**Media Release-Quarterly Labour Force Survey 28 July 2016**

## *Employment contracted by 0,8% in the second quarter of 2016*

Employment declined in the second quarter of 2016 by 129 000 to 15,5 million. The quarterly decline in total employment was driven by job losses in Services (127 000 or 3,5%), Agriculture (44 000 or 5,0%), Transport (39 000 or 4,4%) and Mining (24 000 or 5,1%). Quarterly employment gains were observed in Manufacturing, Private households and Construction. While Manufacturing created 67 000 jobs quarter-to-quarter the number of employed in this industry was lower compared to the same period last year (45 000 or 2,5%).

Formal sector employment declined for two successive quarters to 10,9 million in Q2: 2016 but was still 0,8% higher compared to the same period last year. The informal sector contracted by 58 000 or 2,3% in Q2: 2016, however this is 5,8% lower compared to the same period last year.

Unemployment declined by 90 000 in Q2: 2016 which led to a quarterly decline in the unemployment rate by 0,1 of a percentage point to 26,6%, however during the same period the level of inactivity increased by 379 000. This implies that those who lost jobs moved into inactivity rather than into unemployment, or that those who were previously looking for work stopped doing so. Free State and Gauteng reported the highest unemployment rate at 32,2% and 29,5% respectively. However both provinces are among the top 3 with the highest proportion of the working age population who are employed.

The expanded unemployment rate which includes those who did not look for work but were available to work during the reference period increased by 0,1 of a percentage point to 36,4% in Q2: 2016.

Youth (15-34 years) and persons without matric remain vulnerable. Youth unemployment rate remained high at 37,5%. There was approximately 3,2 million young persons aged between 15-24 who are not in employment, education or training. This is 31,2% of those aged 15-24 years. Persons without matric account for 58,3% of the unemployed and their unemployment rate was 31,0% in Q2: 2016.

**Ends.**

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