



Quarterly Labour Force Survey (QLFS)

Q2:2020

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 demand for information.

Stats SA changed the mode of collection for collecting 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.

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 Q2:2020.

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



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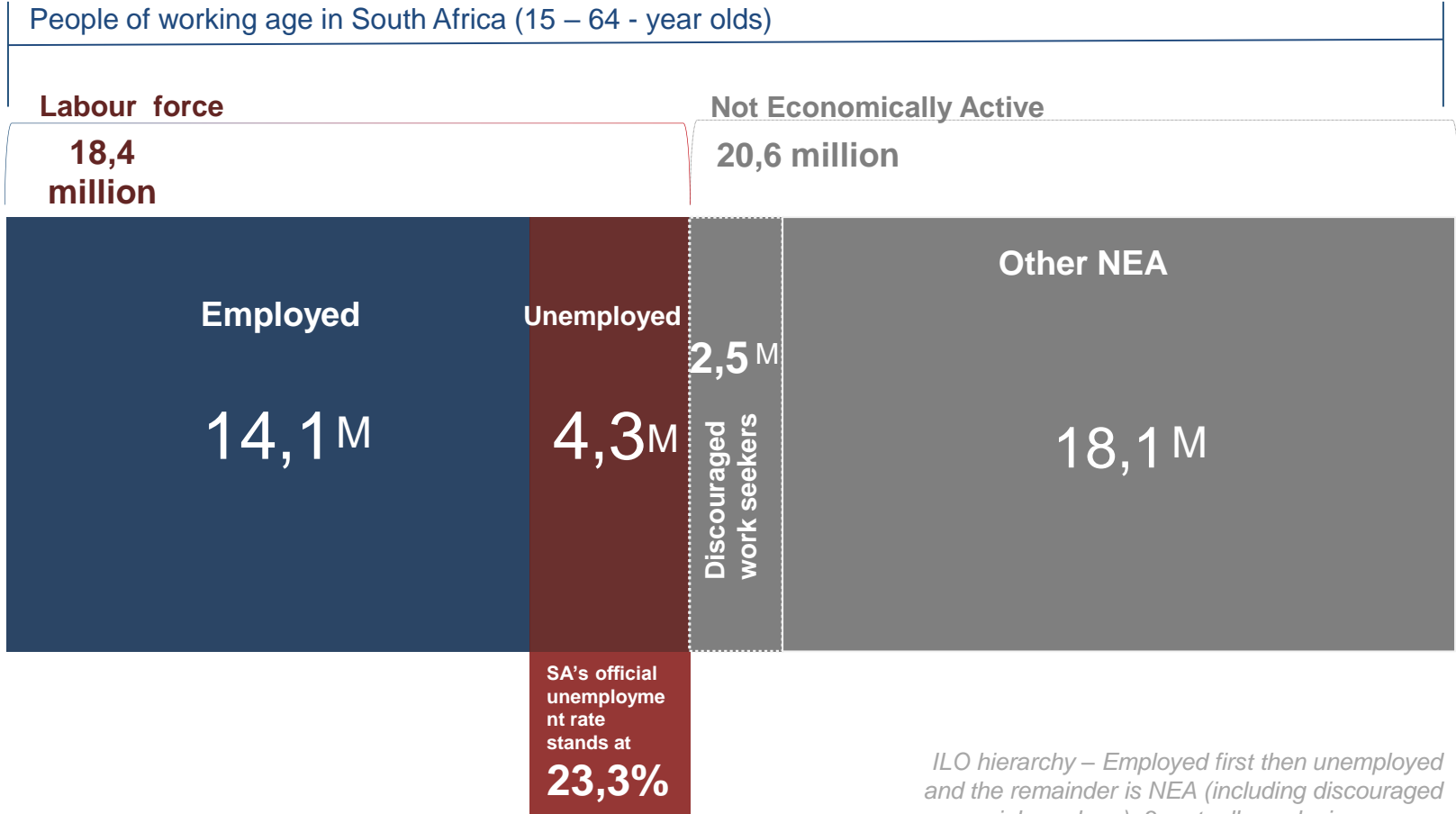


There were 2,2 million less people Employed in Q2:2020



39,0 million

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



Declined by 6,8 percentage points between Q1:2020 and Q2:2020

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.

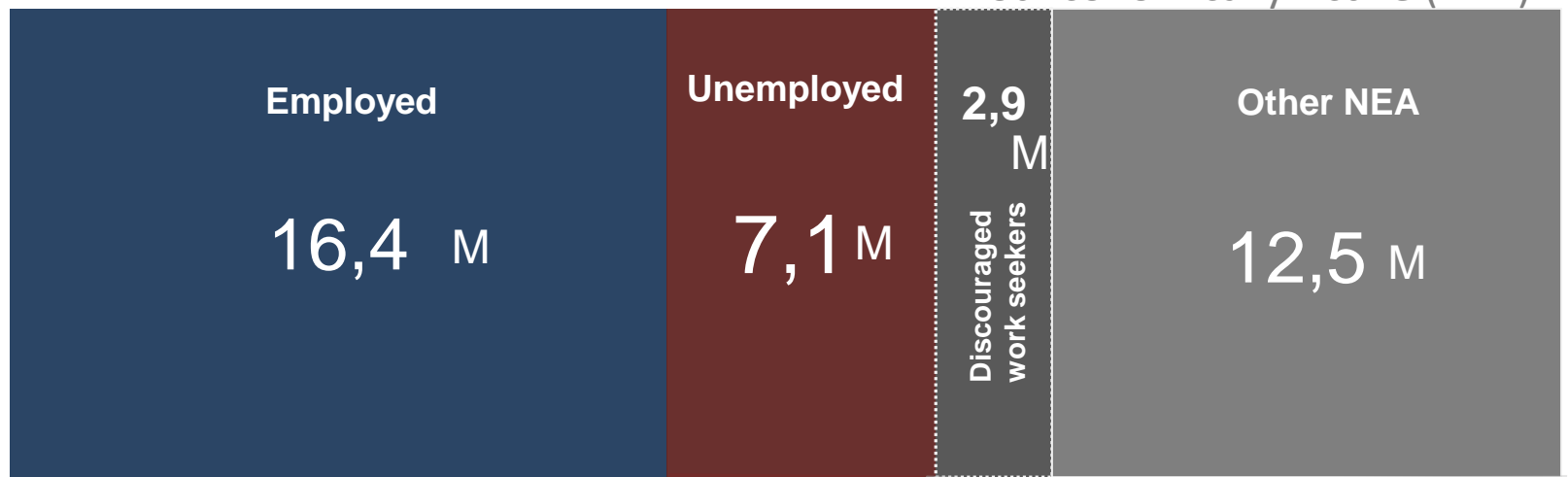


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Q1:2020

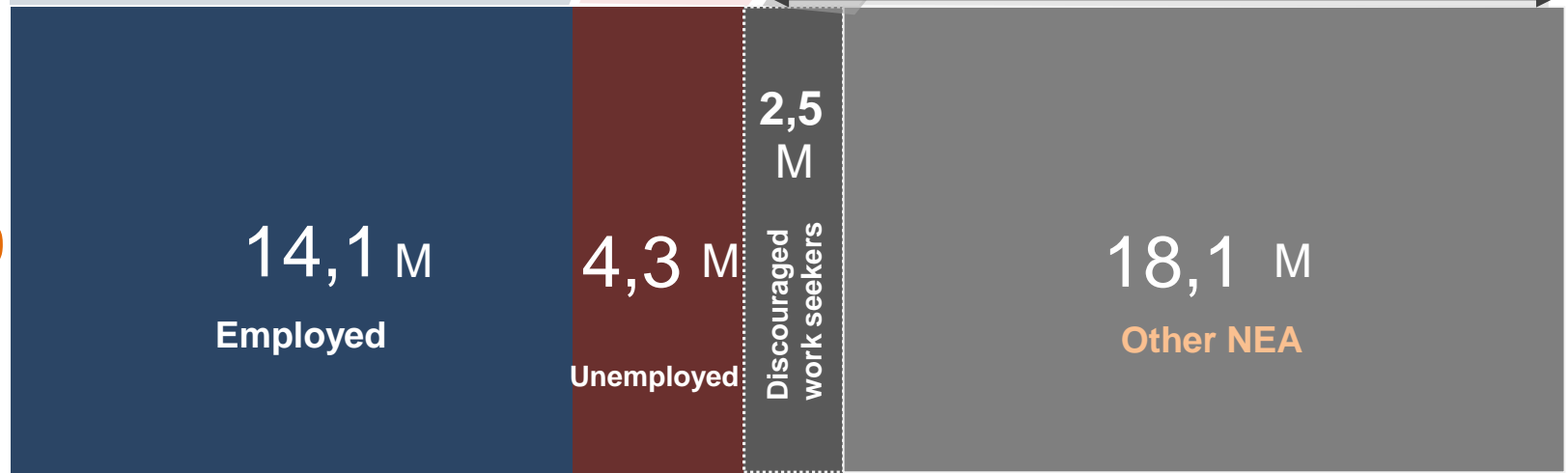


Not Economically Active (NEA)

Large movements in all categories between Q1:2020 and Q2:2020.

Not Economically Active (NEA) **20,6M**

Q2:2020



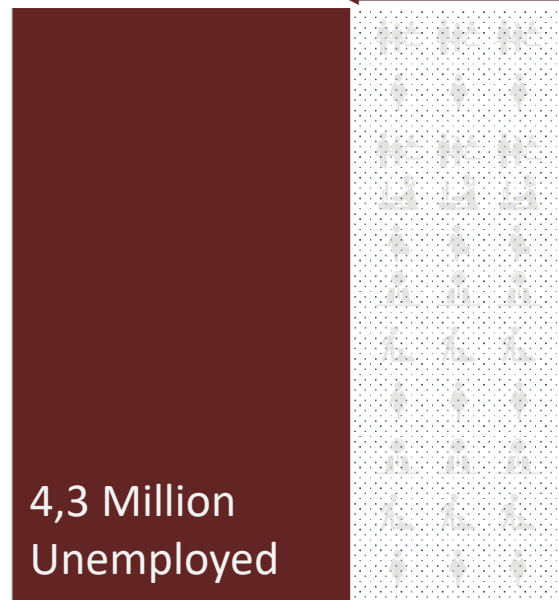
Large movements in all categories between Q1:2020 and Q2:2020.

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.

13,6% Fewer Employed

39,2% Fewer Unemployed

33,4% More Not Economically Active



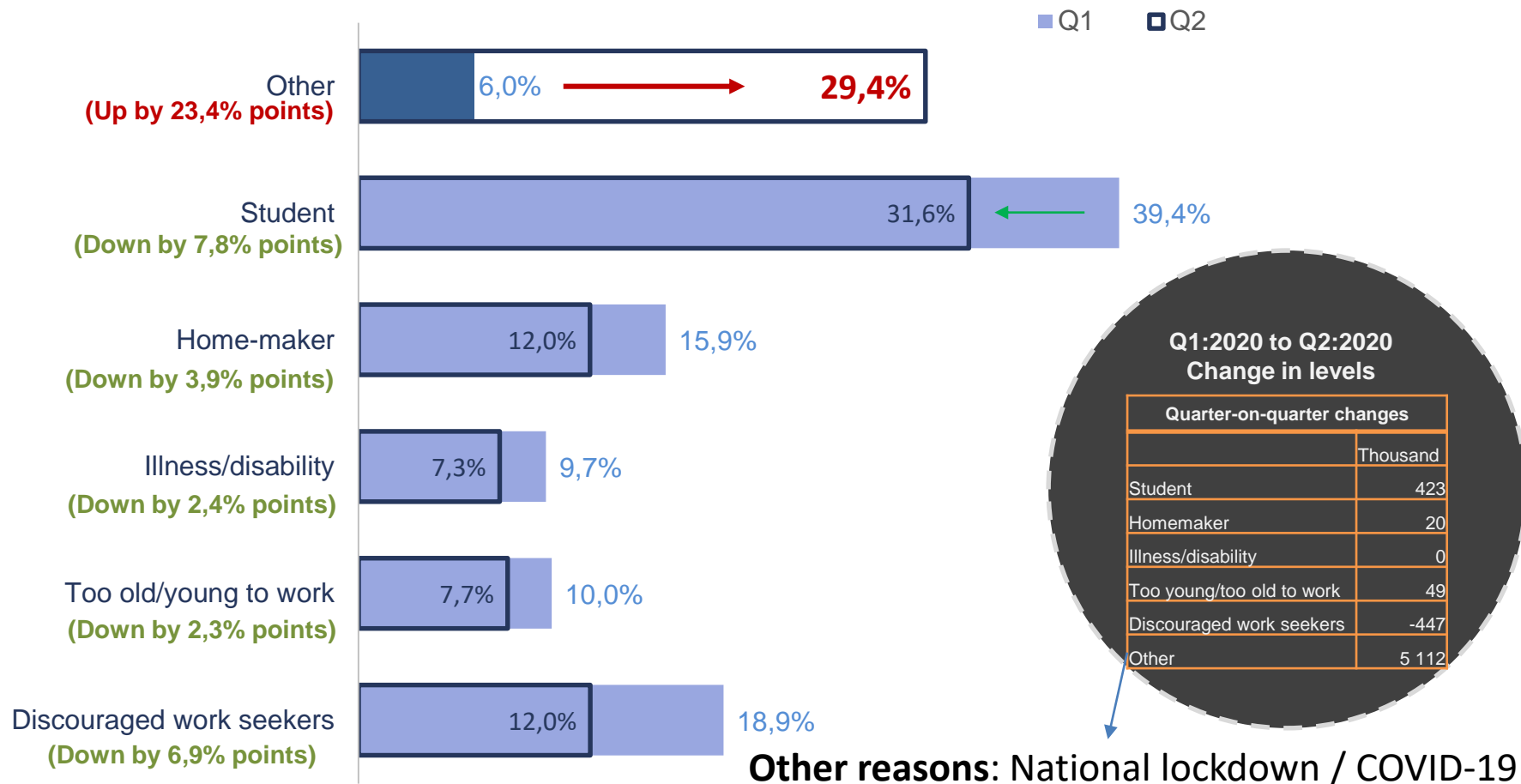
2,2 Million Fewer Employed between Q1 and Q2 2020

2,8 Million Fewer Unemployed between Q1 and Q2 2020

5,2 Million More *Not Economically Active* between Q1 and Q2 2020

20,6 million people aged 15 – 64 years were not economically active in Q2:2020. This is an increase of 5,2 million q/q

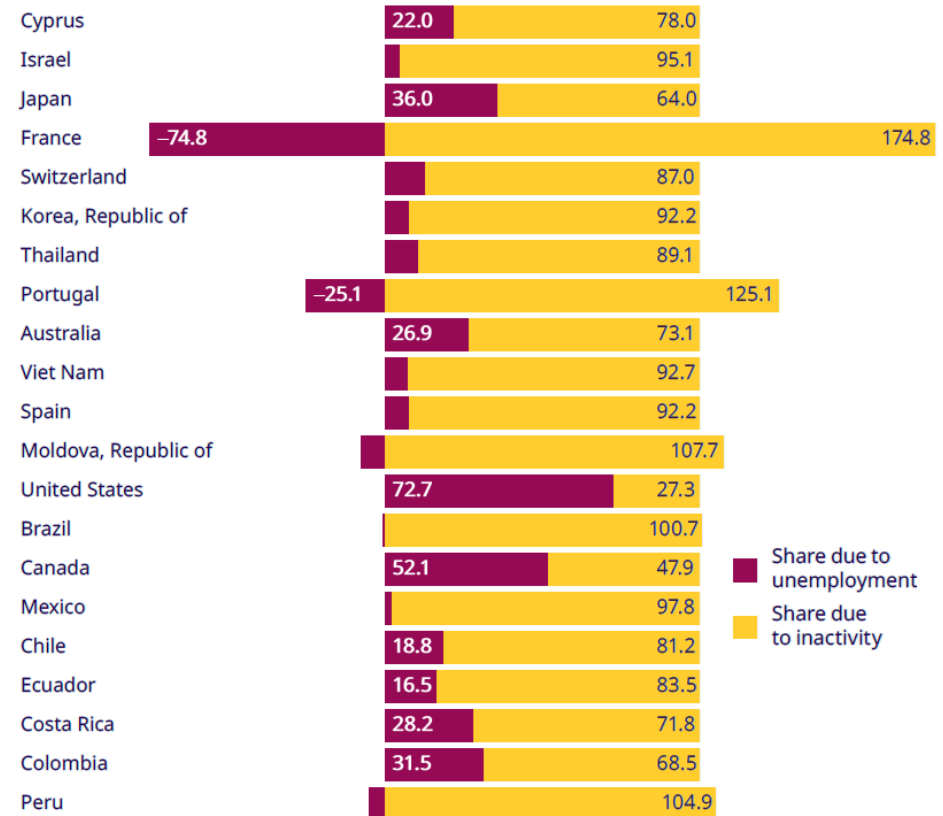
Characteristics of the not economically active, Q1 vs Q2



Increases in the **not economically active** population is a **global phenomenon** as seen in SA in Q2:2020.

According to the ILO monitor: COVID-19 and the world of work. Sixth edition:

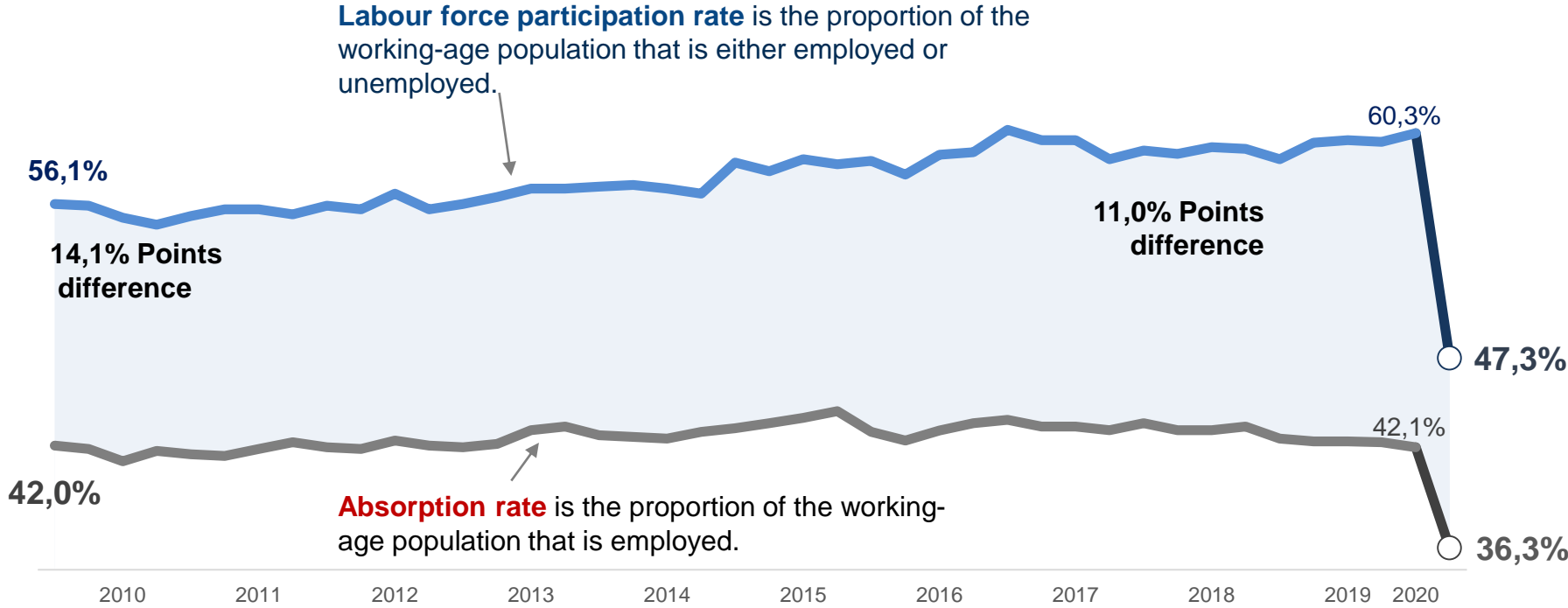
“..... the decline in employment in the second quarter of 2020 has been accompanied by a larger increase in inactivity in all countries, apart from Canada and the United States. In other words, the decline in employment in most countries has led to a substantial increase in inactivity, *while changes in unemployment are smaller*”



Source: ILO Monitor: COVID-19 and the world of work. Sixth edition Updated estimates and analysis

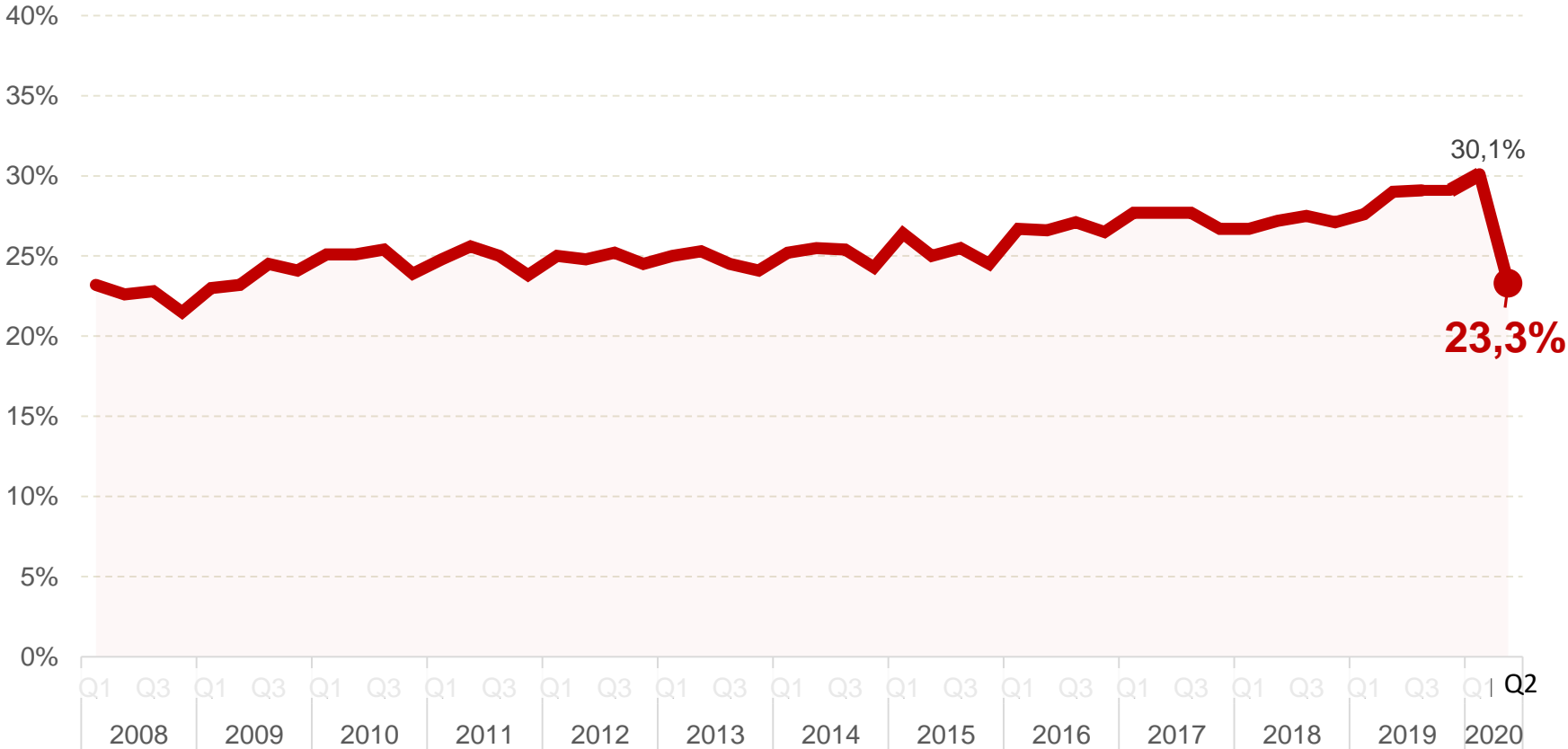
The Labour force participation rate decreased by 8,8 percentage points from 56,1% in Q2:2010 to 47,3% in Q2:2020

Labour force participation and absorption rate, 2010-2020

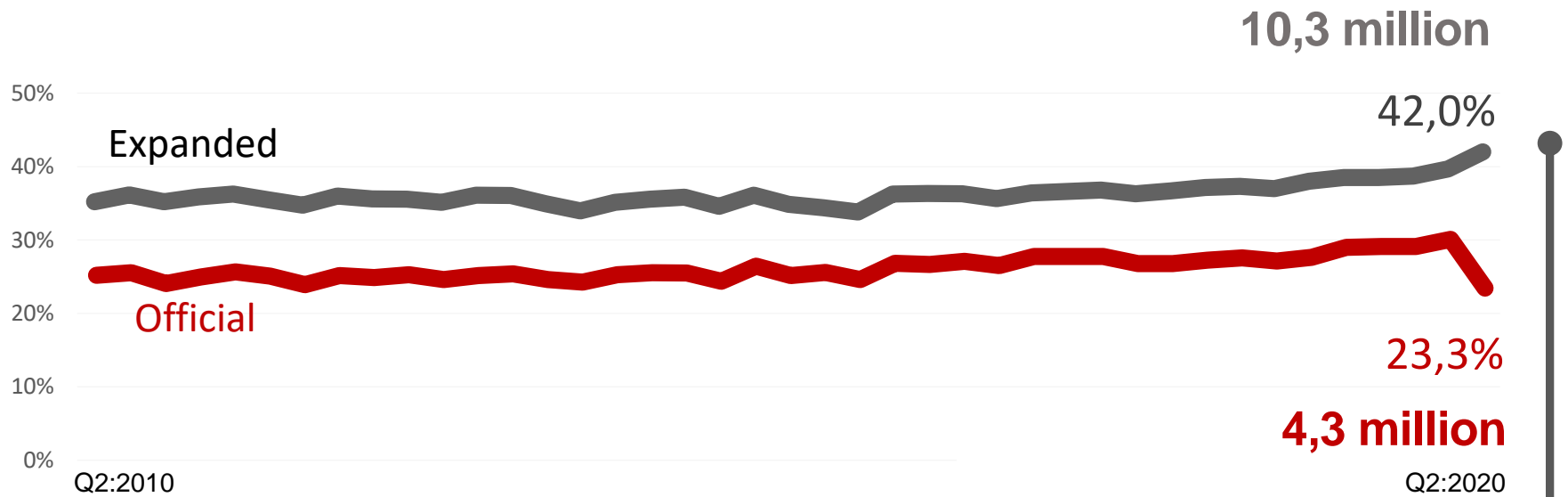


South Africa's unemployment rate **declined by 6,8** percentage points to **23,3%** in Q2:2020 compared to Q1:2020.

Unemployment rate from Q1:2008 to Q2:2020



The Expanded definition which **includes those discouraged and those having other reasons for not searching (e.g. Lockdown)** showed a **2,3 percentage points increase to 42,0%**.

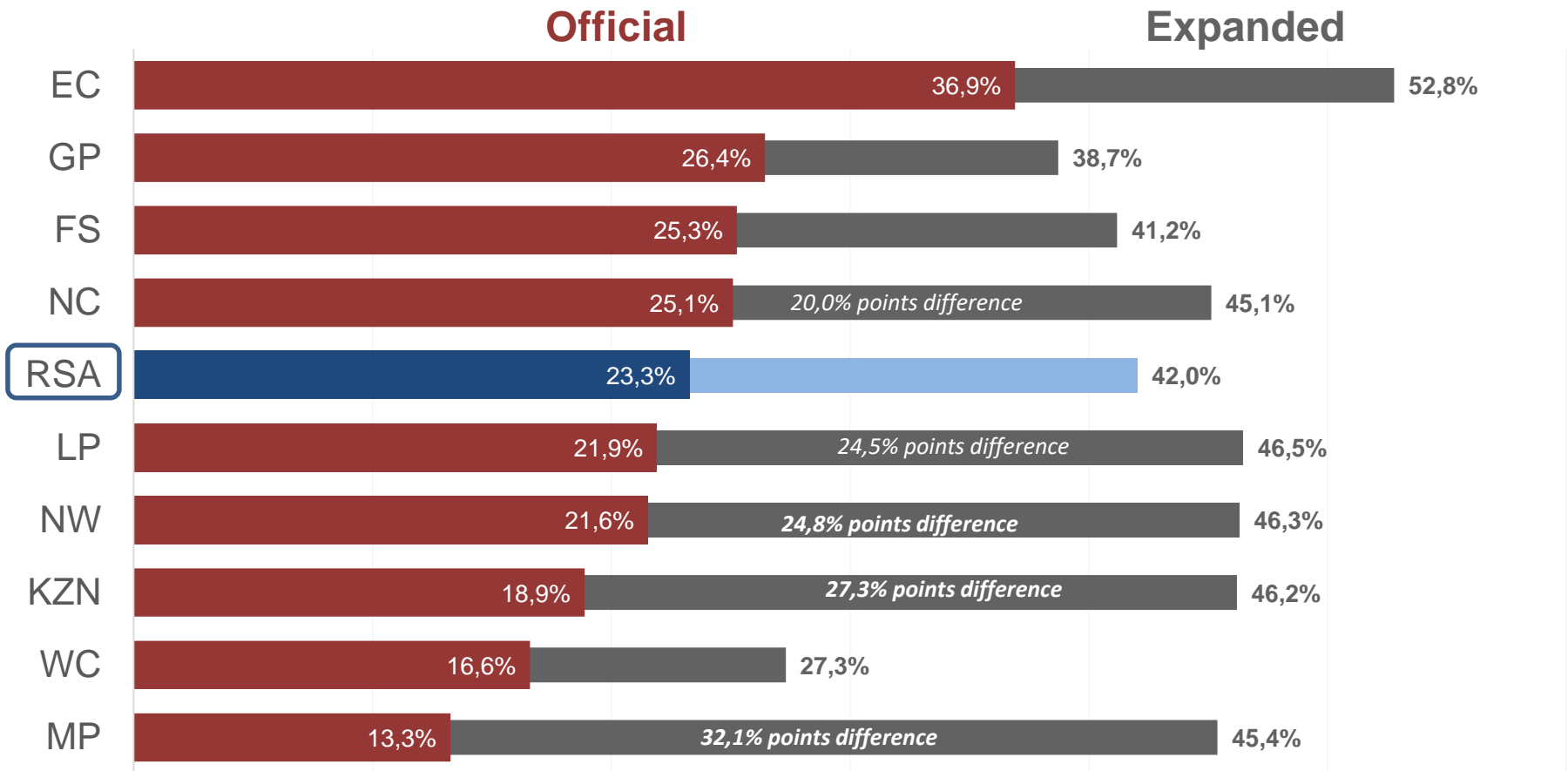


Expanded Definition includes the following	
- Official unemployment (searched and available)	4,3 M
- Available to work but are/or	
• Discouraged work-seekers	2,5 M
• Have other reasons for not searching	3,5 M



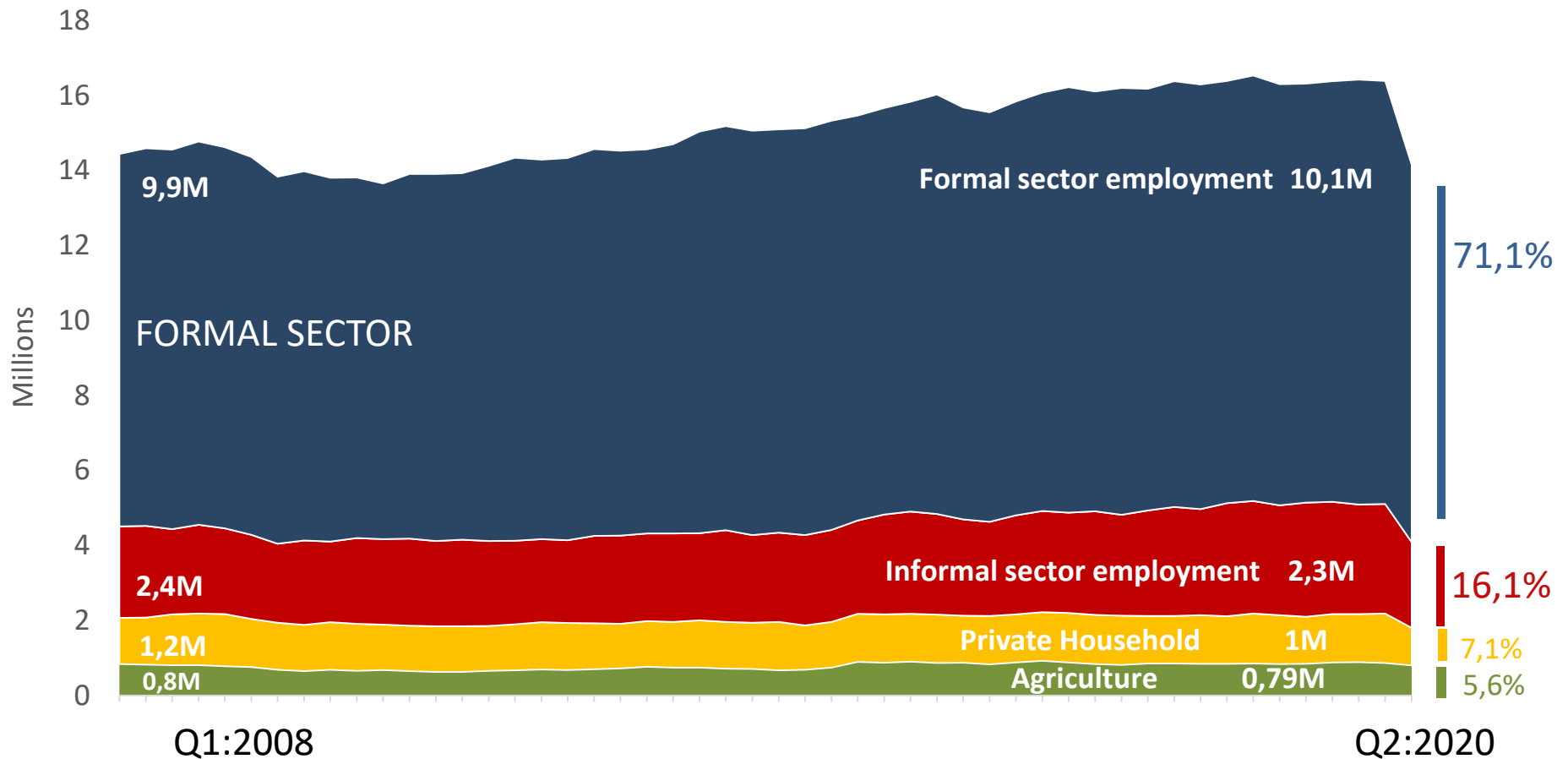
EC recorded the highest official and expanded unemployment rates. MP, KZN, NW and LP provinces have more than 20,0 percentage points difference between their expanded and official unemployment rates

Provincial unemployment rate: Official vs Expanded Q2:2020



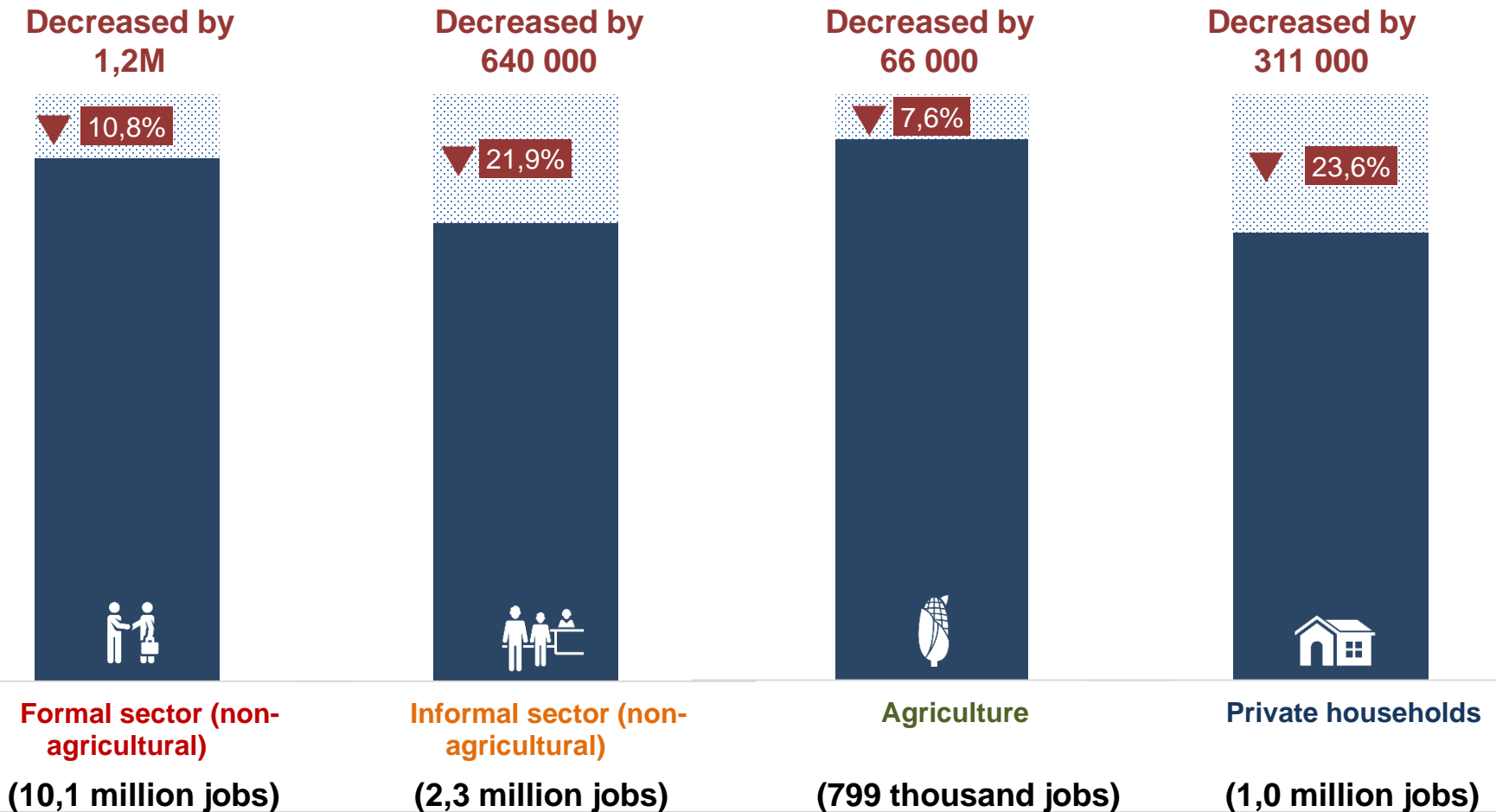
The **formal sector** in South Africa accounts for **71,1%** of total employment.

Employment share by sector, Q1:2008 to Q2:2020



The number of persons employed decreased by 2,2 million in Q2:2020 to 14,1 million q/q.

Employment changes by sector, (▼ Quarter-on-quarter)



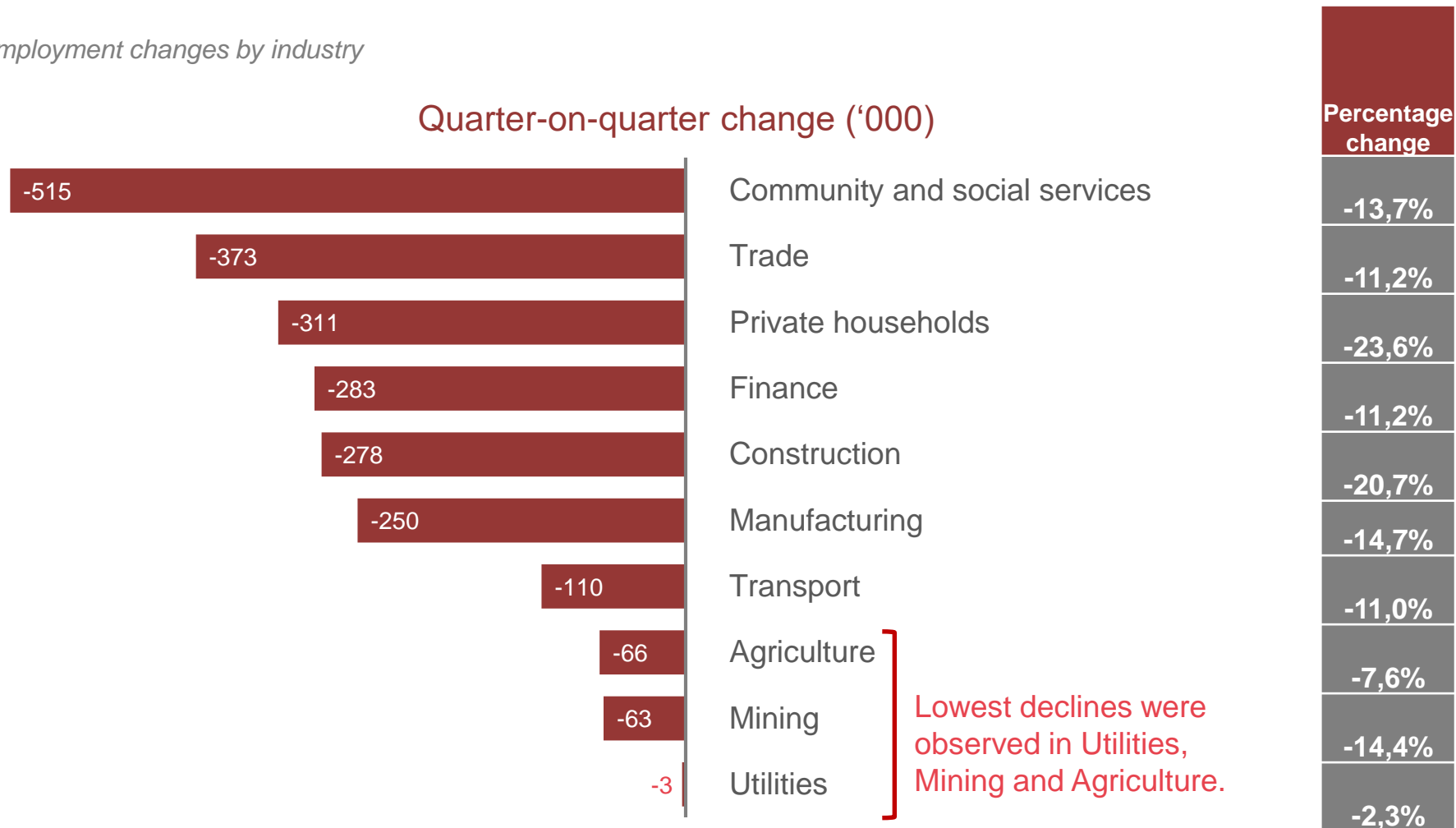
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Employment losses were observed across all industries.

Employment changes by industry



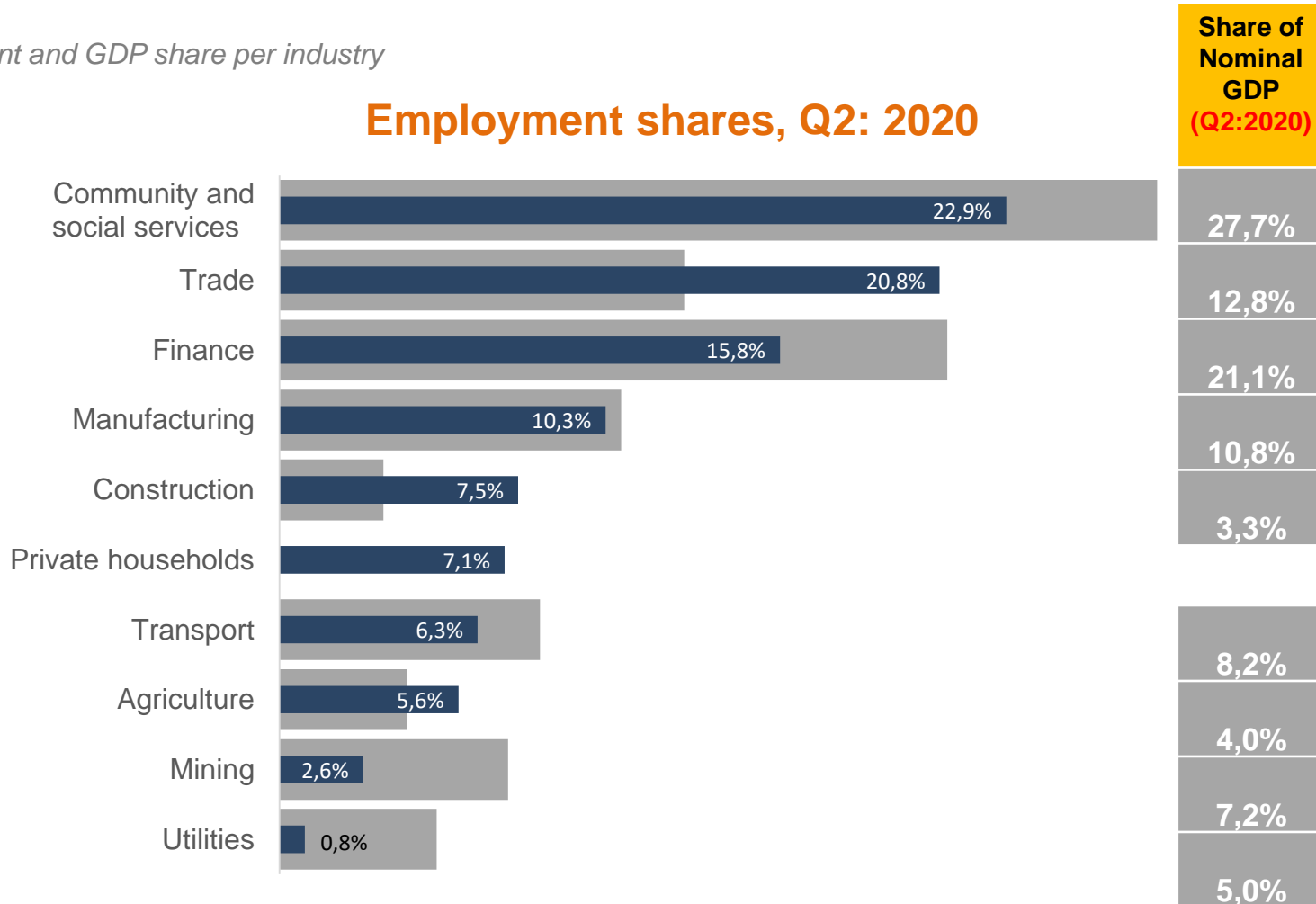
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Trade, construction and agriculture have higher employment shares relative to their GDP contribution.

Employment and GDP share per industry



The unemployment rate for those aged 15-24 (52,3%) declined by 6,7 percentage points.

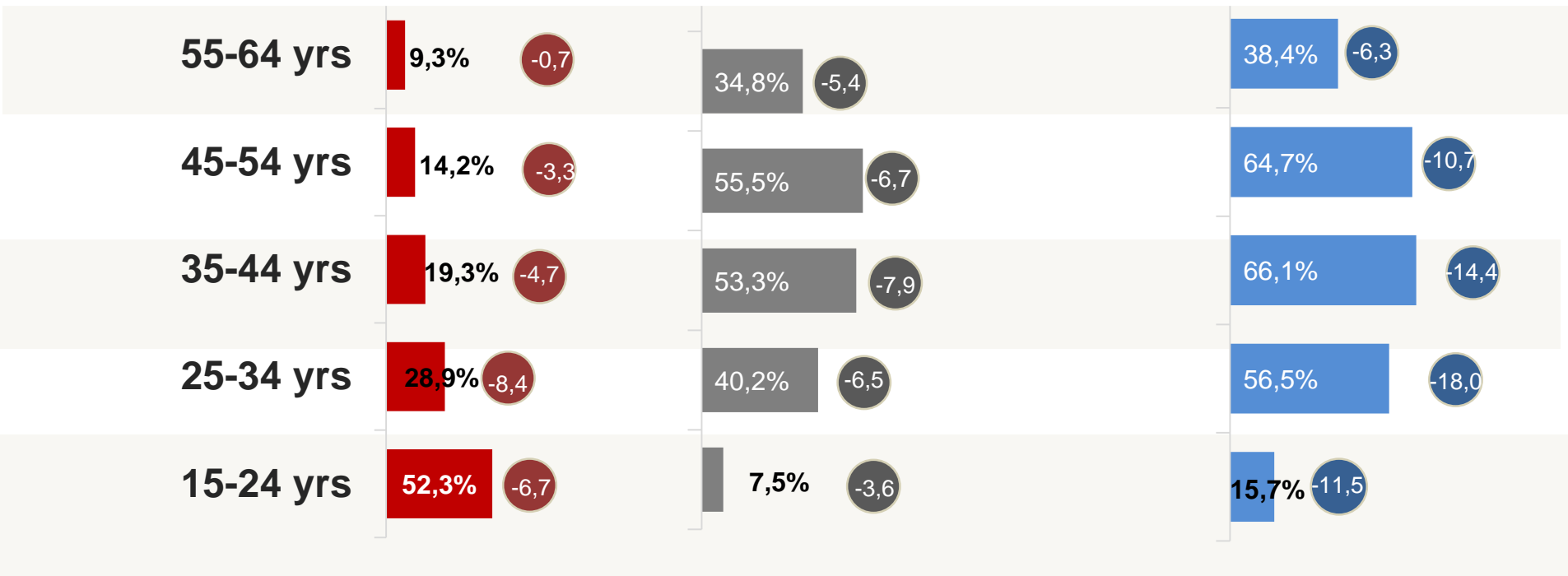
Labour market rates by age group, Q2:2020

Change: Percentage points
Q1:2020 to Q2:2020

Unemployment rate

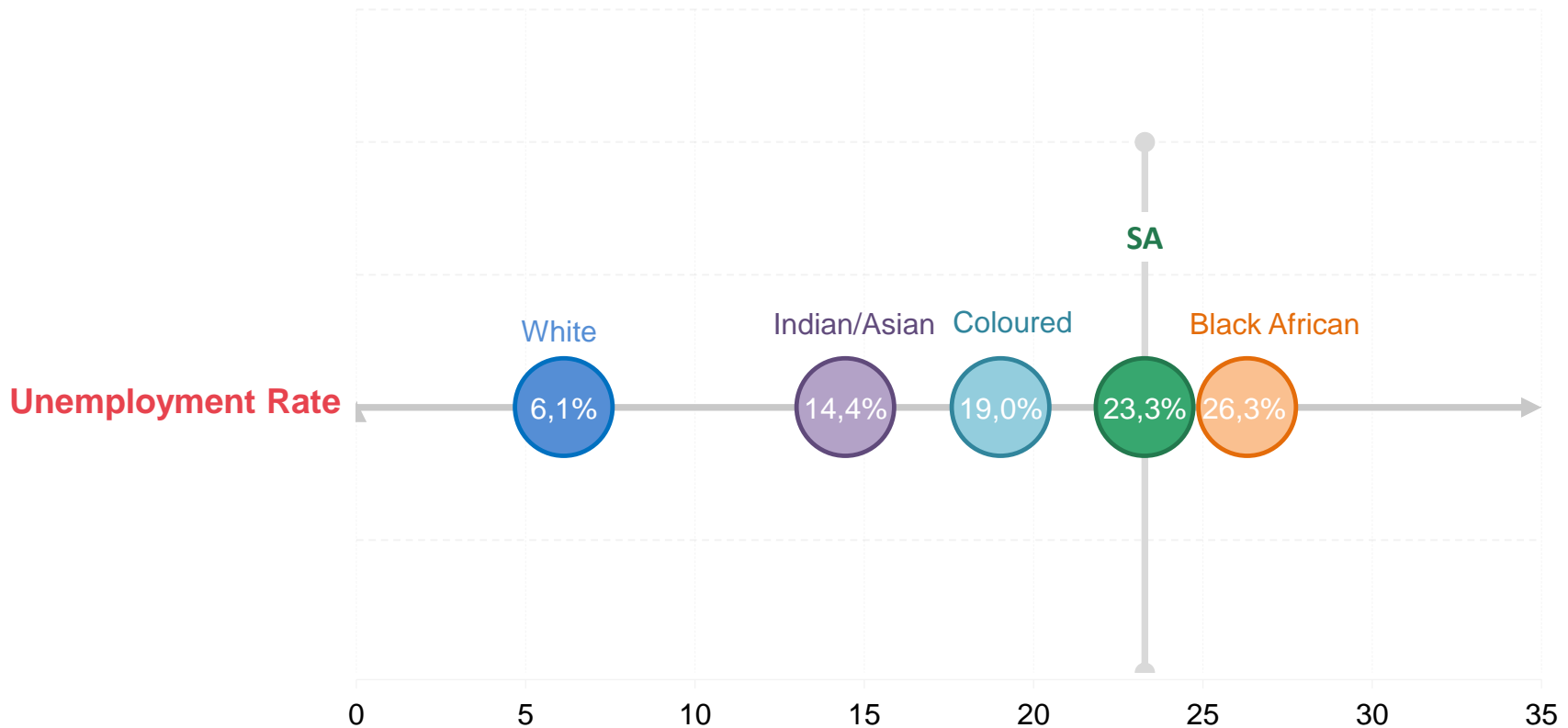
Absorption rate

Participation rate



Unemployment amongst the Black African population group remains higher than the national average and other population groups.

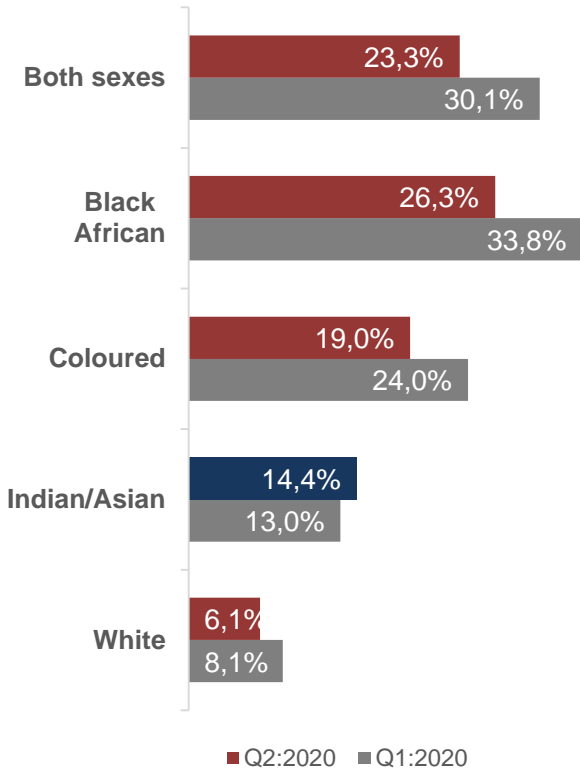
OFFICIAL unemployment rate by population group



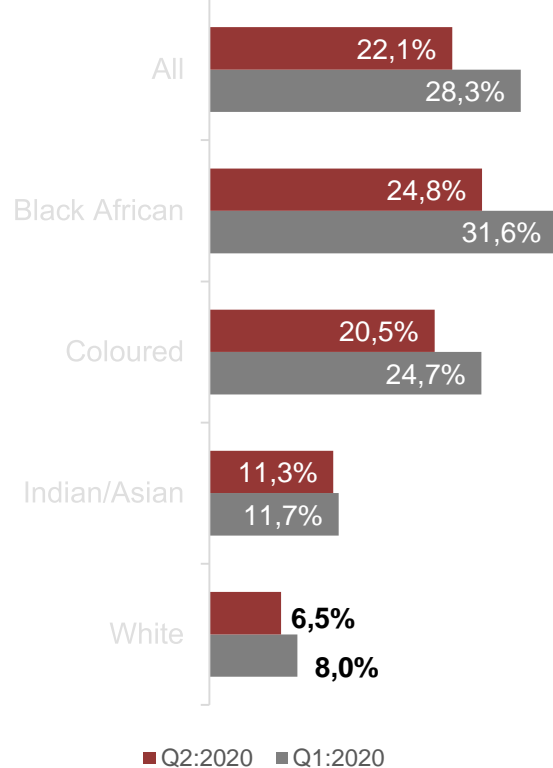
Black African women are the most vulnerable with an unemployment rate above 28,0%.

OFFICIAL unemployment rate by population group and sex

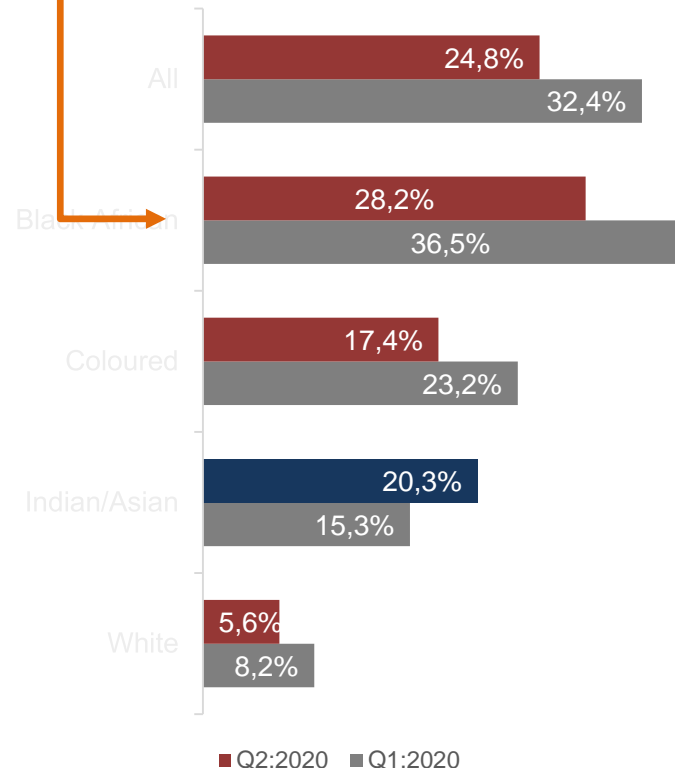
Unemployment Rate by Population Group



Male Unemployment Rate by Population Group

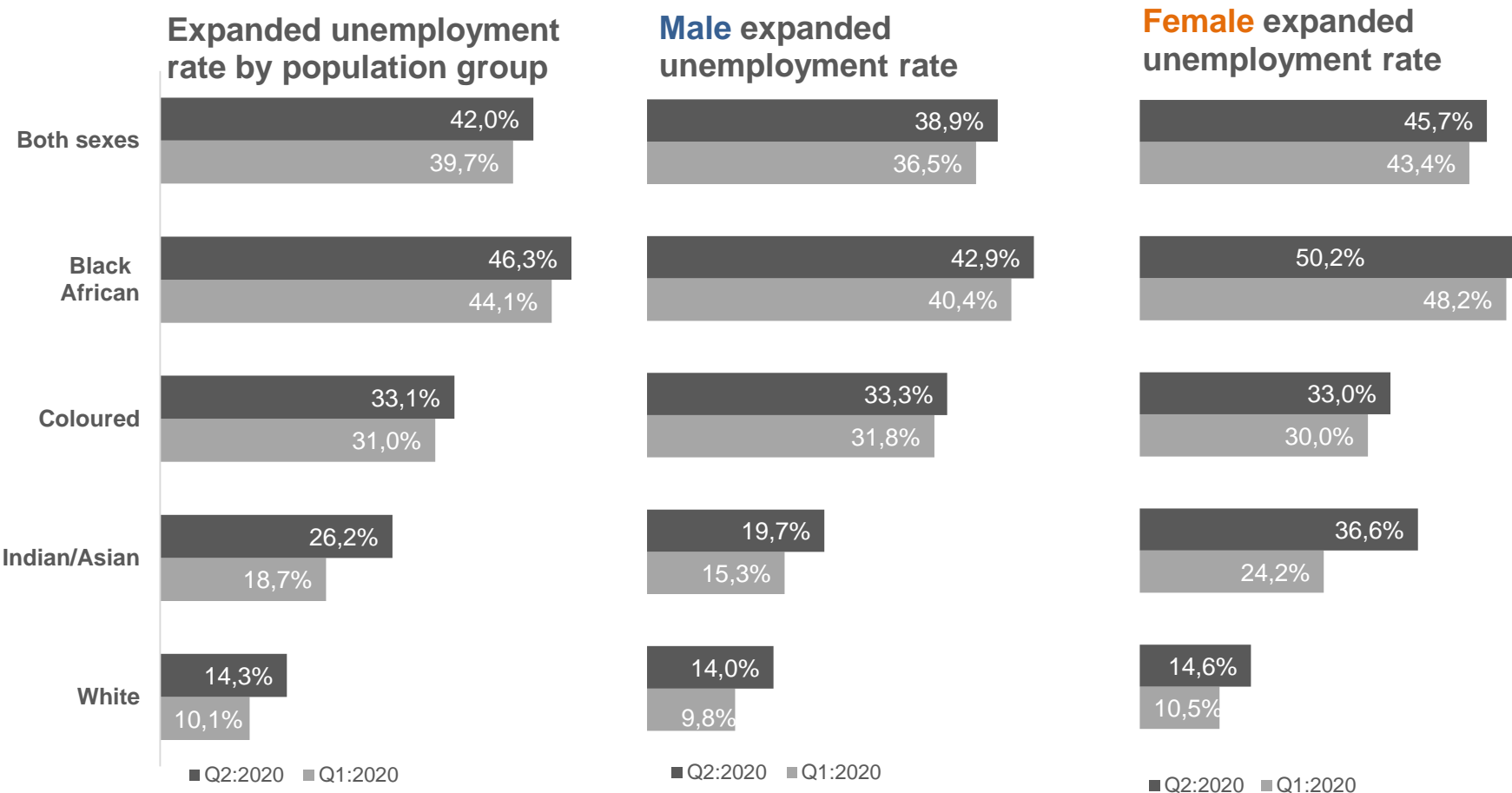


Female Unemployment Rate by Population Group



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

EXPANDED unemployment rate by population group and 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.



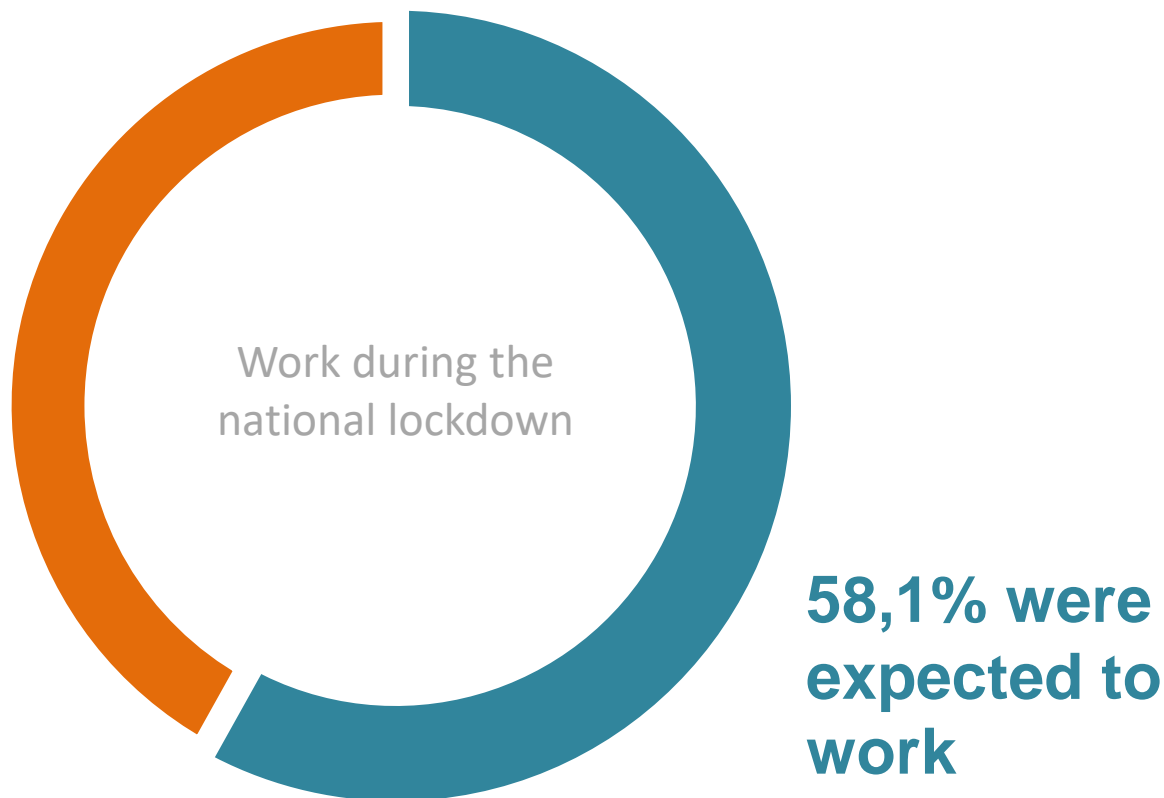
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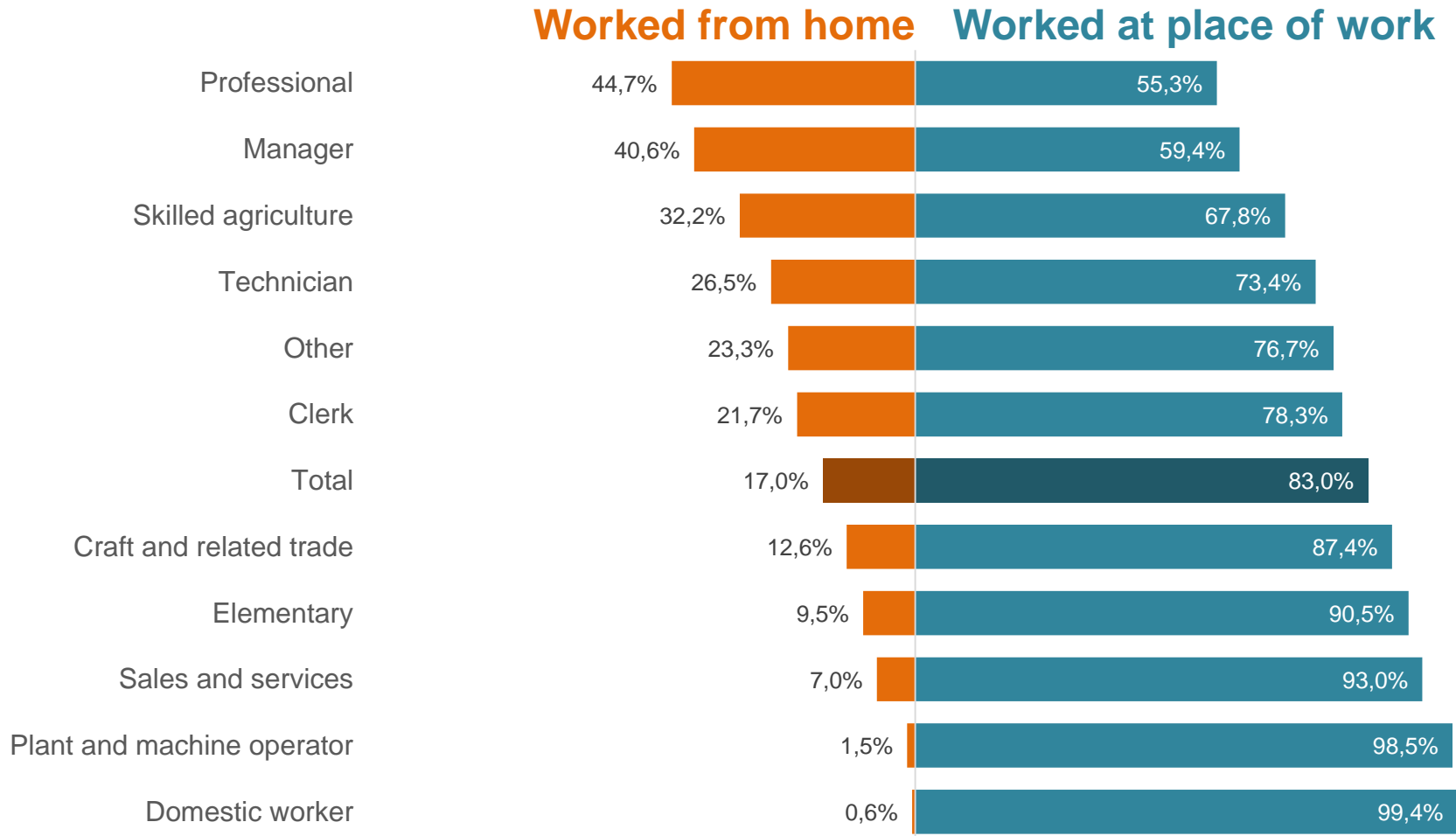
Of the 14,2 million persons who were employed in Q2: 2020, more than half (58,1%) were expected to work during the national lockdown by the companies/organisations they work for.

Place of work for persons who did any work by occupation, Q2: 2020



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, Q2: 2020



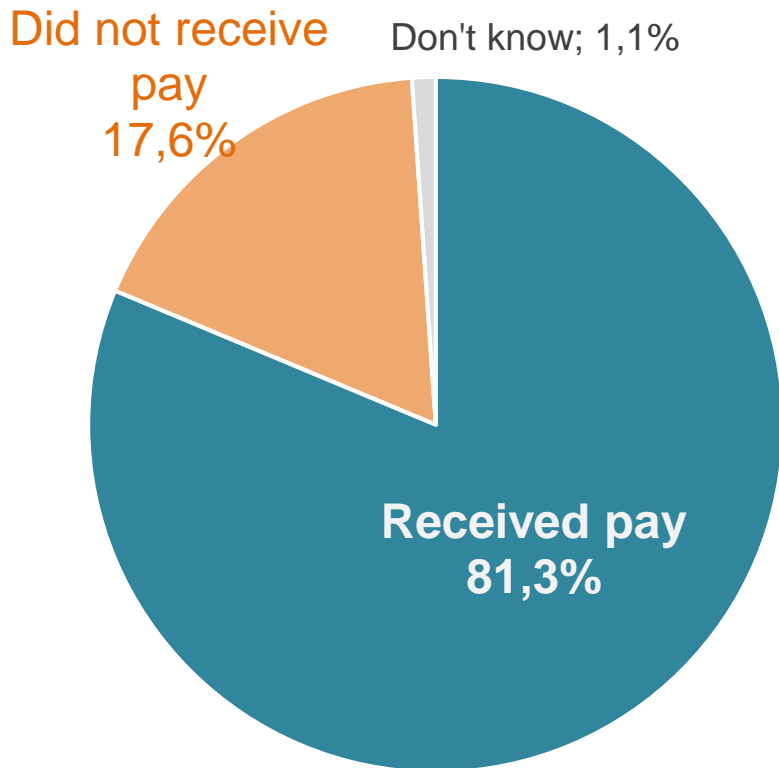
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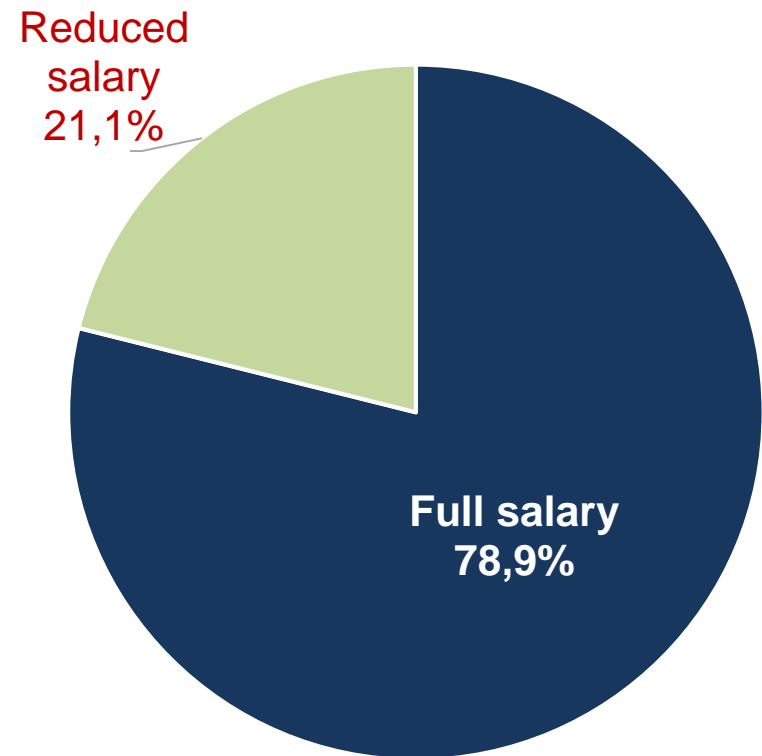


81,3% of the **employed** continued to receive pay during lockdown

Q2:2020

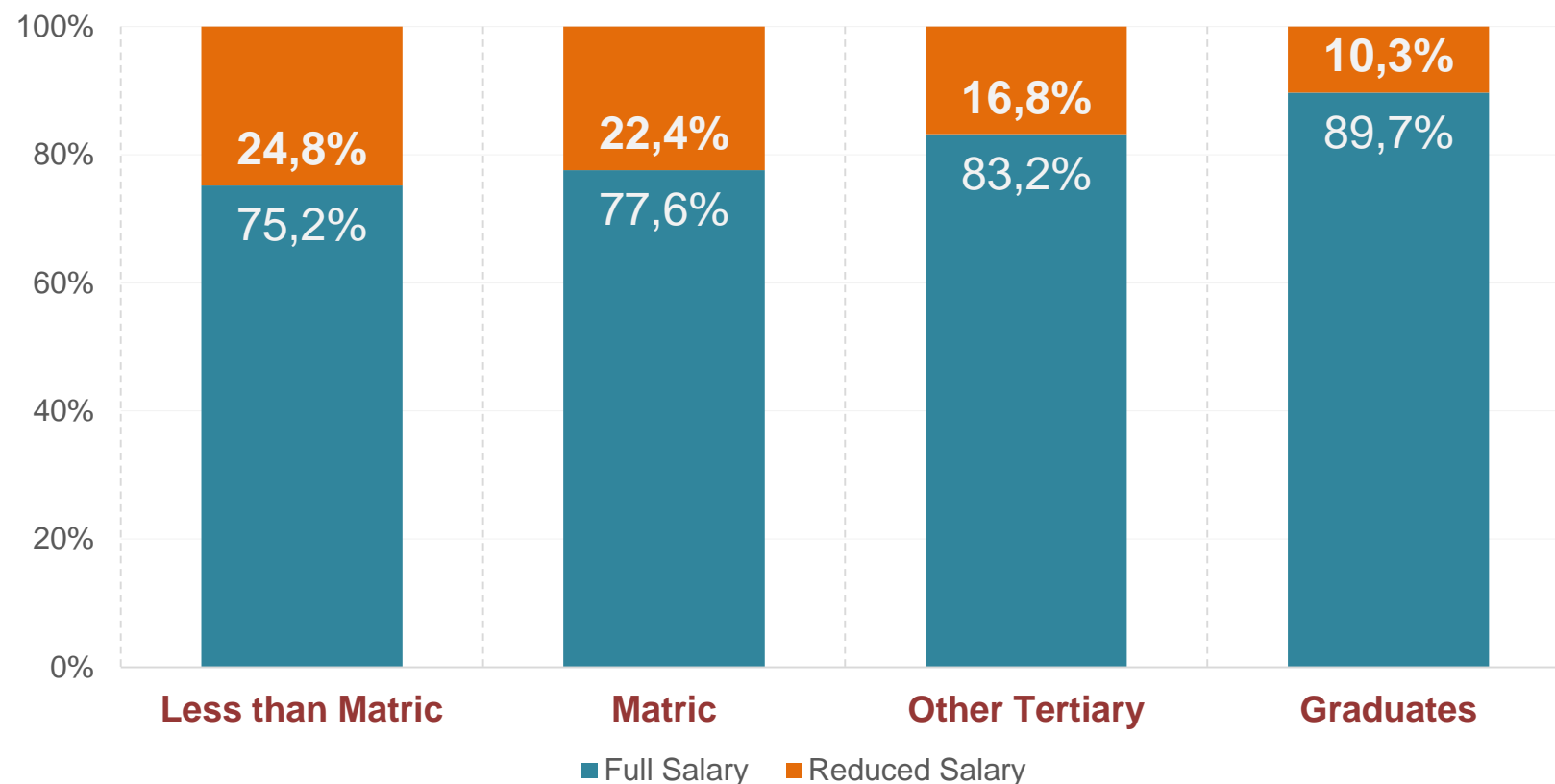


Of those who **received pay** during lockdown, for about 21,1% it was a reduced pay



At 24,8%, those with less than matric were **more likely to have a reduced salary.**

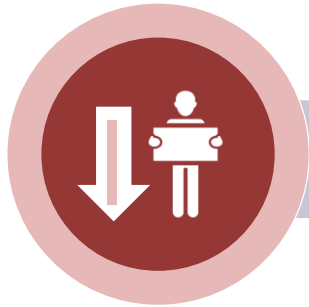
Full or reduced salary by level of education, Q2: 2020



Recap QLFS Q2:2020



Unemployment rate



Unemployment rate (23,3%) decreased by 6,8 percentage points.

Absorption rate decreased by 5,8 percentage points and Labour force participation rate decreased by 13 percentage points

Employment losses



All industries recorded employment losses with the largest decline **Community and social services** (515 000), **Trade** (373 000) and **Private households** (311 000).

Not economically active



The number of those not economically active **increased by 5,2 million** in Q2: 2020 compared to Q1:2020

QLFS

Q2:2020

Ndzi hela kwala!



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