Quarterly Labour Force Survey (QLFS)
Q3:2020

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#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.
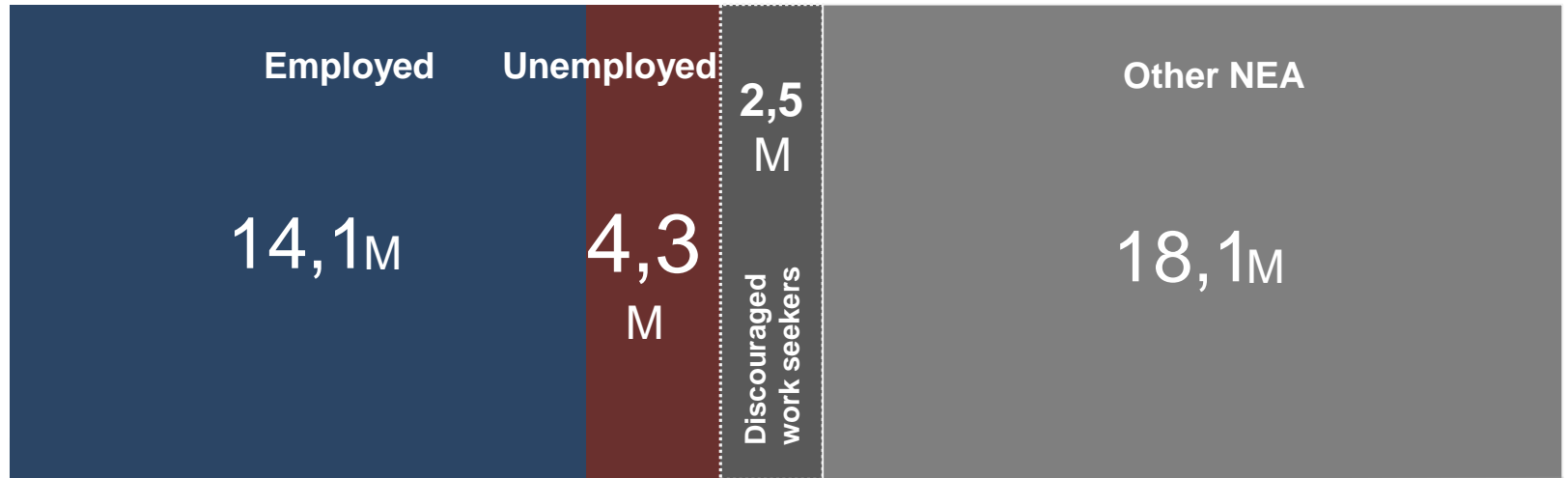
Q2:2020

Employed

14,1M

Unemployed

4,3 M

2,5 M

Discouraged work seekers

Other NEA

18,1M

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

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

Q3:2020

14,7M

Employed

6,5 M

Unemployed

2,7 M

Discouraged work seekers

Other NEA

15,2 M
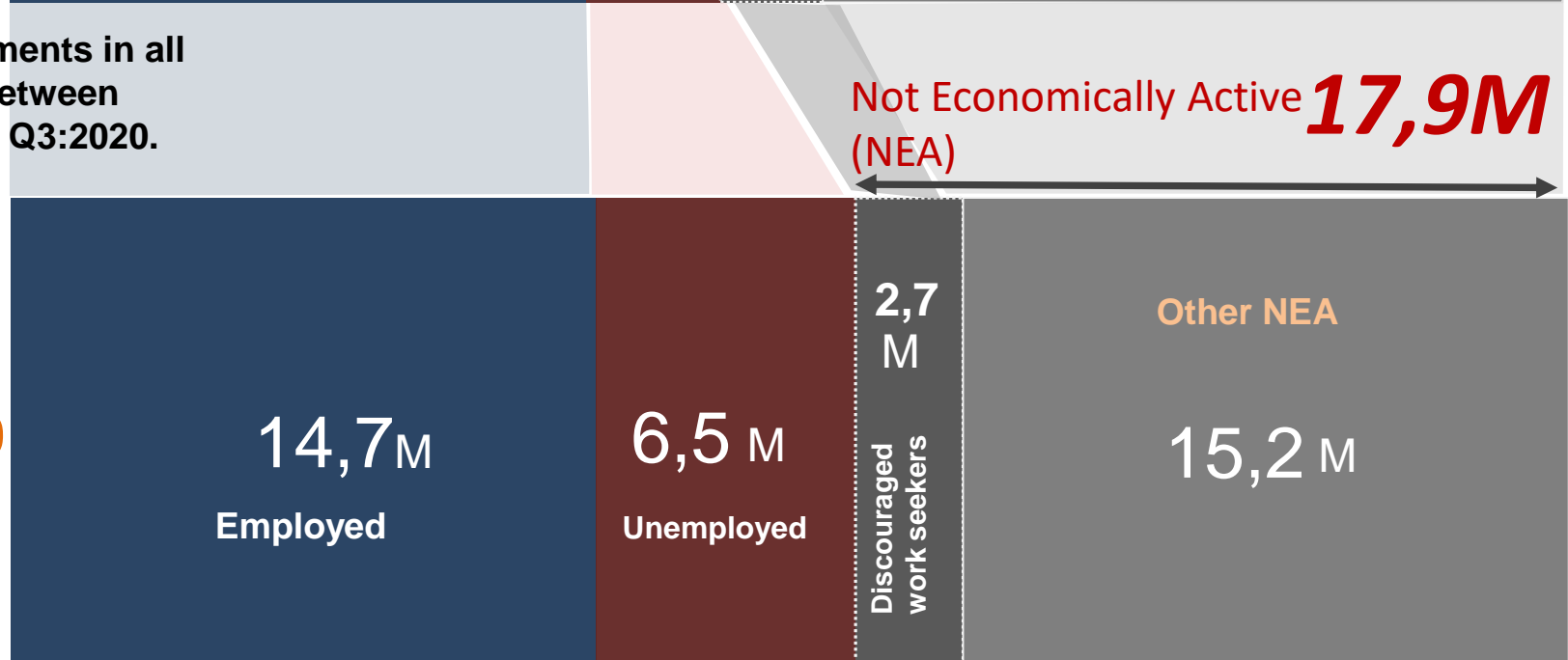
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More than 0,5 Million
Employed between Q2 and Q3 2020

2,2 Million More
Unemployed between Q2 and Q3 2020

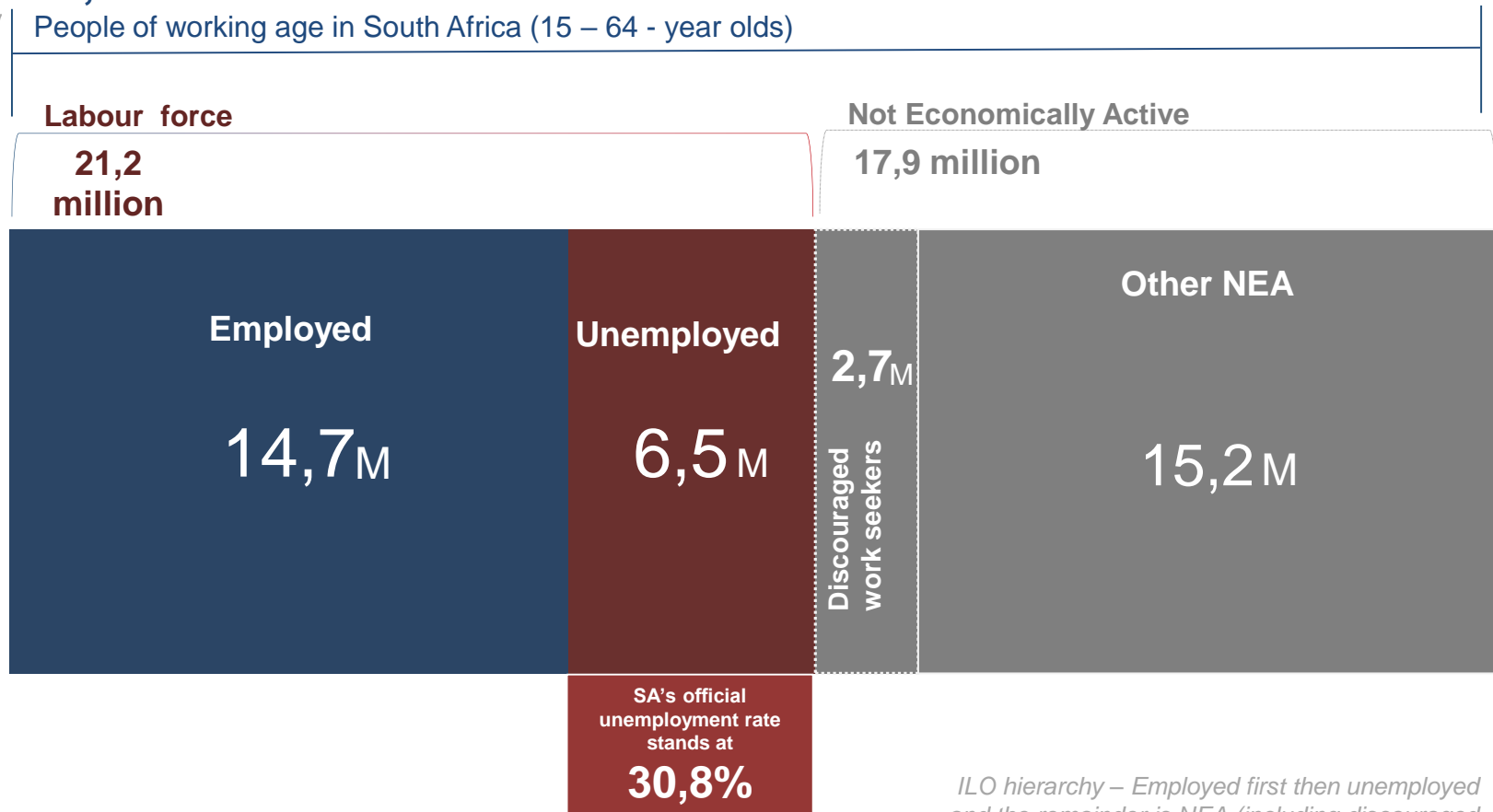**2,6 Million Fewer** *Not Economically Active between* Q2 & Q3 2020

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)

Labour force
21,2 million

Not Economically Active
17,9 million

Employed
14,7M

Unemployed
6,5M

2,7M
Discouraged work seekers

Other NEA
15,2M

SA's official unemployment rate stands at
30,8%

Increased by 7,5 percentage points 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.

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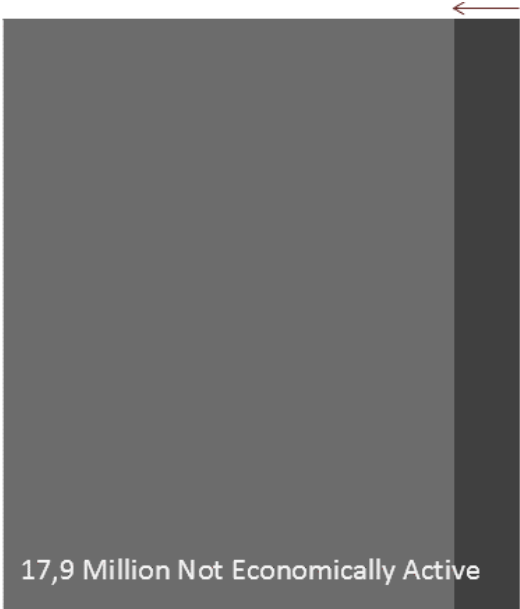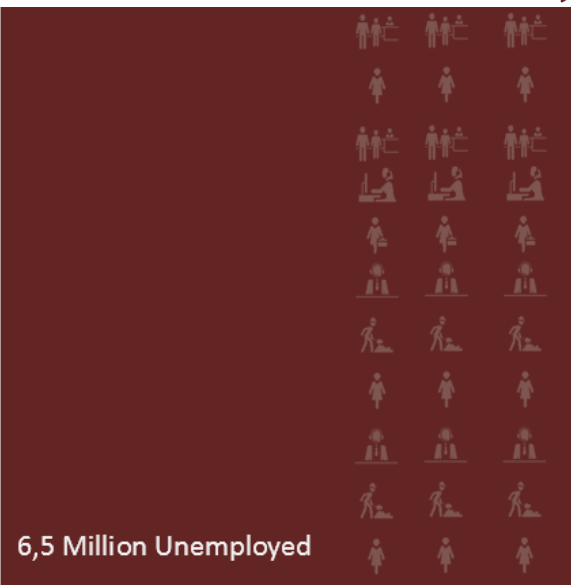REPUBLIC OF SOUTH AFRICA

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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

14,7 Million Employed

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

52,1% **More** Unemployed

6,5 Million Unemployed

2,2 Million More Unemployed between Q2 and Q3 2020

12,8% **Fewer** Not Economically Active

17,9 Million Not Economically Active

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

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

■ Q2 □ Q3

Other
(Down by 12,7% points)
16,7% 29,4%

Student
(Up by 5,7% points)
31,6% 37,3%

Home-maker
(Up by 2,4% points)
12,0% 14,4%

Illness/disability
(Up by 0,9% points)
7,3% 8,2%

Too old/young to work
(Up by 0,7% points)
7,7% 8,4%

Discouraged work seekers
(Up by 3,0% points)
12,0% 15,0%

Q2:2020 to Q3:2020
Change in levels

Quarter-on-quarter changes	
	Thousand
Student	185
Homemaker	111
Illness/disability	-27
Too young/too old to work	-83
Discouraged work seekers	225
Other	-3 046

Other reasons*: National lockdown / COVID-19*

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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

Labour force participation rate is the proportion of the working-age population that is either employed or unemployed.

Absorption rate is the proportion of the working-age population that is employed

55,4%

54,2%

14,1% Points difference
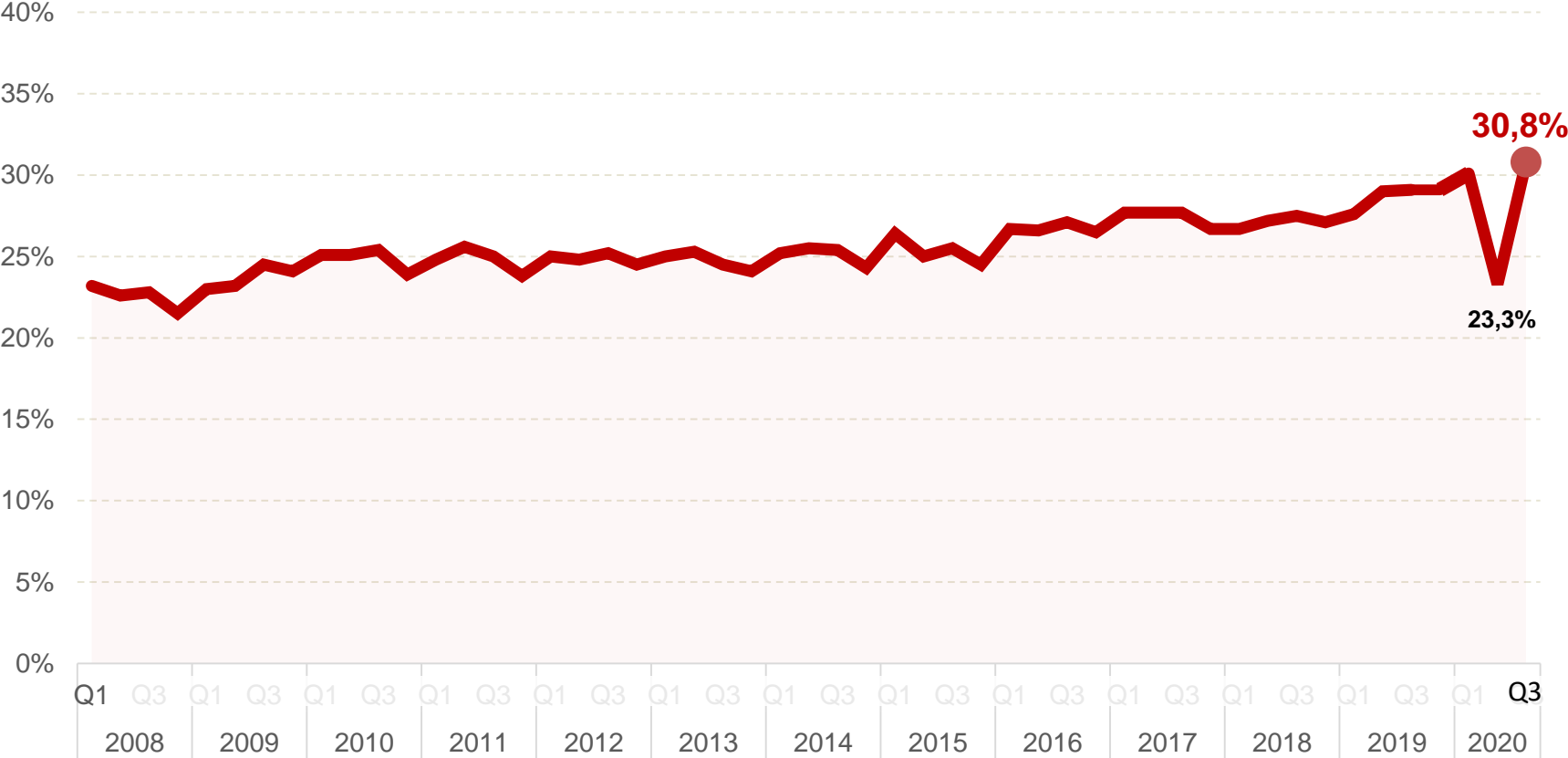
16,7% Points difference

41,3%

37,5%

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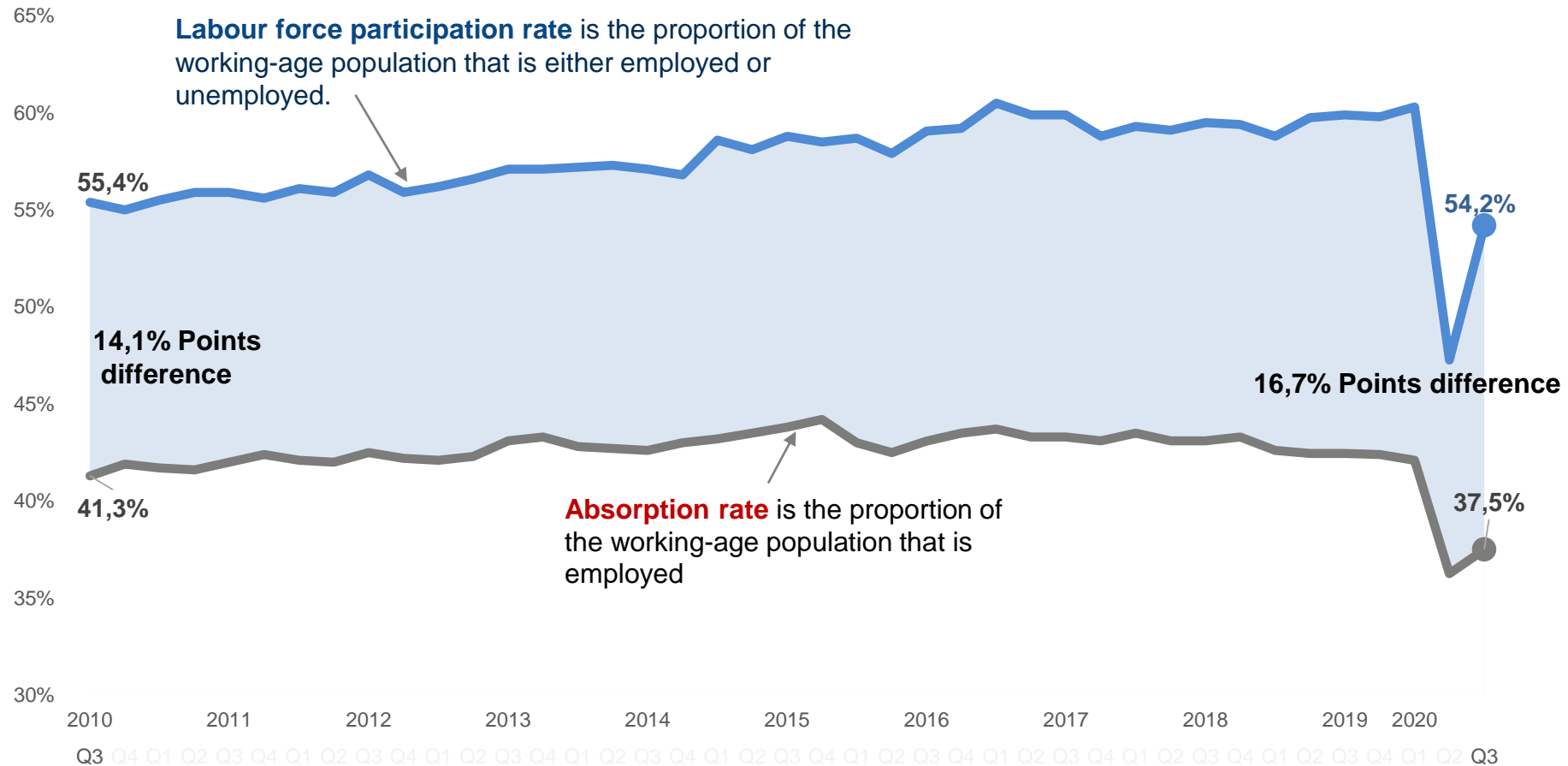
South Africa's unemployment rate increased by 7,5 percentage points to 30,8% in Q3:2020 compared to Q2:2020.

Unemployment rate from Q1:2008 to Q3:2020

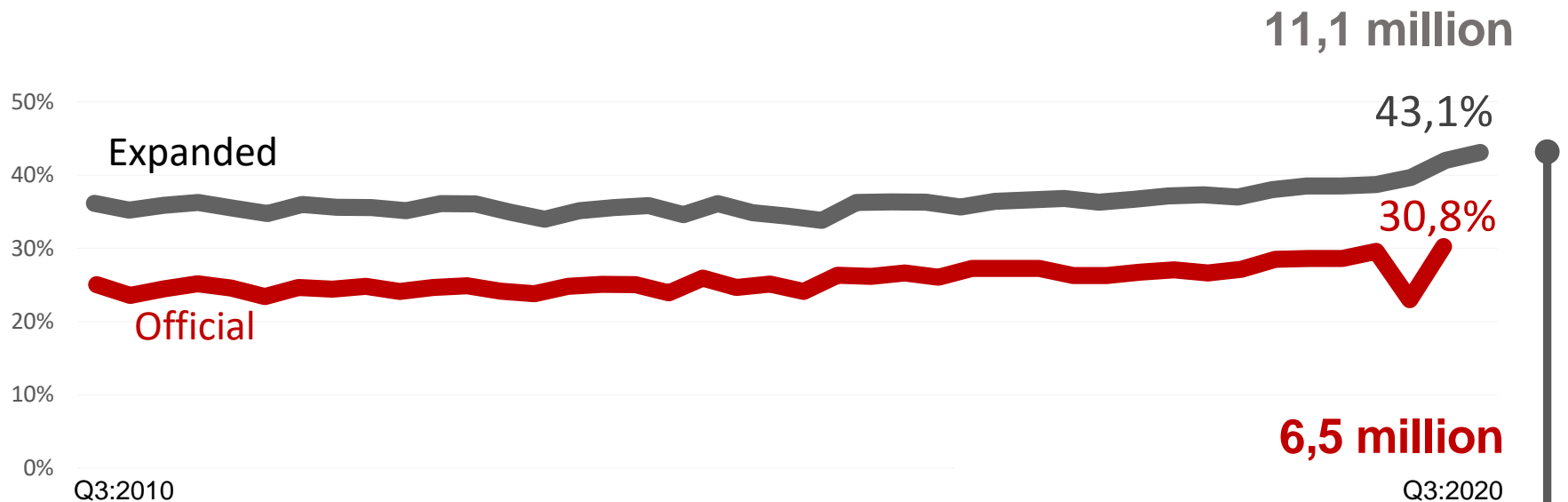30,8%

23,3%

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.

11,1 million

43,1%

Expanded

30,8%

Official

50%

40%

30%

20%

10%

0%

Q3:2010

6,5 million

Q3:2020

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**
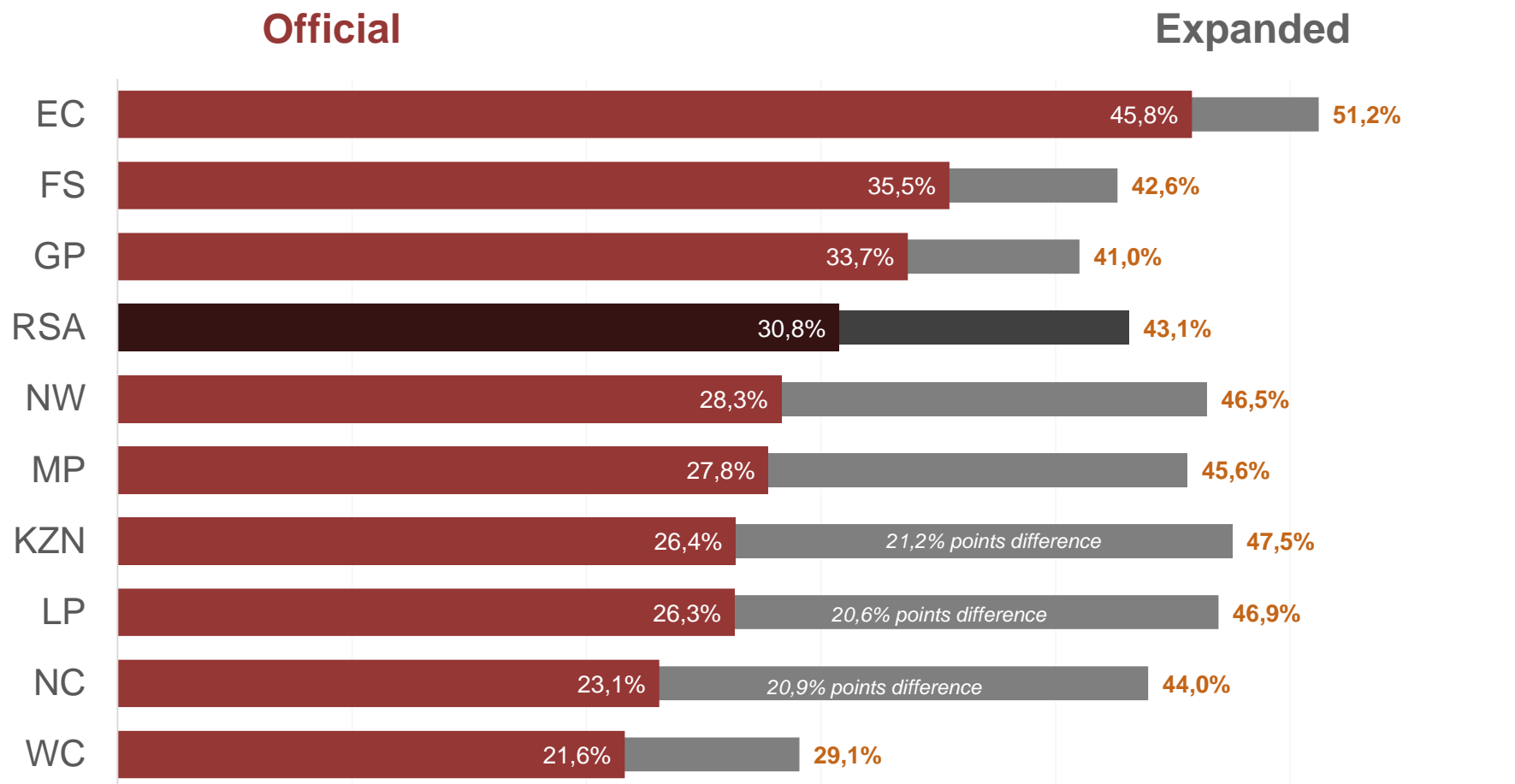 • Have other reasons for not searching   **1,9 M**

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

Official   **Expanded**

Province	Official	Expanded	Difference
EC	45,8%	51,2%	
FS	35,5%	42,6%	
GP	33,7%	41,0%	
RSA	30,8%	43,1%	
NW	28,3%	46,5%	
MP	27,8%	45,6%	
KZN	26,4%	47,5%	21,2% points difference
LP	26,3%	46,9%	20,6% points difference
NC	23,1%	44,0%	20,9% points difference
WC	21,6%	29,1%	

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

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

FORMAL SECTOR

9,5M

Formal sector employment 10,3M

70,2%

2,3M

Informal sector employment 2,5M

16,7%

1,2M

Private Household 1,1M

7,6%

0,67M
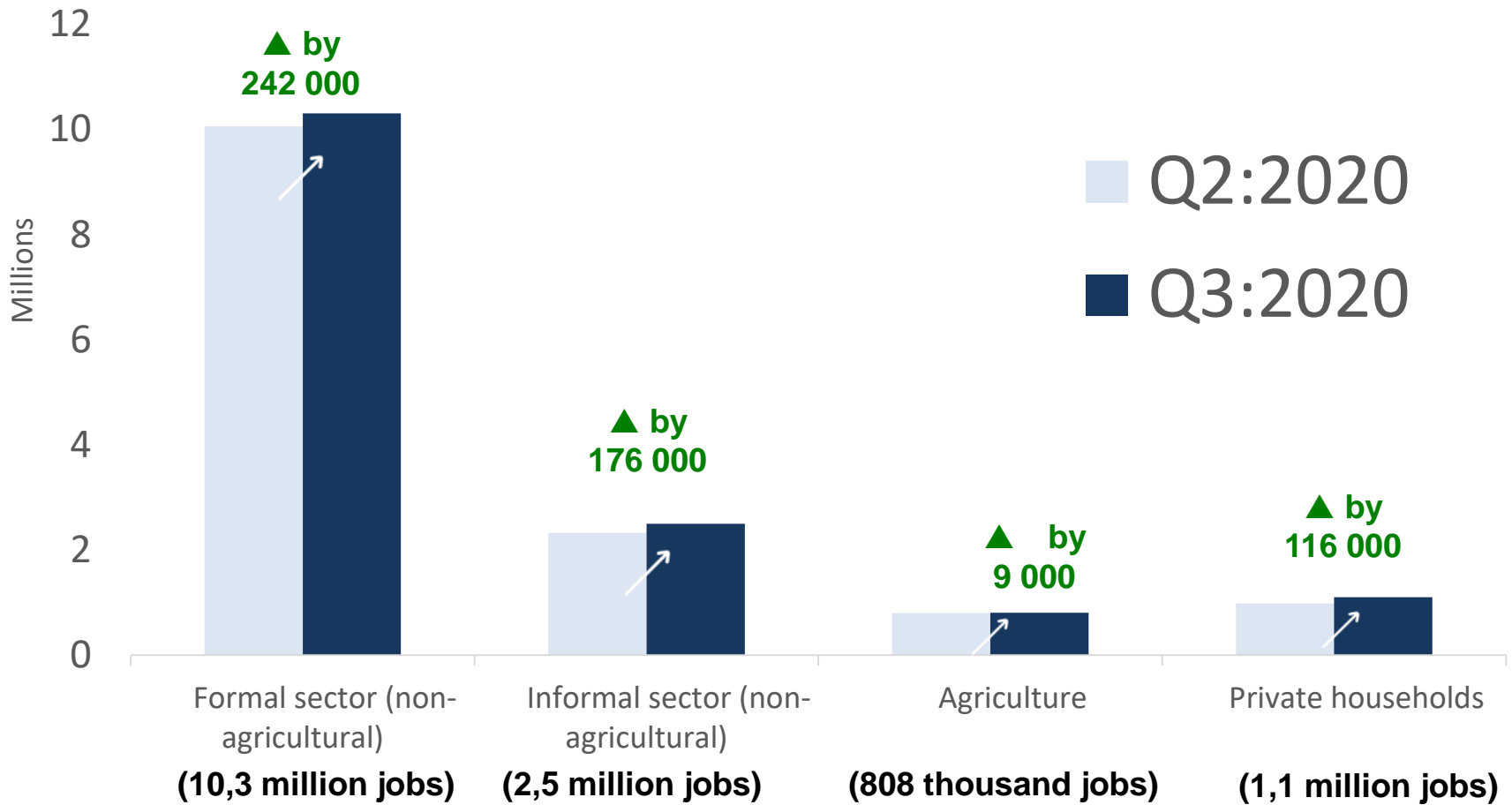
Agriculture 0,8M

5,5%

Q3: 2010

Q3: 2020

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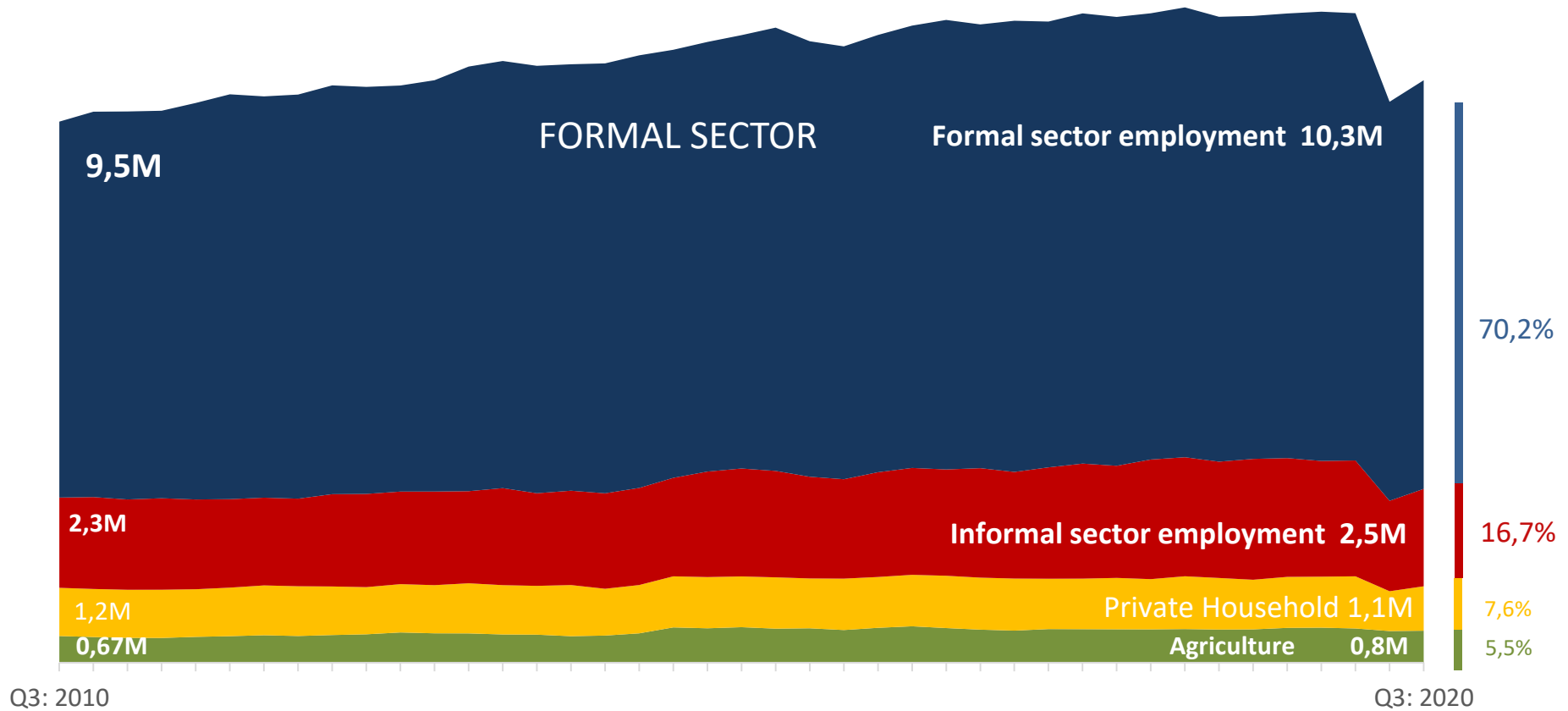
The formal sector employment increased by close to a quarter of a million jobs between Q2:2020 and Q3:2020

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

Millions

▲ by 242 000

▲ by 176 000

▲ by 9 000

▲ by 116 000

Q2:2020

Q3:2020

Formal sector (non-agricultural)
(10,3 million jobs)

Informal sector (non-agricultural)
(2,5 million jobs)

Agriculture
(808 thousand jobs)
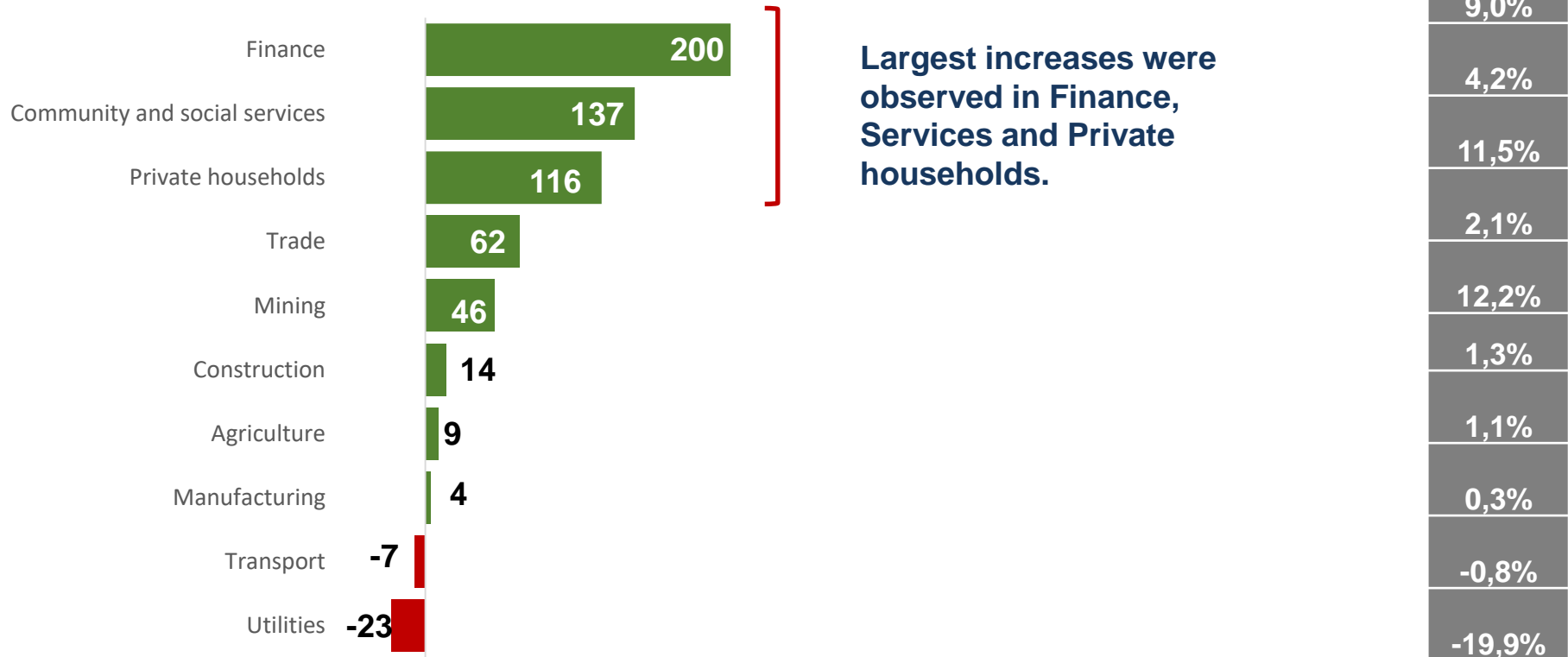
Private households
(1,1 million jobs)

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

Employment changes by industry

Quarter-on-quarter change ('000)

Industry	Change ('000)	Percentage change
Finance	200	9,0%
Community and social services	137	4,2%
Private households	116	11,5%
Trade	62	2,1%
Mining	46	12,2%
Construction	14	1,3%
Agriculture	9	1,1%
Manufacturing	4	0,3%
Transport	-7	-0,8%
Utilities	-23	-19,9%

Largest increases were observed in Finance, Services and Private households.

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

Employment and GDP share per industry

Employment shares, Q3:2020

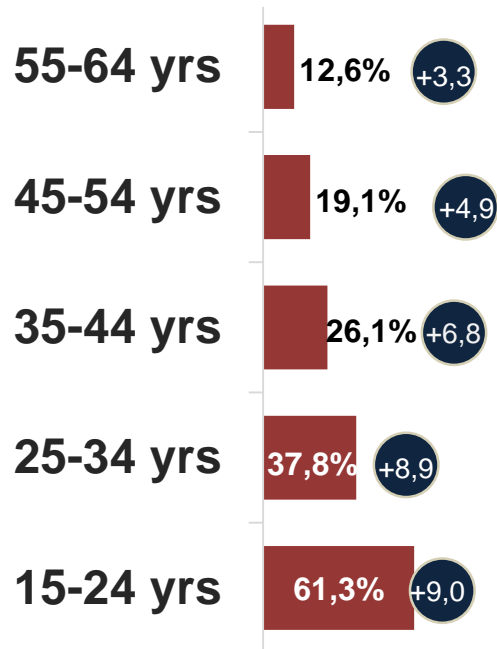| Industry	Employment share	Share of Nominal GDP (Q2:2020)
Community and social services	23,0%	27,7%
Trade	20,5%	12,8%
Finance	16,6%	21,1%
Manufacturing	9,9%	10,8%
Private households	7,6%	
Construction	7,3%	3,3%
Transport	6,0%	8,2%
Agriculture	5,5%	4,0%
Mining	2,9%	7,2%
Utilities	0,6%	5,0%
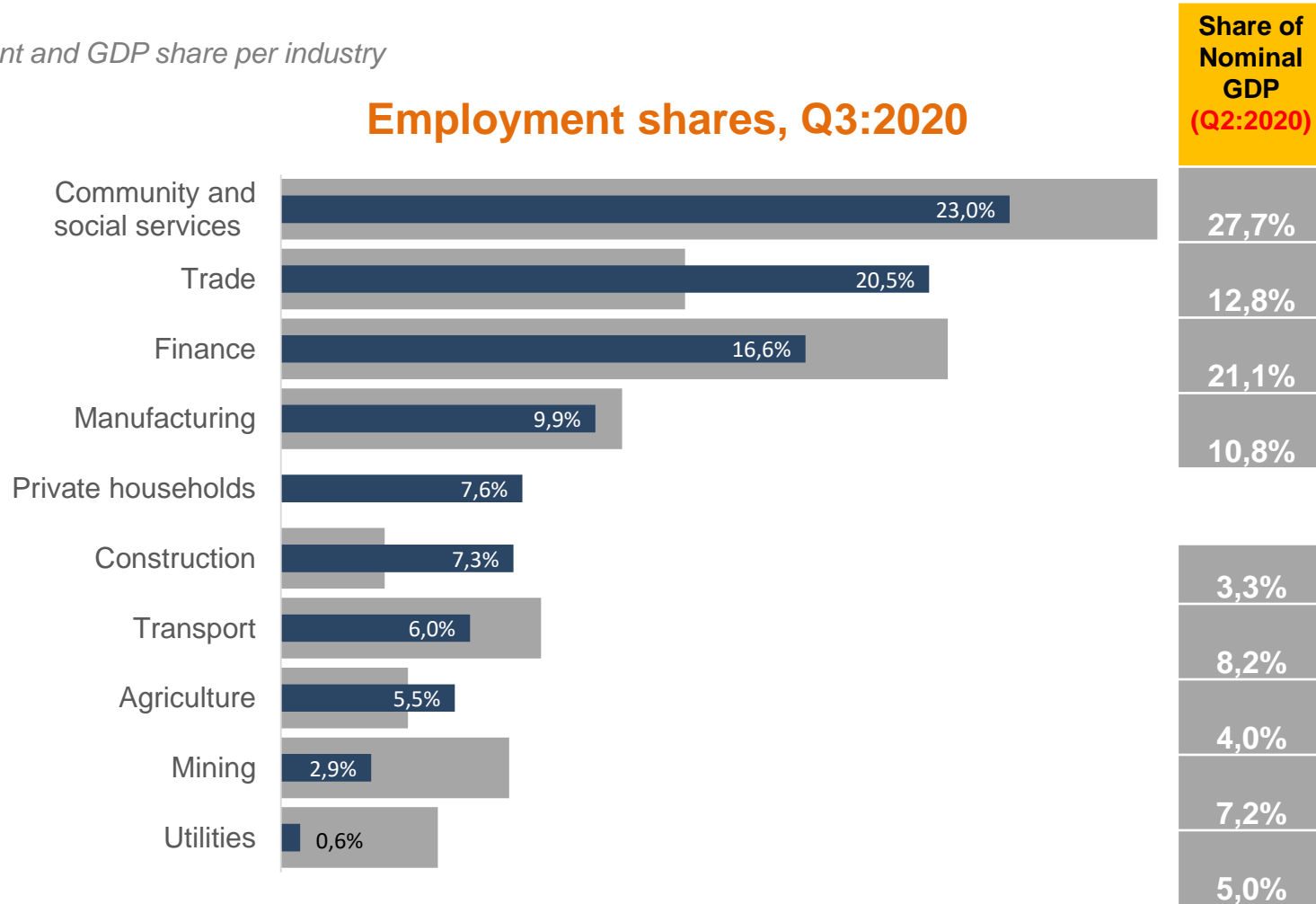
The **unemployment rate** for those aged 15-24 (61,3%) increased by **9,0** percentage points.

Labour market rates by age group, Q3:2020

Change: Percentage points
Q2:2020 to Q3:2020

Unemployment rate
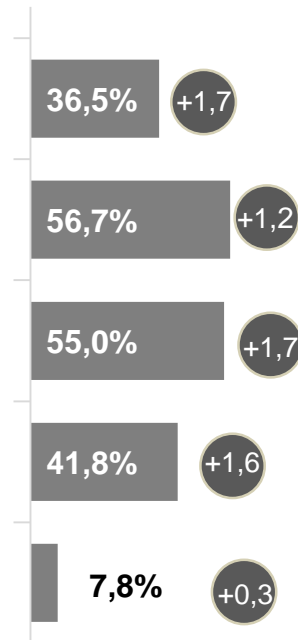
55-64 yrs	12,6%	+3,3
45-54 yrs	19,1%	+4,9
35-44 yrs	26,1%	+6,8
25-34 yrs	37,8%	+8,9
15-24 yrs	61,3%	+9,0

Absorption rate

36,5%	+1,7
56,7%	+1,2
55,0%	+1,7
41,8%	+1,6
7,8%	+0,3

Participation rate

41,8%	+3,4
70,1%	+5,4
74,3%	+8,2
67,2%	+10,7
20,1%	+4,4
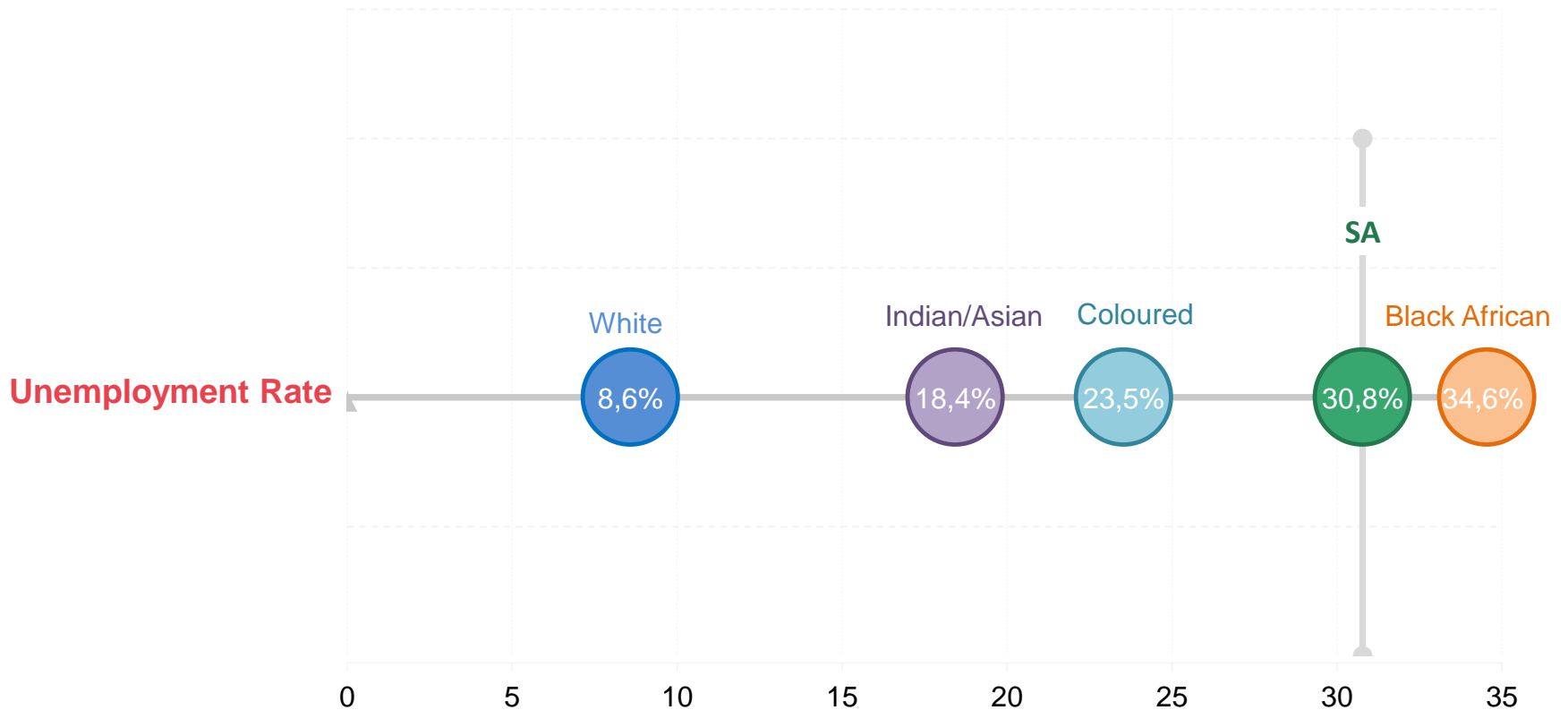
Black African women are the most vulnerable with an unemployment rate above 36,0%.

OFFICIAL unemployment rate by population group and sex

Unemployment Rate by Population Group

Population Group	Q3:2020	Q2:2020
Both sexes	30,8%	23,3%
Black African	34,6%	26,3%
Coloured	23,5%	19,0%
Indian/Asian	18,4%	14,4%
White	8,6%	6,1%

Male Unemployment Rate By Population Group

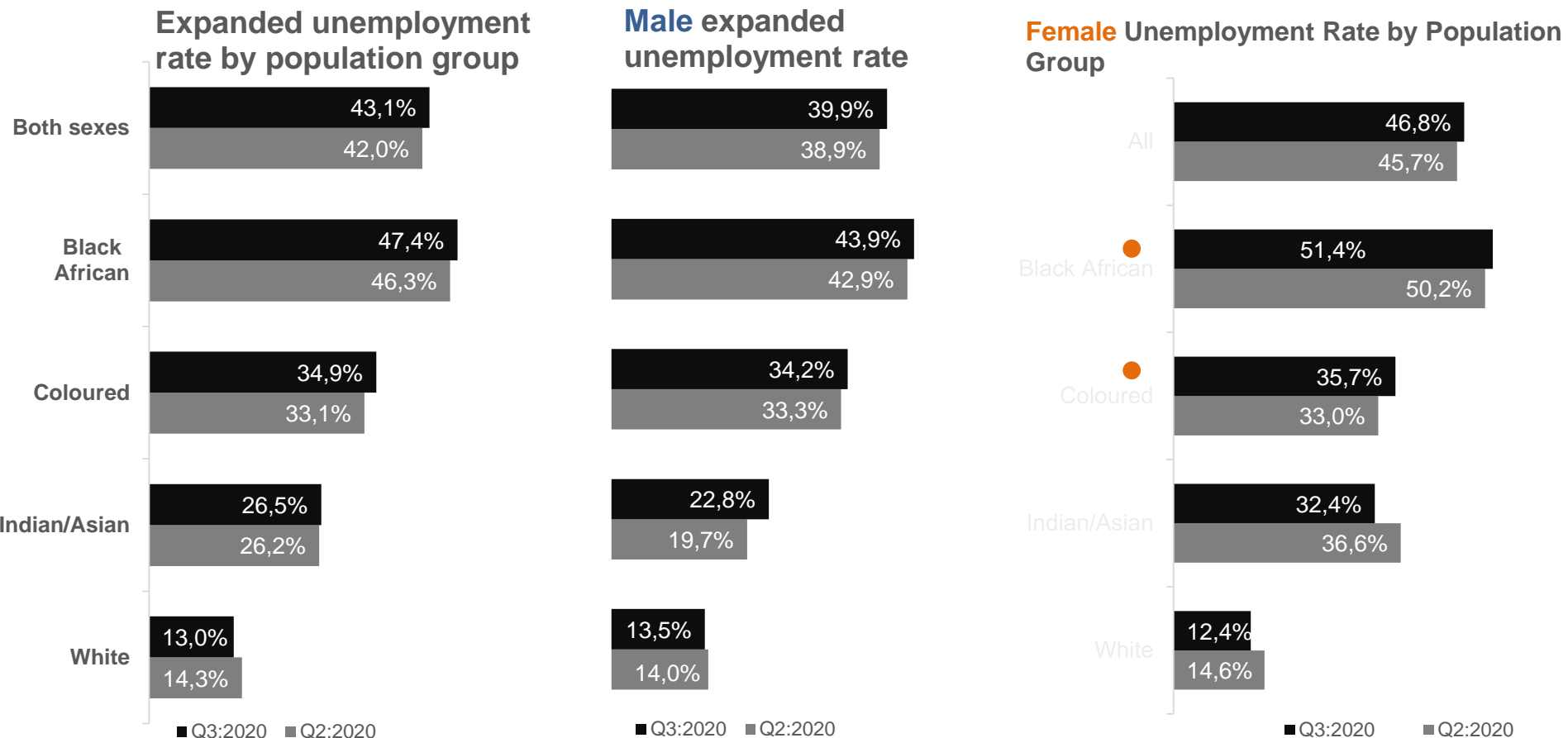| Population Group	Q3:2020	Q2:2020
All	29,6%	22,1%
Black African	33,0%	24,8%
Coloured	24,3%	20,5%
Indian/Asian	17,1%	11,3%
White	9,5%	6,5%

Female Unemployment Rate by Population Group

Population Group	Q3:2020	Q2:2020
All	32,3%	24,8%
Black African	36,4%	28,2%
Coloured	22,6%	17,4%
Indian/Asian	20,8%	20,3%
White	7,4%	5,6%
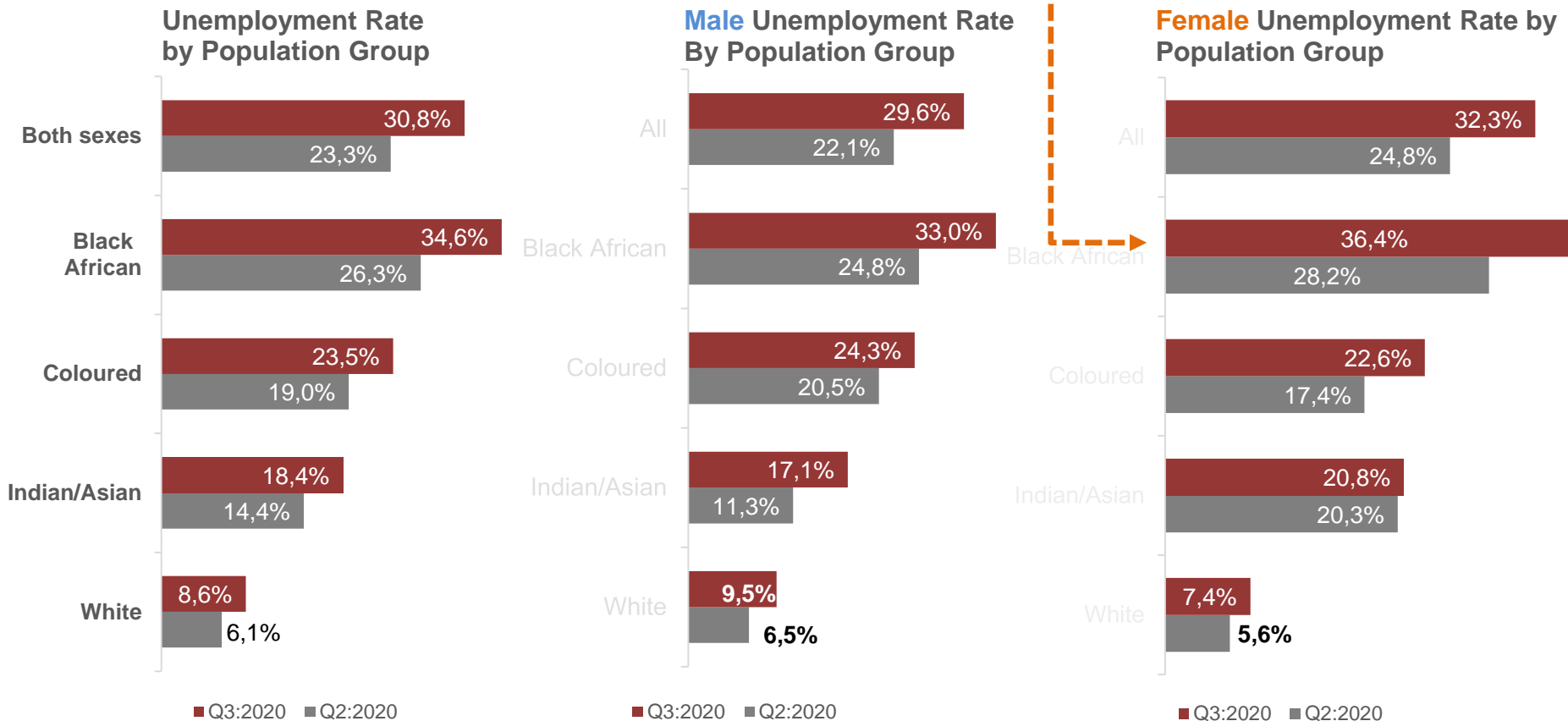
Irrespective of gender, the black African and coloured population groups remain vulnerable in the labour market.

EXPANDED unemployment rate by population group and sex

Expanded unemployment rate by population group

Population group	Q3:2020	Q2:2020
Both sexes	43,1%	42,0%
Black African	47,4%	46,3%
Coloured	34,9%	33,1%
Indian/Asian	26,5%	26,2%
White	13,0%	14,3%

Male expanded unemployment rate

Population group	Q3:2020	Q2:2020
Both sexes	39,9%	38,9%
Black African	43,9%	42,9%
Coloured	34,2%	33,3%
Indian/Asian	22,8%	19,7%
White	13,5%	14,0%

Female Unemployment Rate by Population Group

Population group	Q3:2020	Q2:2020
All	46,8%	45,7%
Black African	51,4%	50,2%
Coloured	35,7%	33,0%
Indian/Asian	32,4%	36,6%
White	12,4%	14,6%

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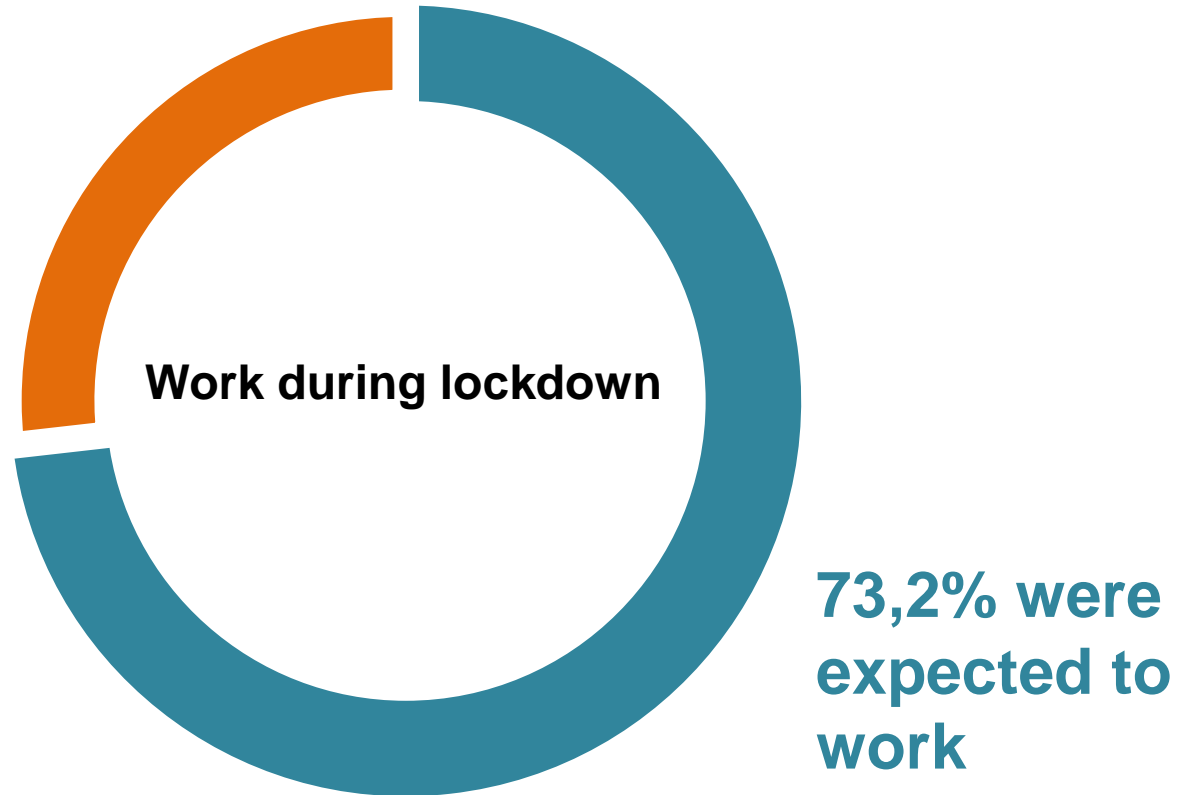
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Of the 14,7 million persons who were employed in Q3: 2020, 7 in ten (73,2%) were expected to work during the national lockdown by the companies/organisations they work for.

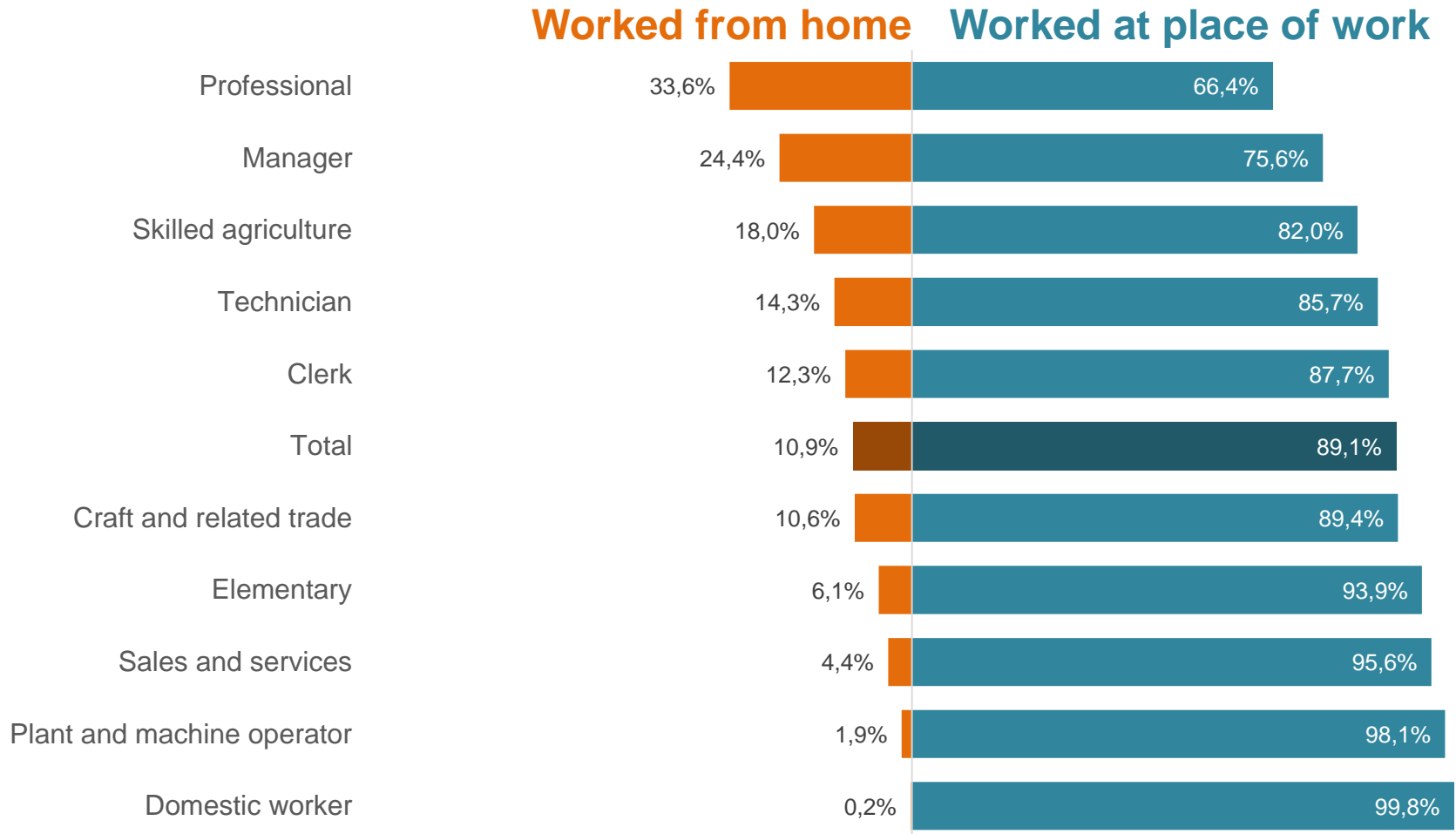*Place of work for persons who did any work by occupation, Q3: 2020*

Work during lockdown

73,2% were expected to work

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

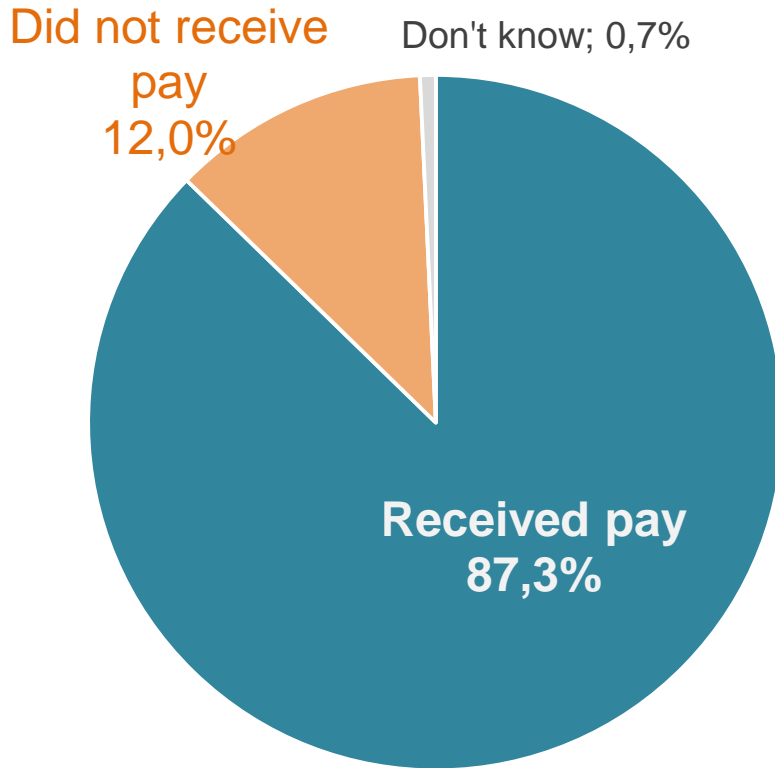*Place of work for persons who did any work by occupation, Q3: 2020*

Worked from home   **Worked at place of work**

Occupation	Worked from home	Worked at place of work
Professional	33,6%	66,4%
Manager	24,4%	75,6%
Skilled agriculture	18,0%	82,0%
Technician	14,3%	85,7%
Clerk	12,3%	87,7%
Total	10,9%	89,1%
Craft and related trade	10,6%	89,4%
Elementary	6,1%	93,9%
Sales and services	4,4%	95,6%
Plant and machine operator	1,9%	98,1%
Domestic worker	0,2%	99,8%

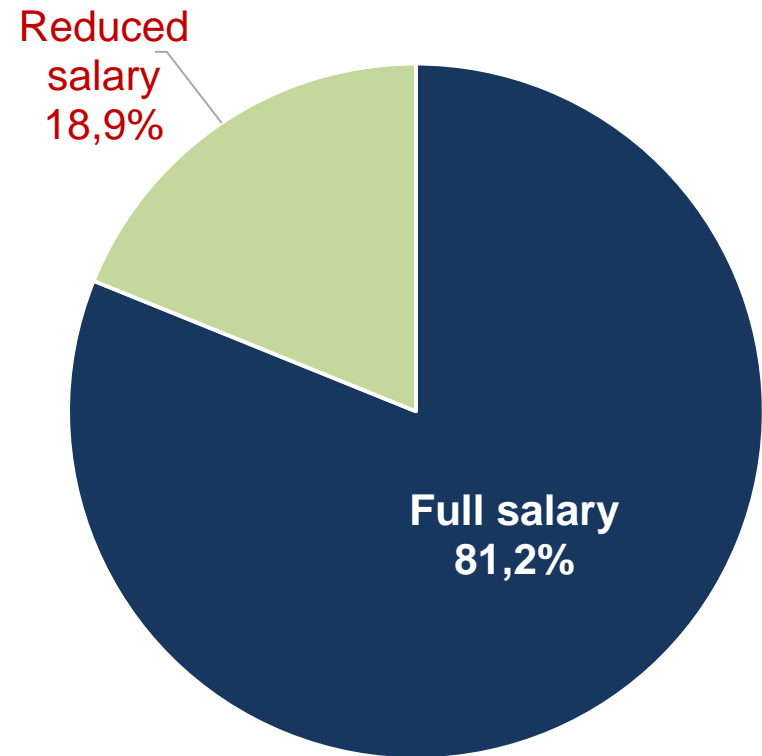# 87,3% of the employed continued to receive pay during lockdown

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

Q3:2020

Did not receive pay 12,0%

Don't know; 0,7%

Received pay 87,3%

Reduced salary 18,9%

Full salary 81,2%

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

- Less than Matric: Q2 2020 75,2%, Q3 2020 **79,3%**
- Matric: Q2 2020 77,6%, Q3 2020 **79,0%**
- Other Teriary: Q2 2020 83,2%, Q3 2020 **85,9%**
- Graduates: Q2 2020 89,7%, Q3 2020 **89,9%**

Legend: Q2 2020, Q3 2020

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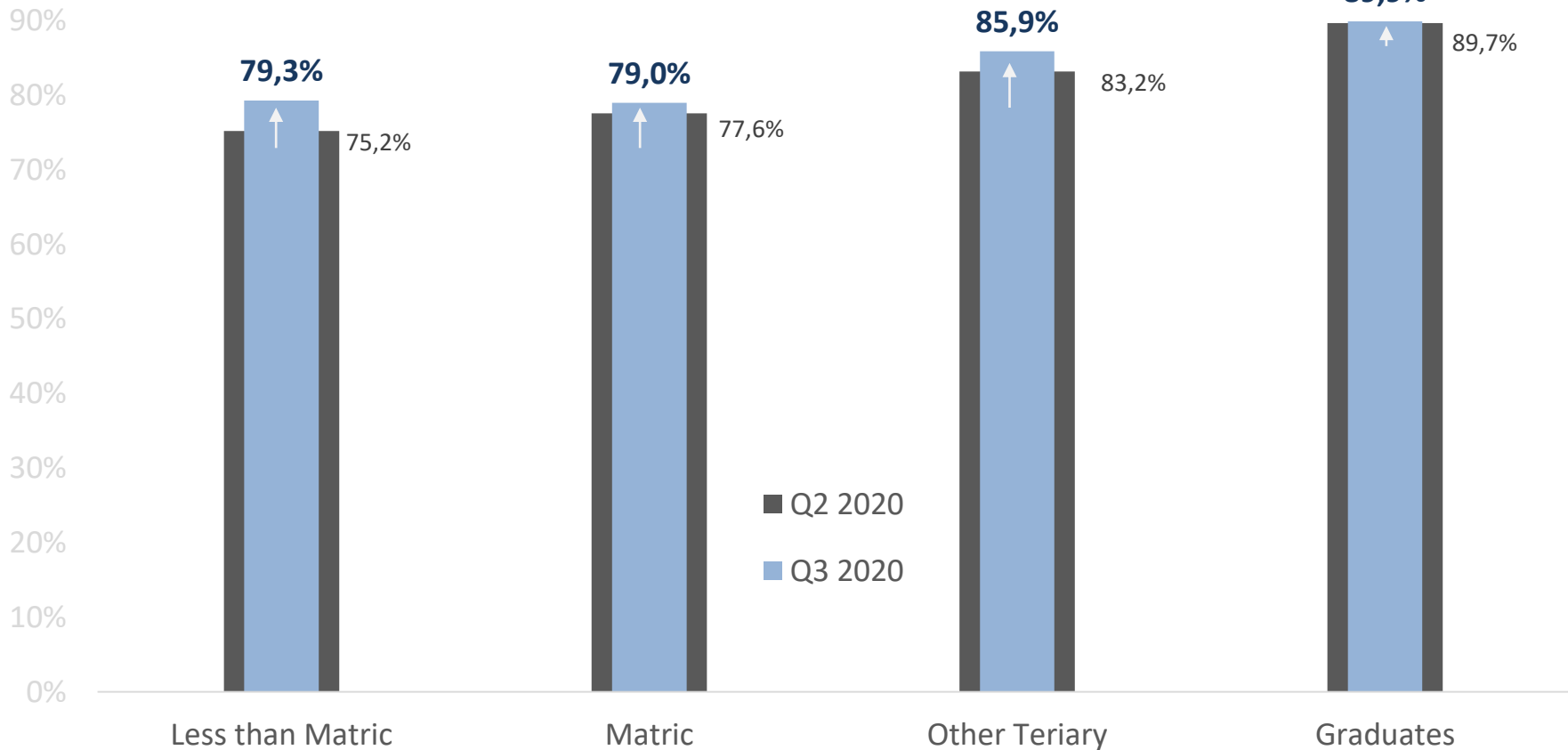
Recap QLFS Q3:2020

Unemployment rate

Employment gains

Not economically active

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.

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

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

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Ndzi hela kwala!