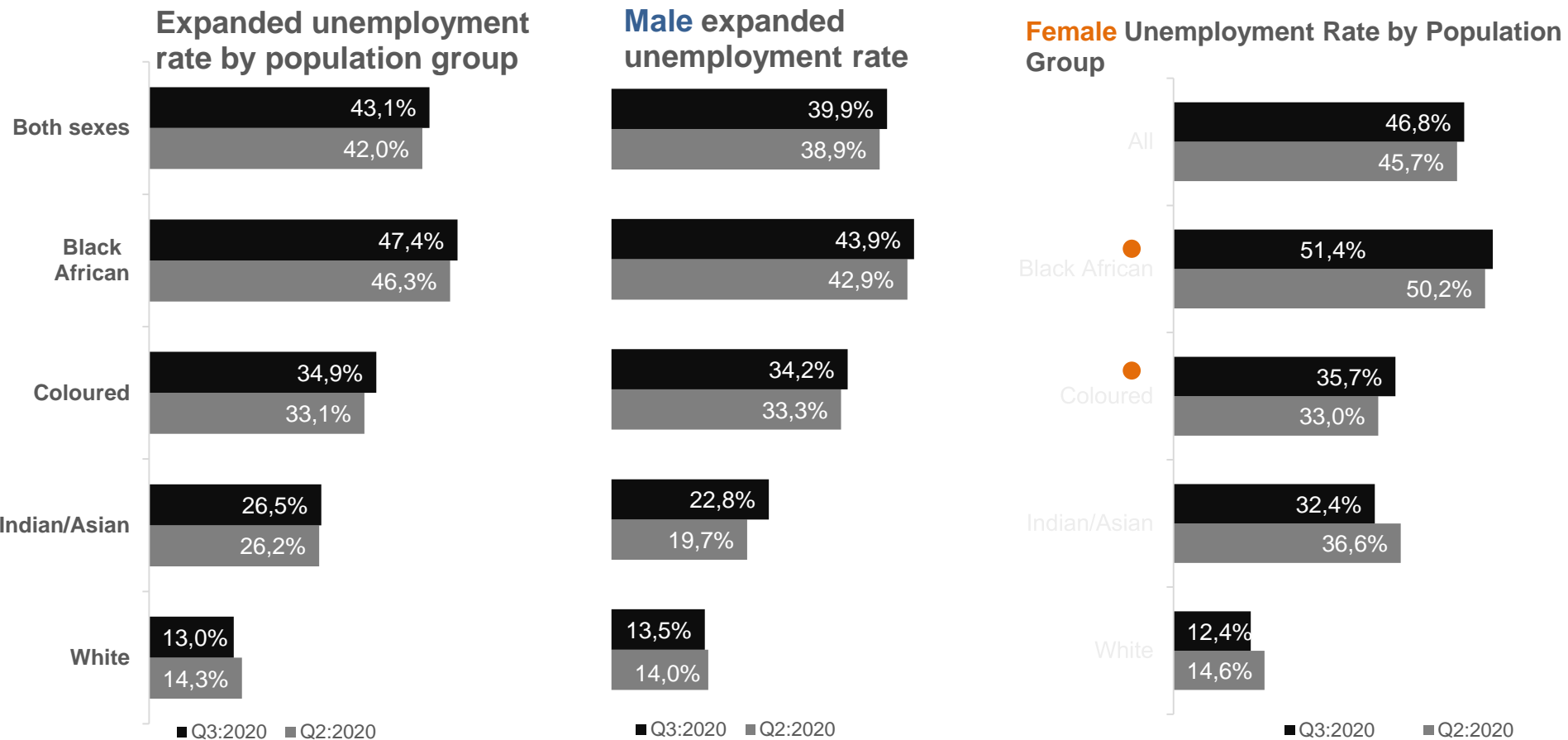
Black African women are the most vulnerable with an unemployment rate above 36,0%.

OFFICIAL unemployment rate by population group and sex



Irrespective of gender, the **black African and coloured** population groups **remain vulnerable** in the labour market.

EXPANDED unemployment rate by population group and sex



Stats SA definition of working age, is compliant with both South African Legislation and Internationally Comparable definitions

References

South African Legislation

Constitution of the RSA, 1996:

- Section 28 (1)(e) provides that every child has the right to be protected from exploitive labour practices.
- Section 28(1)(f) provides that every child has the right not to be required or permitted to perform worker services that are age inappropriate or places at risk that child's well-being, education, physical or mental health, spiritual, moral or social development.
- Child means a person under the age of 18 years (section 28(3)).

Basic Conditions of Employment Act (75 of 1997), as amended:

- Section 43(1) provides that no person may employ a child under the age of 15 years or who is under the minimum school-leaving age, if this is 15 or older.
- Section 43(2) repeats section 28(1)(f) of the Constitution.
- Section 44(2) provides that regulations may be made by the Minister prohibiting or placing conditions on the employment of a child who is at least 15 years of age and no longer required to attend school. Section 47 places the onus on the employer, if the employer alleges that it has complied with the age requirement.
- BCEA and the Sectoral Determination 13: Farm Worker Sector:
- Sub-clauses 1 and 2 of clause 25 of Part F: repeats the legislation and Paragraph 15 of the Guidelines provides that the employer must verify the age of the employee from the identity document or birth certificate.

South African Schools Acts (84 of 1996):

- Section 31(1) provides that a learner must attend school until the last school day of the year in which he/she reaches the age of 15 or grade nine, whichever is first.

Children's Act 38 of 2005 International Reference

International Reference

- ILO Convention 182, Worst Forms of Child Labour, 1999
- ILO Convention C138 – Minimum Age Convention 1973 (No138)

ILO Glossary of Statistical Terms

Working-age population The working-age population is commonly defined as persons aged 15 years and older, although the age limits can vary from country to country



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The unemployment rate among the youth is higher irrespective of education level. *Unemployment rate among graduates aged 15 – 24 years decreased by 5,9 percentage points*

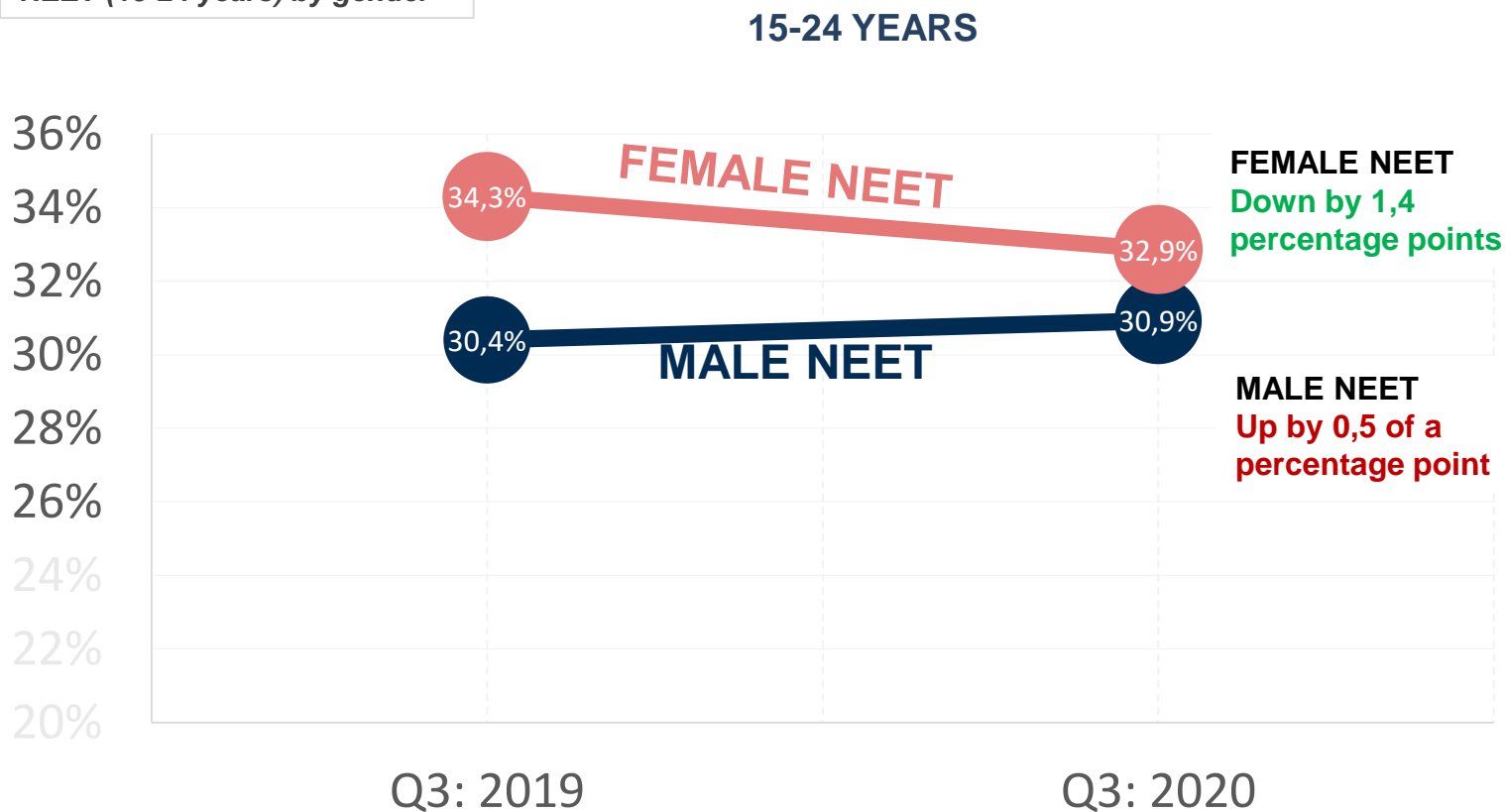
Unemployment rate by education level and age group, Q3:2020

▲ ▼ Change: Percentage points Q2:2020 to Q3:2020



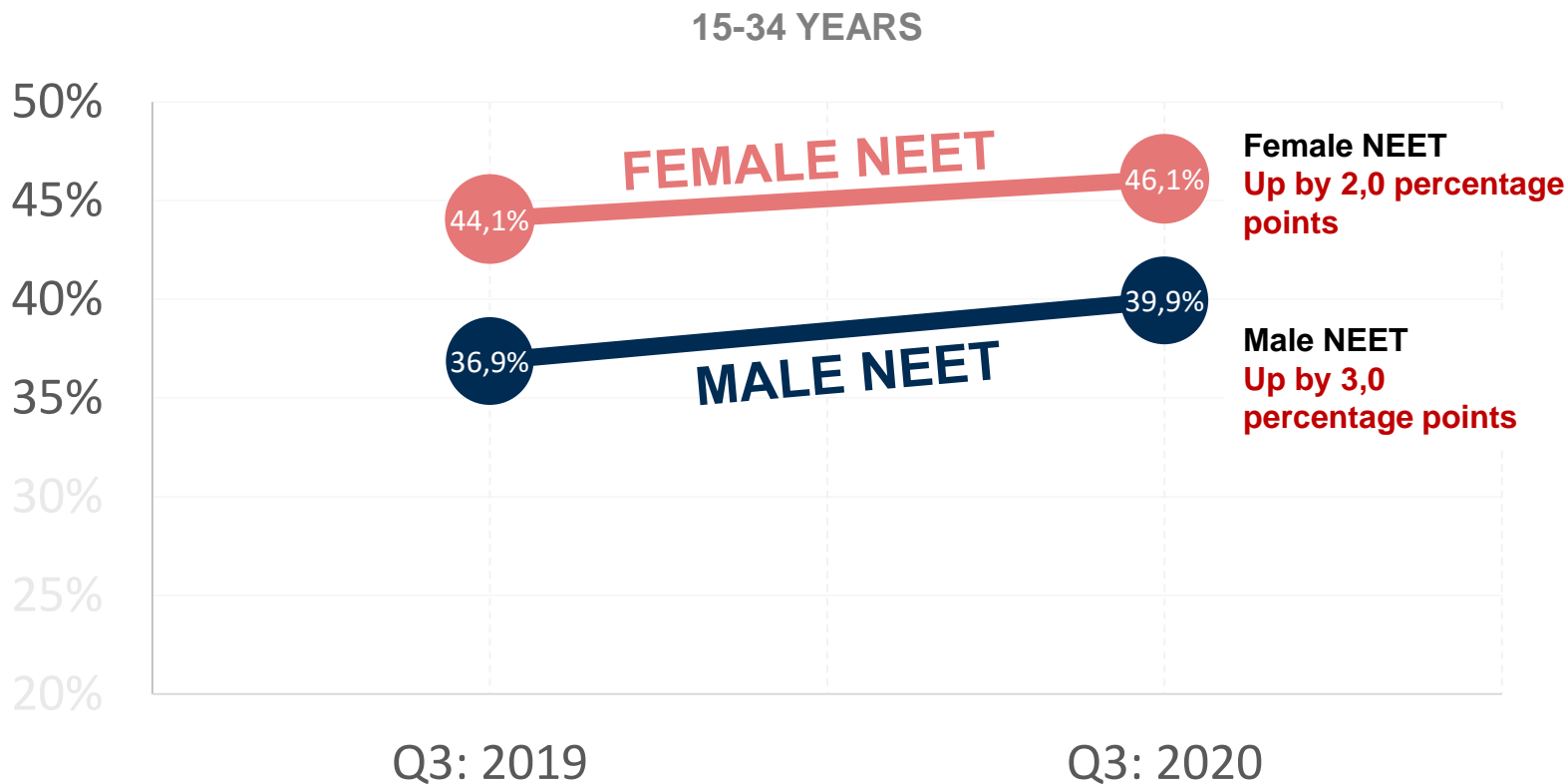
Approximately 3,3 million (31,9%) out of 10,3 million young people aged 15-24 years were not in employment, education or training (NEET). The overall NEET rate decreased by 0,4 of a percentage point in Q3:2020 compared to Q3:2019.

NEET (15-24 years) by gender



Over 8,8 million (43,0%) out of 20,1 million young people aged 15-34 years were not in employment, education or training (NEET). The overall NEET rate increased by 2,6 percentage points in Q3:2020 compared to Q3:2019.

NEET (15-34 years) by sex



Additional analysis on employment in relation to COVID-19

This section of the presentation focuses on indicators derived from the additional questions that were only asked of those who were employed.



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Of the 14,7 million persons who were employed in Q3: 2020, 7 in ten (73,2%) were expected to work during the national lockdown by the companies/organisations they work for.

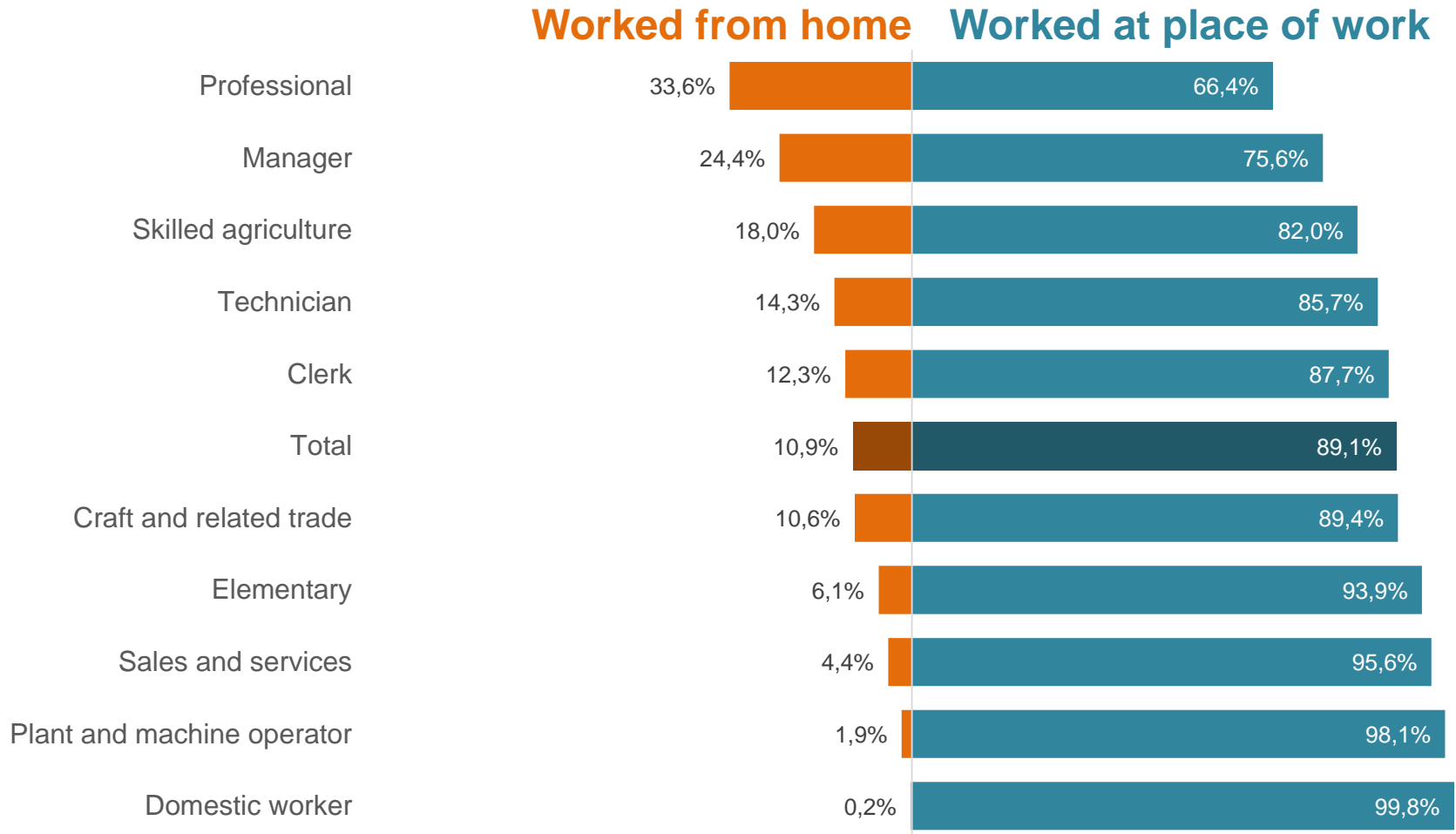
Place of work for persons who did any work by occupation, Q3: 2020



73,2% were expected to work

Professionals and Managers were more likely than all other occupations to be working from home.

Place of work for persons who did any work by occupation, Q3: 2020



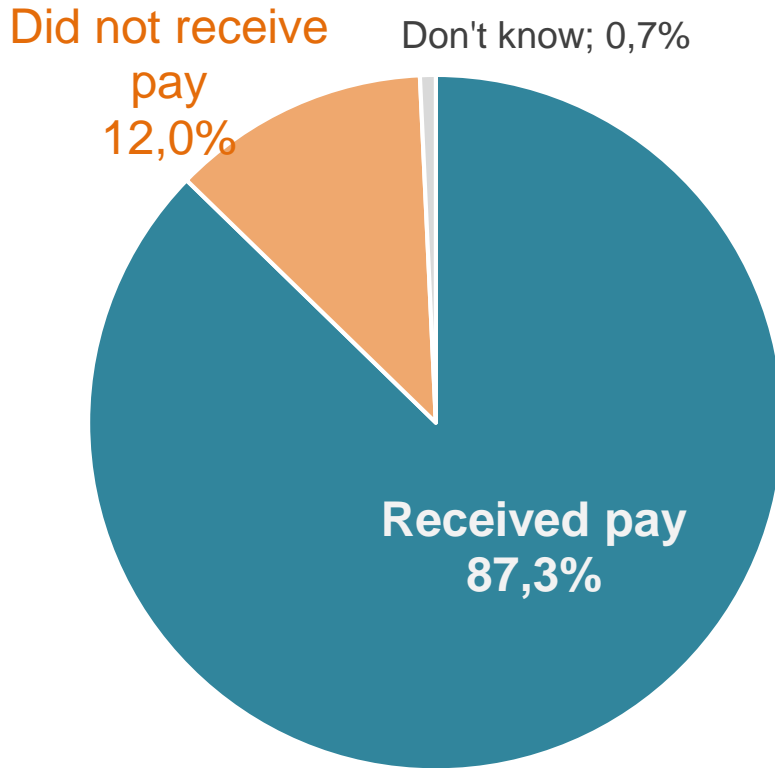
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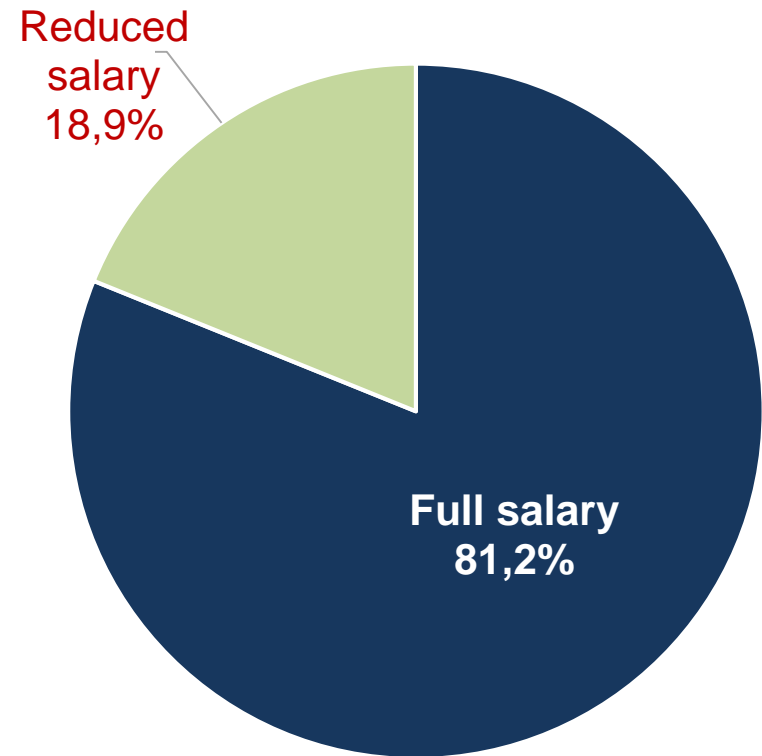


87,3% of the employed continued to receive pay during lockdown

Q3:2020

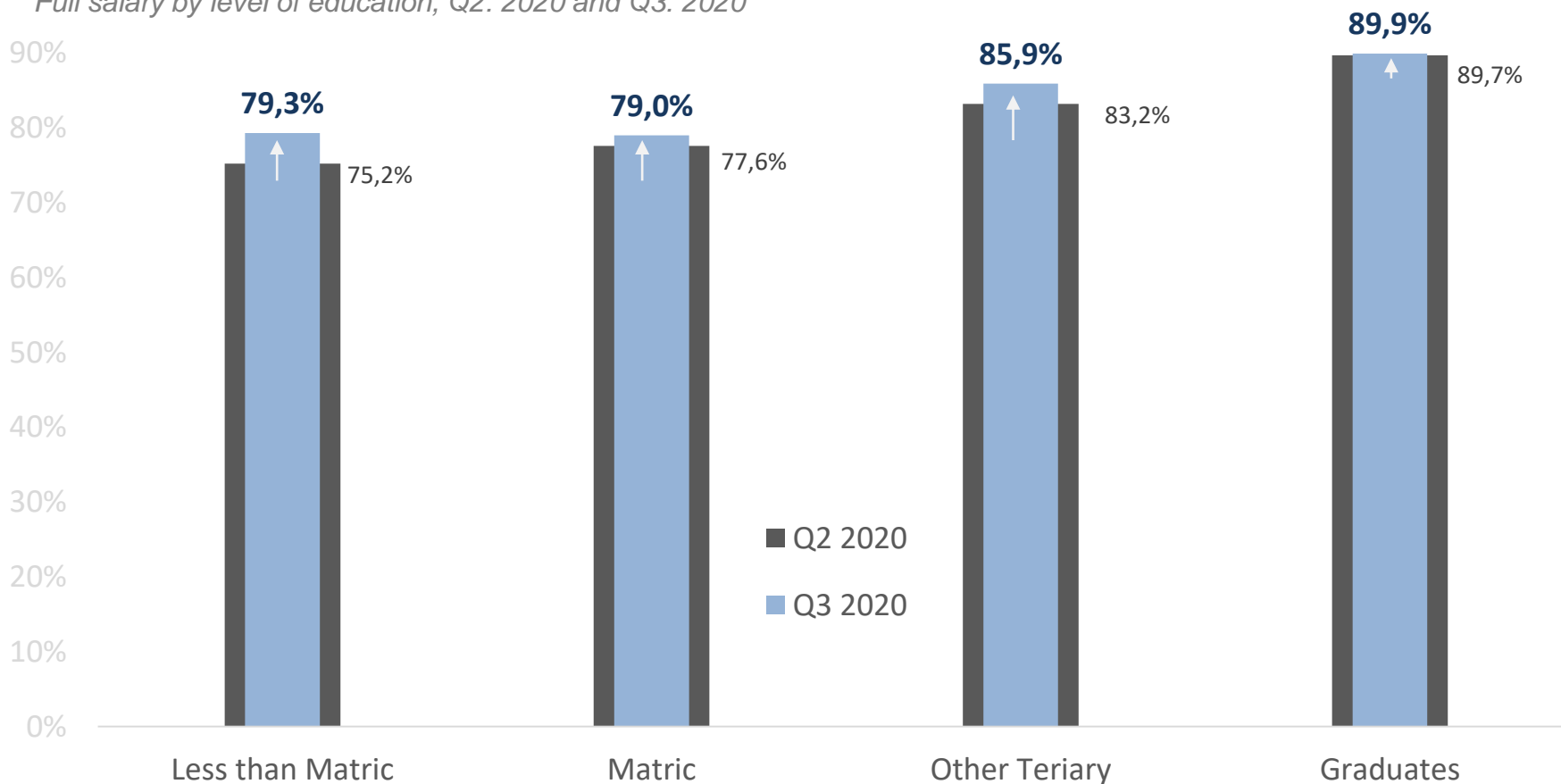


18,9% of those who received pay during lockdown were paid reduced salaries.



Close to 90% of graduates received their full salary in Q3:2020. The share of those receiving full salary **increased** irrespective of level of education between Q2:2020 and Q3:2020. 20,7% of those with less than matric received reduced pay.

Full salary by level of education, Q2: 2020 and Q3: 2020



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Recap QLFS Q3:2020



Unemployment rate



Unemployment rate (30,8%) increased by 7,5 percentage points.

Absorption rate (37,5) and labour force participation rate (54,2) increased by 1,2 and 6,9 percentage points respectively.

Employment gains



Finance (**200 000**), Community and social services (**137 000**), and private households (**116 000**) recorded the largest employment gains.

Not economically active



The number of not economically active **decreased by 2,6 million** in Q3: 2020 compared to Q2:2020

QLFS

Q3:2020

Ndzi hela kwala!



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