



The South Africa I know, the home I understand



Statistical release P0211.4.1

National and provincial labour market dynamics

Q3: 2012–Q4: 2012

Embargoed until:

**25 March 2014
11:30**

Enquiries:

User Information Services
Tel: 012 310 8600/4892/8390

Forthcoming issue:

Quarter 1, 2014

Expected release date:

May, 2014

National and provincial labour market dynamics

The national labour market results mask variations at provincial level which can often be quite large. The nine provinces differ in population size, land mass, demographic profile, and economic structure.

This report is the second in a quarterly series which will be released when the QLFS results are reported. The aim is to provide users with an analysis of various aspects of the South African labour market at provincial level, based on current labour market information.

Each report will focus on a different theme and the time frame of analysis will vary. Given that the QLFS series began in 2008, prior to which its predecessor, the Labour Force Survey (LFS), was conducted only in March and September each year, analysis based on the 10-year period will not be undertaken in every report.

The structure of these thematic reports will be in the first instance to report at national level and then across the nine provinces. The intention is that users are able to see how the provinces perform relative to each other and how they contribute to the national labour market picture. The results for each province will then be analysed as separate reports to provide an in-depth understanding of the impact that a particular aspect of the labour market has on provincial labour market outcomes.

Against this background, this report – the second in the series – aims to bridge the gap in our understanding of the interrelationship between the national labour market results and those of the provinces. The report examines in detail the movements into and out of the three labour market states (employed, unemployed and not economically active). This is achieved through tracking the same individuals from one quarter to the next.

The analysis is based solely on the results of the Quarterly Labour Force Survey (QLFS) conducted in the third and fourth quarters of 2012 (Q3: QLFS) and (Q4: QLFS). The data have been revised to reflect the new population benchmarks from the population census of 2011 and may differ slightly from those published in the Labour Market Dynamics report, 2012 where movements into and out of the labour market states were for the first time reported. Historical results based on the revised series will be published in the forthcoming Labour Market Dynamics report for 2013.

The results suggest that there is a high degree of job churning in the South African labour market whereby jobs are continuously being created and destroyed. This process has an impact on employment outcomes both within and between industries, sectors and occupations. Demand patterns are at the core – since labour shed in one industry can be absorbed in another industry.



PJ Lehohla
Statistician-General: Statistics South Africa

National and provincial labour market dynamics

A dynamic economy is characterised by a high degree of job churning whereby jobs are continuously being created and destroyed. It is a process which has an impact on employment outcomes both within and between industries, sectors and occupations. Demand patterns are at the core – since labour shed in one industry can be absorbed in another industry. Against this background, this report examines in detail the movements into and out of the three labour market states (employed, unemployed and not economically active). This is achieved through tracking the same individuals from one quarter to the next. The analysis complements the one undertaken in the recently published Labour Market Dynamics report where movements into and out of the labour market states were for the first time reported, based on successive QLFS datasets. Because the national results mask variations at provincial level which are often quite large, this report aims to provide an in-depth understanding of the factors at provincial level which contribute to the movement of individuals into and out of the three labour market states.

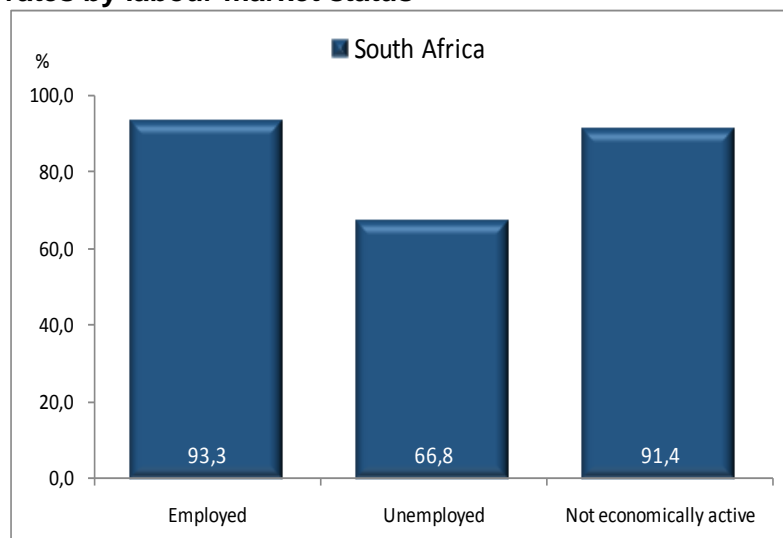
The analysis is based solely on the results of the Quarterly Labour Force Survey (QLFS) conducted in the third and fourth quarters of 2012 (Q3: QLFS) and (Q4: QLFS). Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

Table 1: Retention and transition rates by labour market status Q3: 2012 to Q4: 2012

	Employed	Unemployed	Not economically active	Total
Labour market status in Q3: 2012	Labour market status in Q4: 2012			
	Thousand			
Employed	13 592	452	518	14 562
Unemployed	529	3 276	1 096	4 901
Not economically active	401	868	13 521	14 790
Working-age population	14 522	4 596	15 134	34 253
	Retention and transition rates by labour market status in Q4: 2012			
Employed	93,3	3,1	3,6	100,0
Unemployed	10,8	66,8	22,4	100,0
Not economically active	2,7	5,9	91,4	100,0

Table 1 shows that the employment retention rate was 93,3%, which means that nine out of every ten persons with a job in Q3: 2012 were still in employment in Q4: 2012. The transition rate from employment into unemployment and inactivity was 3,1% and 3,6% respectively. In terms of the unemployed, over the same period, 66,8% remained without jobs while as many as one in every five (22,4%) moved out of unemployment and into inactivity and only 10,8% found jobs. Among the not economically active population, 91,4% remained in that labour market state while a larger percentage (5,9%) moved into unemployment compared with those who moved into employment (2,7%).

Figure 1: Retention rates by labour market status



Based on Q3: 2012 to Q4: 2012

Figure 1 shows that retention rates were highest among the employed (93,3%) and the not economically active (91,4%) and lowest among the unemployed (66,8%).

Figure 2: Employment retention rates by province

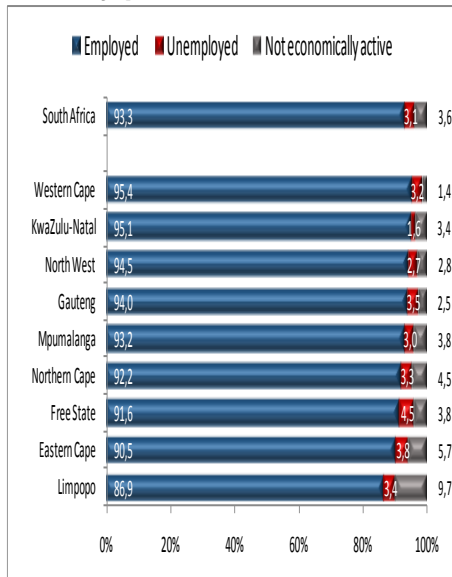


Figure 3: Unemployment retention rates by province

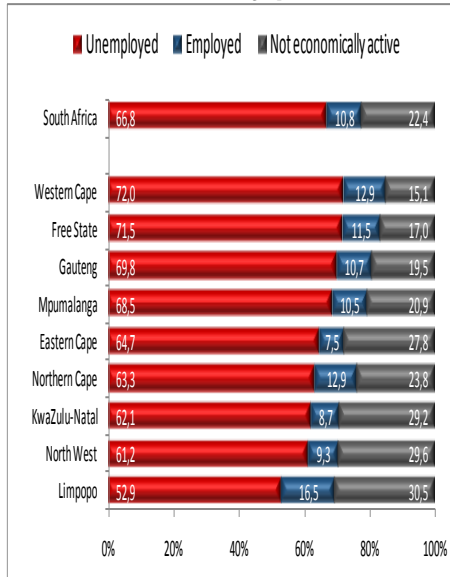
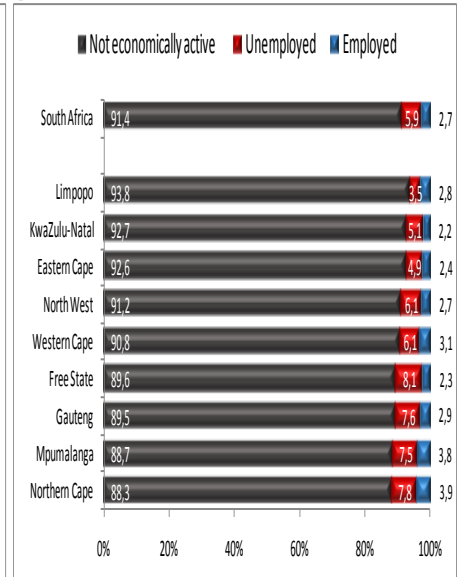


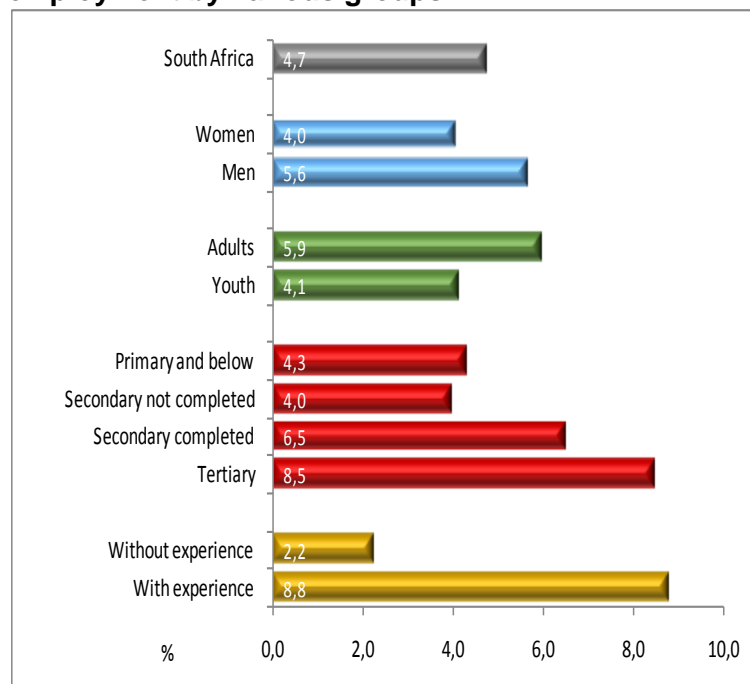
Figure 4: NEA retention rates by province



Based on Q3: 2012 to Q4: 2012. NEA refers to the not economically active population.

Retention rates within each labour market category vary across the provinces (Figure 2 to Figure 4). In terms of employment, Western Cape (95,4%) and KwaZulu-Natal (95,1%) had the highest employment retention rates between Q3: 2012 and Q4: 2012, meaning that over 95% of employed people kept their jobs. Limpopo (86,9%) and Eastern Cape (90,5%) had the lowest employment retention rates. Figure 2 also suggests that in six provinces, larger proportions of people moved out of employment and into inactivity rather than into unemployment. Seven out of every ten unemployed people in Western Cape (72,0%) and Free State (71,5%) remained without a job over the period Q3: 2012 to Q4: 2012, while in Limpopo the proportion was only 52,9% (Figure 3). In Limpopo as many as 16,5% of people who were unemployed in Q3: 2012 found jobs in the next quarter, while 30,5% became not economically active. In Eastern Cape, only 7,5% of unemployed people found jobs in the subsequent quarter. Retention rates among the not economically active population were highest in Limpopo (93,8%), KwaZulu-Natal (92,7%) and Eastern Cape (92,6%) and lowest in Northern Cape (88,3%) and Mpumalanga (88,7%) (Figure 4).

Figure 5: Transition into employment by various groups



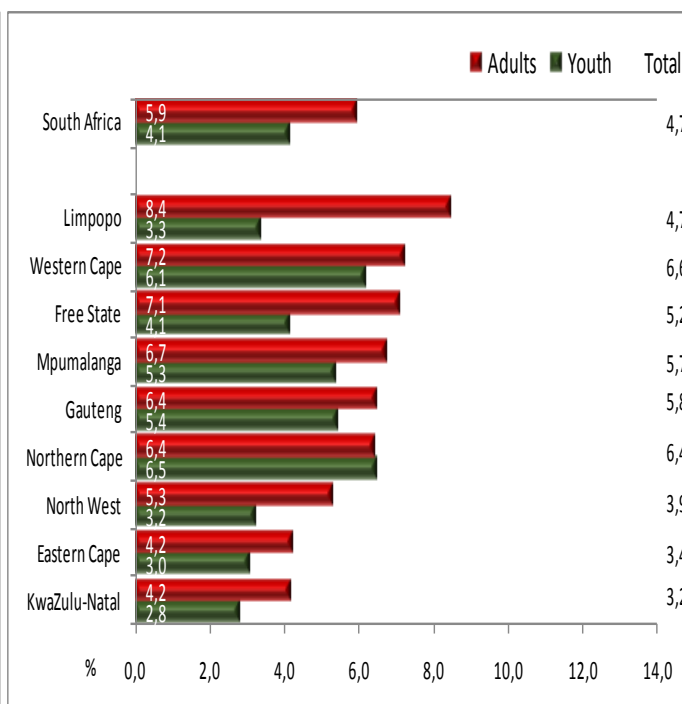
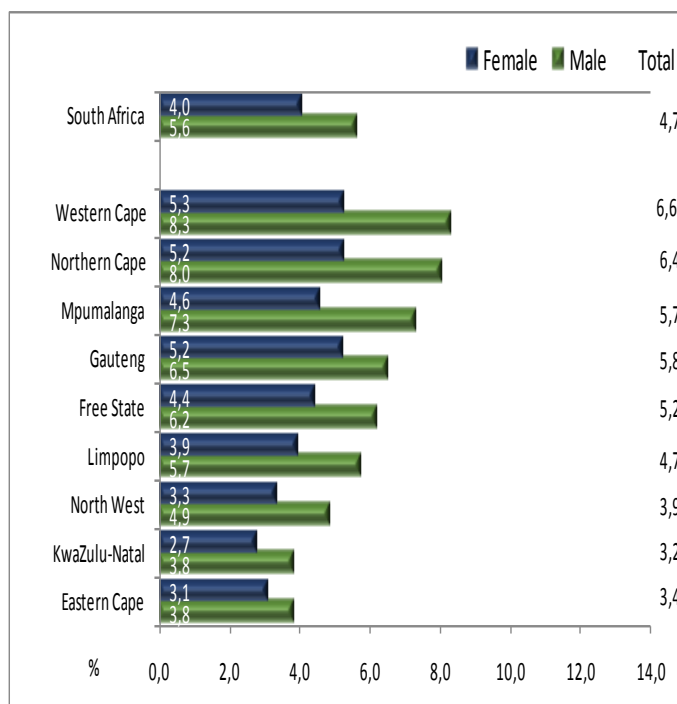
Based on Q3: 2012 to Q4: 2012

Among people who did not have jobs in Q3: 2012 (the unemployed and the not economically active), in the subsequent quarter, 4,7% found employment. Figure 5 shows that there was a gender-specific dimension

in people’s ability to move from unemployment or inactivity into employment. Higher percentages of men (5,6%) than women (4,0%) found employment. The lower transition rate into employment among the youth (4,1%) compared with adults (5,9%) underscores the challenges faced by young people in finding employment. This finding also raises the widely held concern that high and persistent joblessness among young people is often associated with negative social consequences such as drug abuse and crime. In terms of education, Figure 5 also shows that the better educated were more able to find jobs compared with those in lower education categories. The growing complexity of organisations and the introduction of sophisticated technology now require relatively high levels of educational attainment to secure employment. In addition, as acknowledged by the ILO (2013)¹, gaps between the education curriculum and the needs of the labour market can be disadvantageous, especially in cases where people chose study fields that cannot provide for jobs in the long run. In addition, people who had work experience were more than four times more likely to get a job compared with those who had never worked before, signalling the importance of programmes such as the Expanded Public Works Programme in providing people with their first job.

Figure 7: Provincial transition rates into employment by sex

Figure 8: Provincial transition rates into employment by youth and adults



Based on Q3: 2012 to Q4: 2012

Figure 7 and Figure 8 show the following:

- Male transition rates into employment were higher than female rates in every province.
- The largest gender differences occurred in Western Cape, Northern Cape and Mpumalanga. Yet, these three provinces, along with Gauteng, offered the best possibilities for employment among both men and women (Figure 7).
- In every province except Northern Cape, adults (35–64 years) had better chances of finding employment than did the youth (15–34 years).
- Figure 8 shows that the transition rate into employment among the jobless was highest among adults in Limpopo (8,4%) and lowest among the youth in KwaZulu-Natal (2,8%).

¹Gender dimensions of national employment policies: A 24-country study, Employment paper; 152, 1999-2939; 1999-2947 (web pdf)

Figure 9: Provincial transition rates into employment by education level

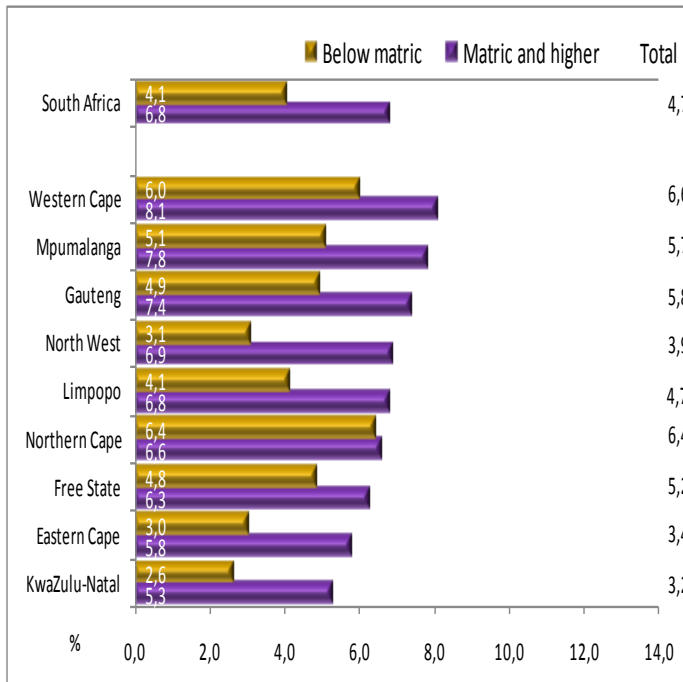
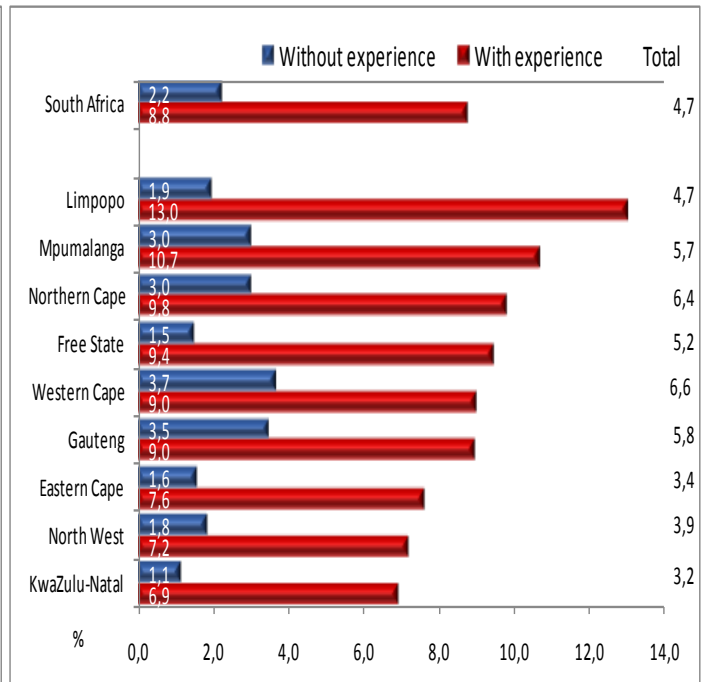


Figure 10: Provincial transition rates into employment by work experience



Based on Q3: 2012 to Q4: 2012

Among those without jobs in Q3: 2012, in every province, the transition rate into employment in Q4: 2012 was higher for the better educated. In provinces such as KwaZulu-Natal, Eastern Cape and North West, people with matric and higher qualifications were twice more likely to find employment than those with less than matric (Figure 9). Figure 10 suggests that having work experience also enhances the chances of finding employment. In every province, people who had worked before were much more likely to find employment. In provinces such as Limpopo, Free State and KwaZulu-Natal, people with work experience were six times more likely to find jobs than those who had never worked before.

Changes in labour market status among those who looked for work

Understanding the nature of unemployment is critical for the adequate formulation of labour market policies. This section provides insight into two aspects of the transition into employment among those who were unemployed and looked for work. In this regard, the analysis first focuses on the duration of unemployment and then on the role of work experience in gaining employment. Both of these are known to have an impact on the chances of finding employment.

Figure 11: Unemployment retention and transition rates by duration of unemployment

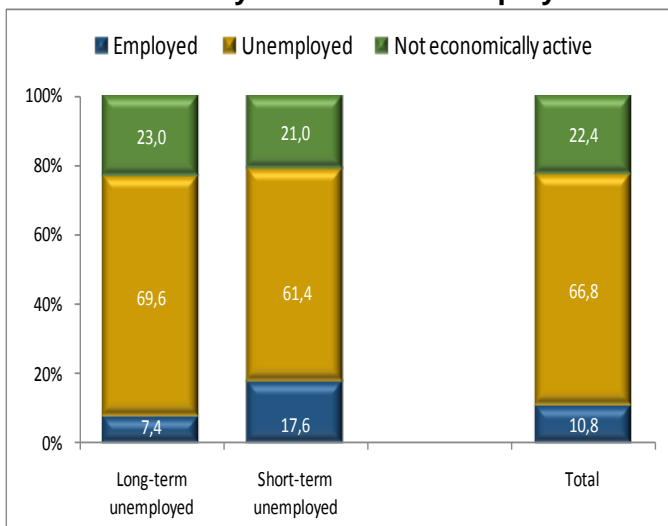
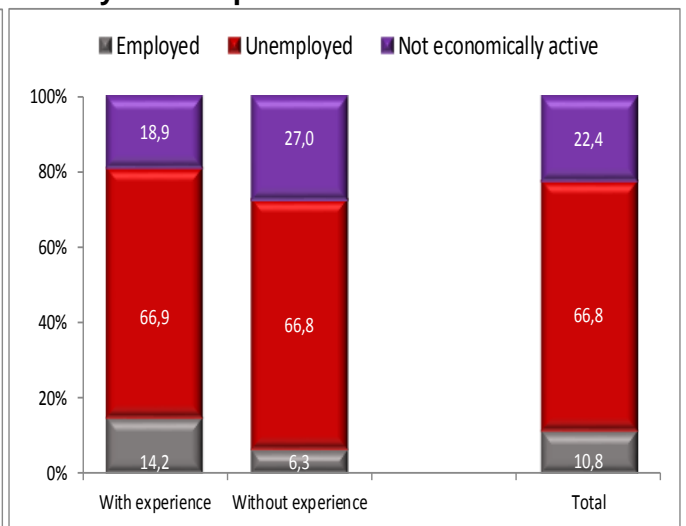


Figure 12: Unemployment retention and transition rates by work experience

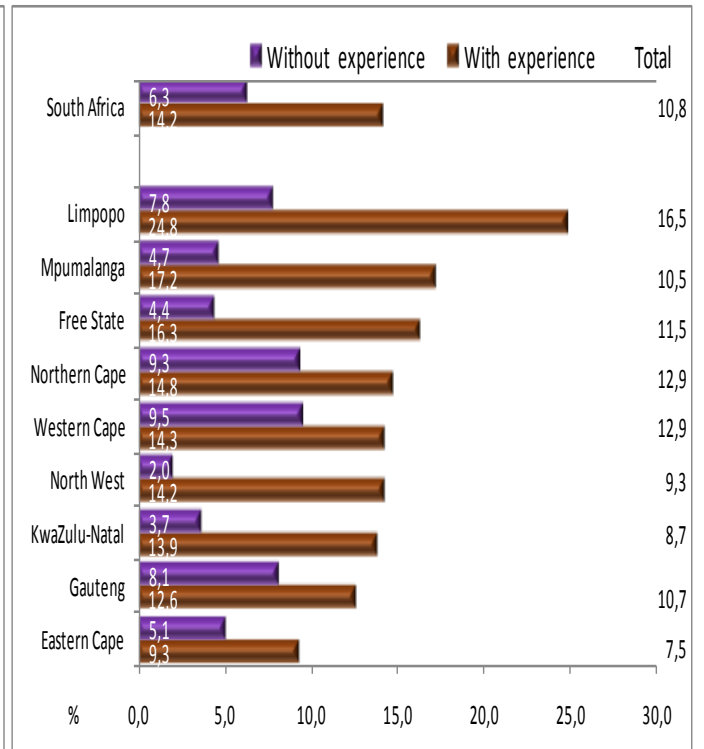
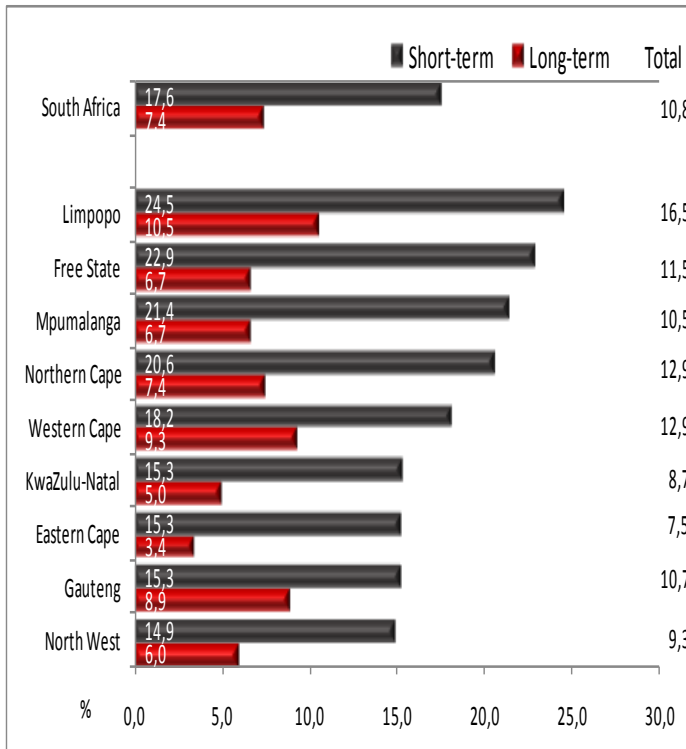


Based on Q3: 2012 to Q4: 2012

As discussed earlier, two in every three unemployed persons who looked for work in Q3: 2012 remained without a job in Q4: 2012, resulting in an unemployment retention rate of 66,8%. However, Figure 11 shows that the rate is somewhat higher among those in long-term unemployment (69,6%) compared with those in short-term unemployment (61,4%). And the transition rate into employment among people in short-term unemployment (17,6%) is more than twice that of those in long-term unemployment (7,4%). In terms of work experience, although unemployment retention rates are similar for both individuals with and without experience, the chances of finding employment are twice as high among those with experience (14,2%) compared to those without such experience (only 6,3% were able to find a job).

Figure 13: Unemployment transition rates into employment by duration of unemployment

Figure 14: Unemployment transition rates into employment by work experience



Based on Q3: 2012 to Q4: 2012

Figure 13 shows that, very similar to the national picture, in every province, transition rates into employment were higher among those in short-term unemployment compared to those in long-term unemployment. In seven provinces, people in short-term unemployment were more than twice as likely to find employment compared with those in long-term unemployment. Figure 14 highlights that in every province, unemployed people without work experience had poorer chances of finding employment compared to those who had worked before. In Limpopo the situation is particularly acute with as many as 24,8% of the unemployed who had work experience being able to secure a job as against only 7,8% of those who had no previous work experience.

Selected retention and transition rates

Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. Alternative mining estimates are included in the Quarterly Employment Statistics (QES).

Figure 15: Occupation retention and transition rates

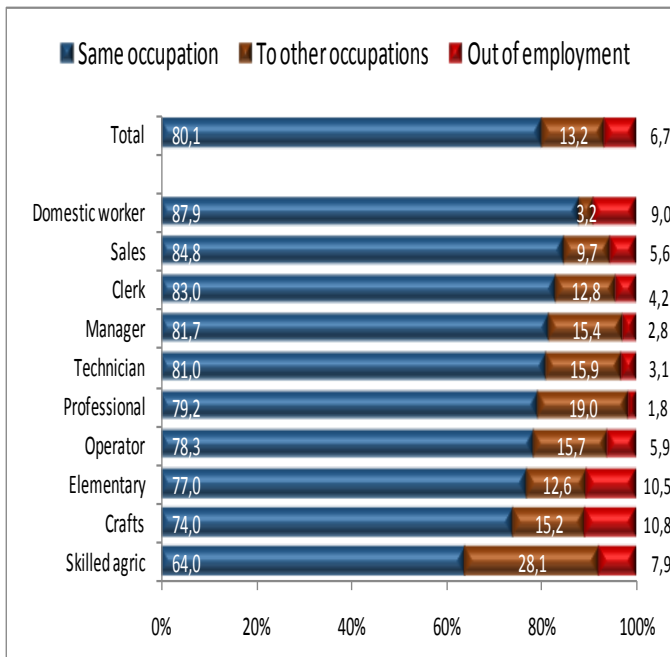
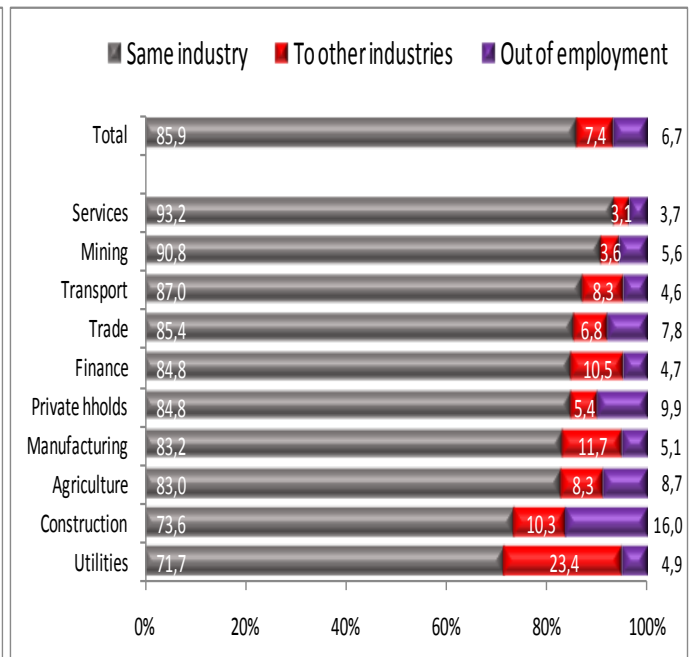


Figure 16: Industry retention and transition rates



Based on Q3: 2012 to Q4: 2012

Nationally, 80,1% of employed people remained in the same occupation between Q3: 2012 and Q4: 2012. One in every ten (13,2%) moved to another occupation while 6,7% lost their job and became either unemployed or not economically active. Differences in occupation retention rates are large, ranging from 64,0% among those employed as Skilled agricultural workers to 87,9% among Domestic workers. The highest transition rates out of employment occurred among Elementary (10,5%) and Craft workers (10,8%), while Skilled agricultural workers (28,1%) and Professionals (19,0%) were more likely than other groups to move to other occupations. Figure 16 shows that the employment retention rate was highest in the Community and social services industry (93,2%) which also had the lowest transition rates into other industries (3,1%) and out of employment altogether (3,7%). More than one in every ten people who in Q3: 2012 were employed in the Utilities (23,4%), Construction (10,3%) Manufacturing (11,7%) and Finance (10,5%) industries changed the industry in which they were employed in the subsequent quarter. Persons employed in Construction and Private households were the most likely to lose their jobs altogether.

Figure 17: Provincial retention and transition rates in the formal sector

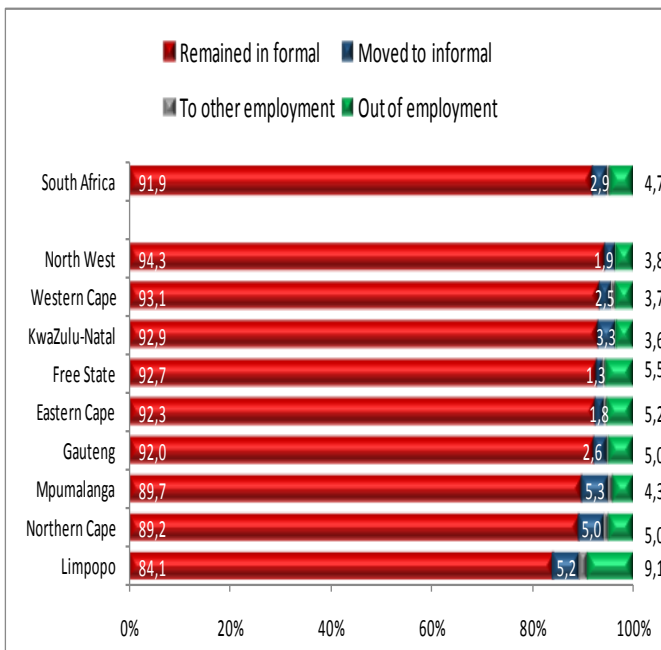
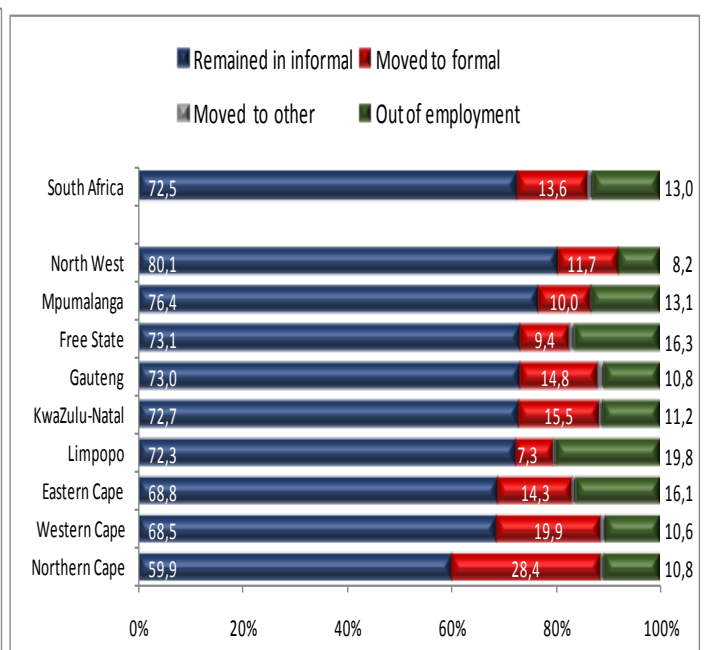


Figure 18: Provincial retention and transition rates in the informal sector



Based on Q3: 2012 to Q4: 2012. Note: In Figures 20 and 21, "Other employment" refers to Agriculture and Private households.

People employed in the formal sector were more likely to keep their jobs than those employed in the informal sector. In every province except Limpopo, Northern Cape and Mpumalanga, more than 90,0% of people who were employed in the formal sector in Q3: 2012 remained in that sector in the next quarter. With regard to the informal sector, retention rates were somewhat lower, ranging from 59,9% in Northern Cape to 80,1% in North West. Figure 18 also shows that in every province the informal sector provided an entry point into the formal sector. More than 20,0% of people employed in the informal sector in Northern Cape (28,4%) found jobs in the formal sector. However, in every province, transition rates out of employment were substantially higher in the informal sector than in the formal sector.

Figure 19: Retention and transition rates of employees by type of contract

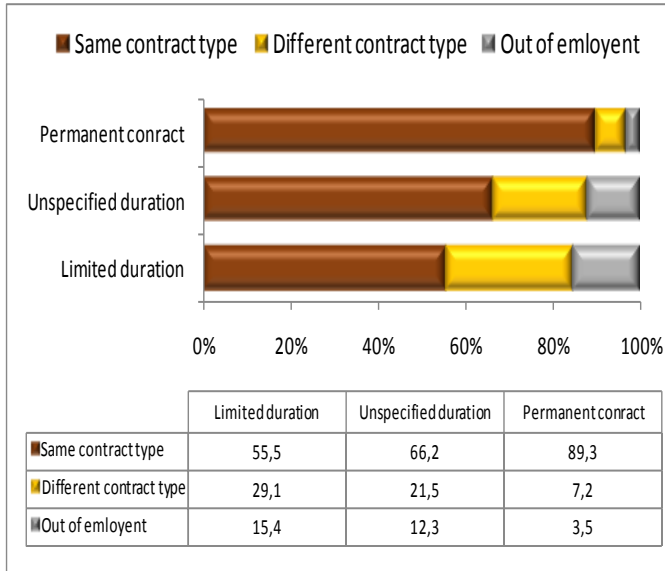
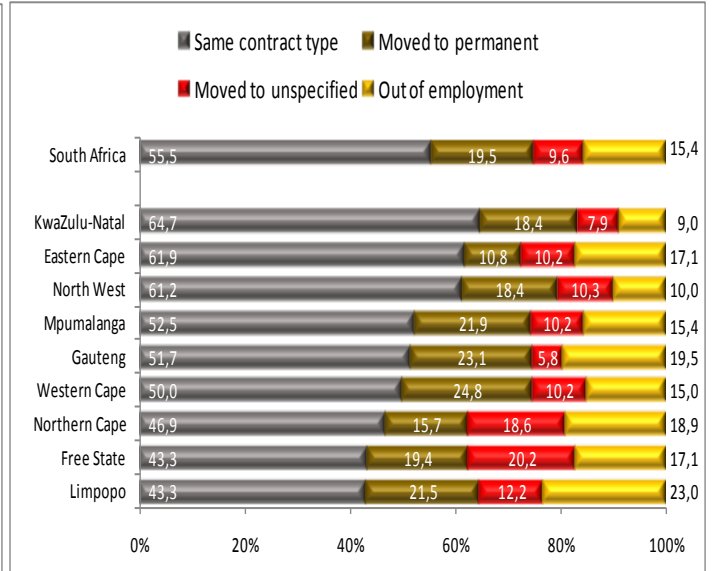


Figure 20: Provincial retention and transition rates of employees with limited duration contracts



Based on Q3: 2012 to Q4: 2012. Note: For ease of analysis, a small number of persons who were employees in Q3: 2012 that became employers or own-account workers in Q4: 2012 have been included in the "Out of employment category" in Figures 19 to 22 (See individual provincial reports).

Figure 19 shows that the retention rate among employees with a permanent contract was substantially higher at 89,3% than among employees with contracts of a limited duration (55,5%) or among those with contracts of an unspecified duration (66,2%). In addition, people with contracts of a limited duration were more likely to have different contractual arrangements in the subsequent quarter. Provincial retention rates for those with limited duration contracts were highest in KwaZulu-Natal (64,7%) and lowest in Limpopo (43,3%). And in every province except KwaZulu-Natal and Gauteng, more than 10,0% of people with limited duration contracts moved to contracts with an unspecified duration.

Figure 21: Provincial retention and transition rates of employees with permanent contracts

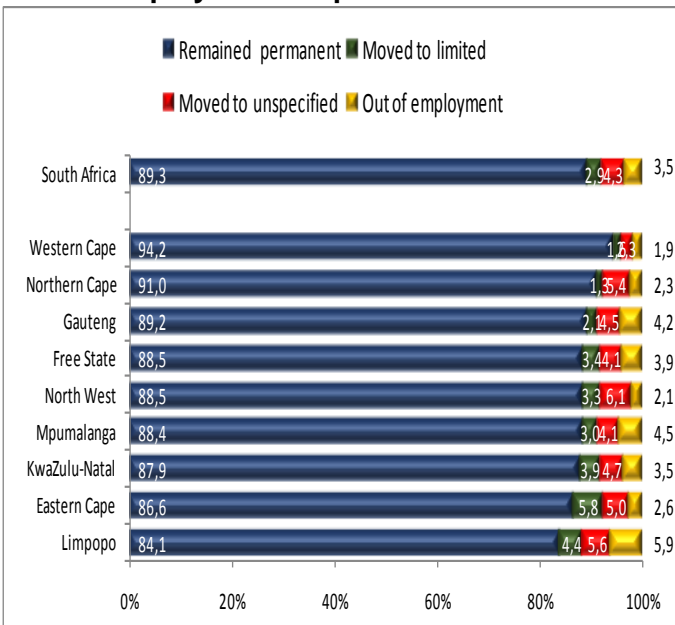
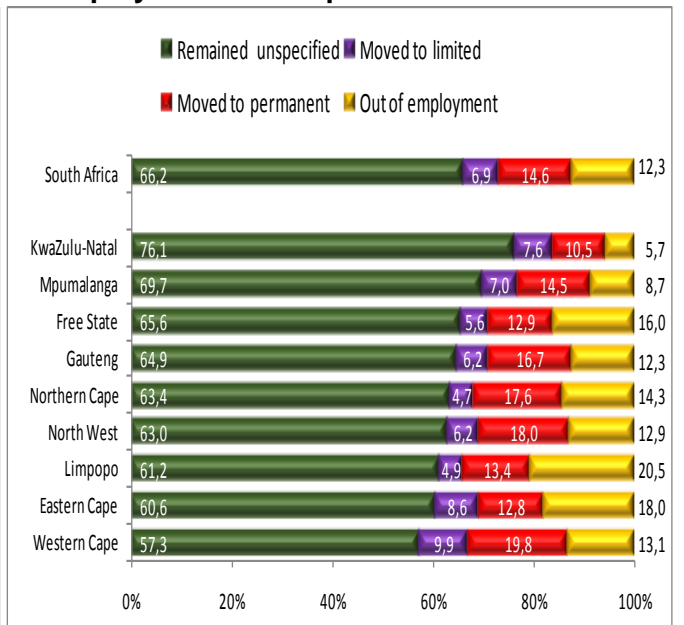


Figure 22: Provincial retention and transition rates of employees with unspecified duration contracts



Distribution of those who found employment by various attributes

Table 2: Distribution of those who found employment by labour market status

	Unemployed: Looked for Work	Not economically active: Did no look for work	Total
Western Cape	88 571	38 851	127 422
Eastern Cape	39 148	53 759	92 907
Northern Cape	16 154	12 196	28 350
Free State	38 852	17 901	56 753
KwaZulu-Natal	55 239	73 142	128 381
North West	25 825	31 881	57 707
Gauteng	166 080	77 106	243 186
Mpumalanga	47 722	42 231	89 952
Limpopo	51 390	53 998	105 387
South Africa	528 981	401 065	930 045

The analysis in this section focuses on the distribution of persons who did not have a job (the unemployed and the not economically active) in Q3: 2012 but found employment in Q4: 2012. Table 2 shows that of the 930 045 people who found employment, a larger number had looked for work compared with those who had not. The analysis in this section refers to both groups.

Figure 23: Distribution of those who found employment by status in employment

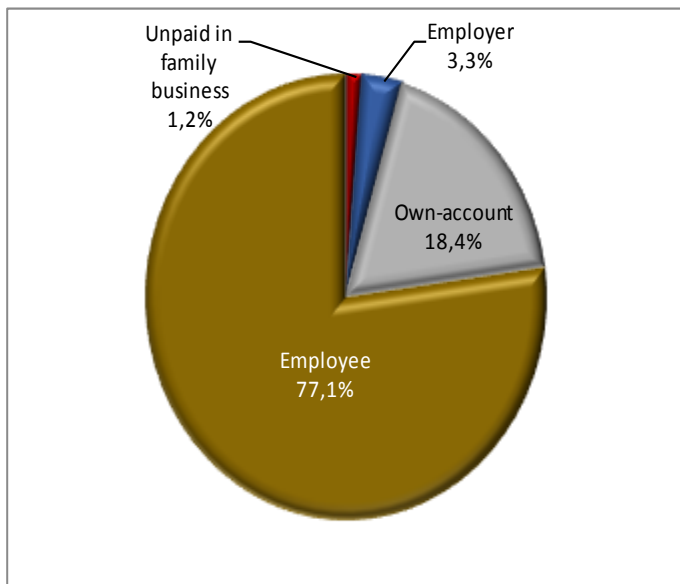
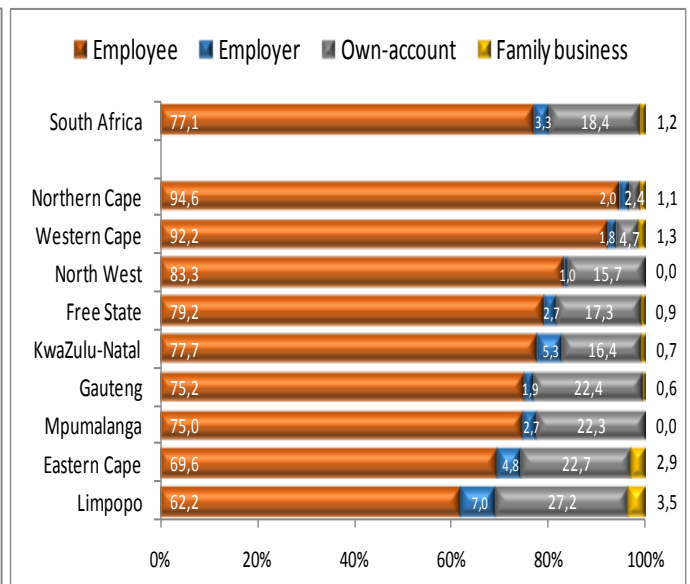


Figure 24: Provincial distribution of those who found employment by status in employment

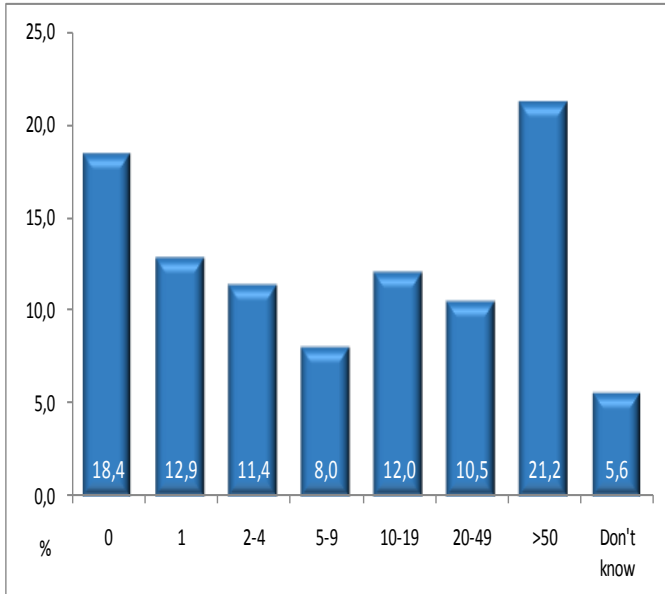


Based on Q3: 2012 to Q4: 2012

Figure 23 and Figure 24 show some interesting patterns as follows:

- Nationally, three in every four (77,1%) of those who had been without work in Q3: 2012, found jobs as employees in Q4: 2012; 18,4% became own-account workers; 3,3% became employers; and the remainder (1,2%) helped unpaid in a family business. This finding signals the importance of entrepreneurship in making the transition from joblessness into employment.
- In provinces such as Limpopo, Eastern Cape, Mpumalanga, Gauteng and KwaZulu-Natal, more than one in every five persons who became employed either worked on their own or became an employer.

Figure 25: Distribution of those who found employment by size of firm



Note: In Figure 25 firms with "0" persons are those run by sole proprietors/own-account workers. Based on Q3: 2012 to Q4: 2012

Figure 26: Provincial distribution of those who found employment by size of firm

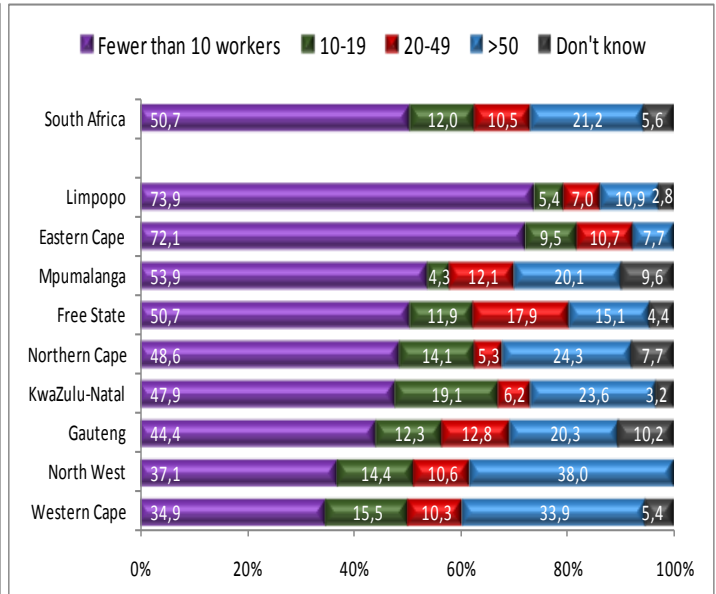


Figure 25 shows that small firms create jobs. More than half (50,7%) of those who found employment did so in firms that employed fewer than ten workers. The provincial distributions of those who found employment by firm size vary enormously. In Western Cape, as little as 34,9% found jobs in firms with fewer than ten workers, while in Limpopo and Eastern Cape the percentage more than doubled to 73,9% and 72,1% respectively. In Western Cape and North West on the other hand, more than 30,0% found jobs in large firms that employed more than 50 workers, while in Eastern Cape only 7,7% found jobs in such firms (Figure 26).

Figure 27: Distribution of those who found employment by industry

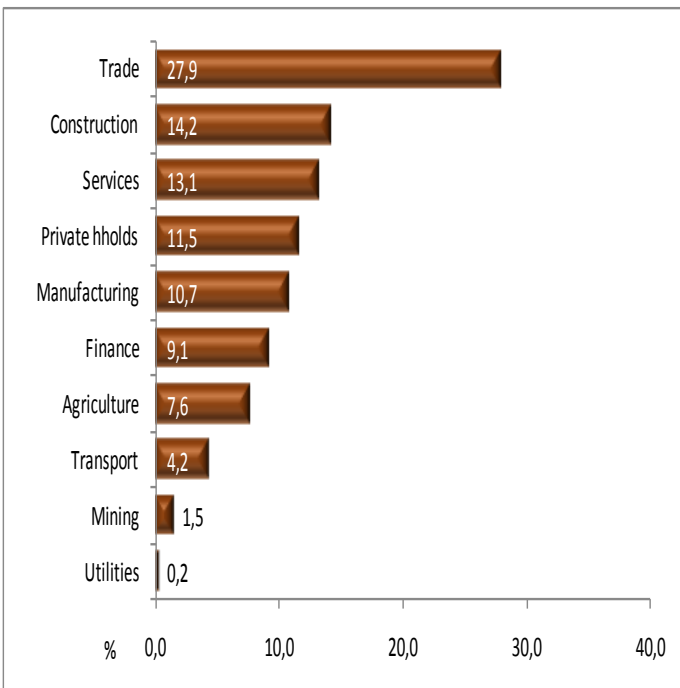
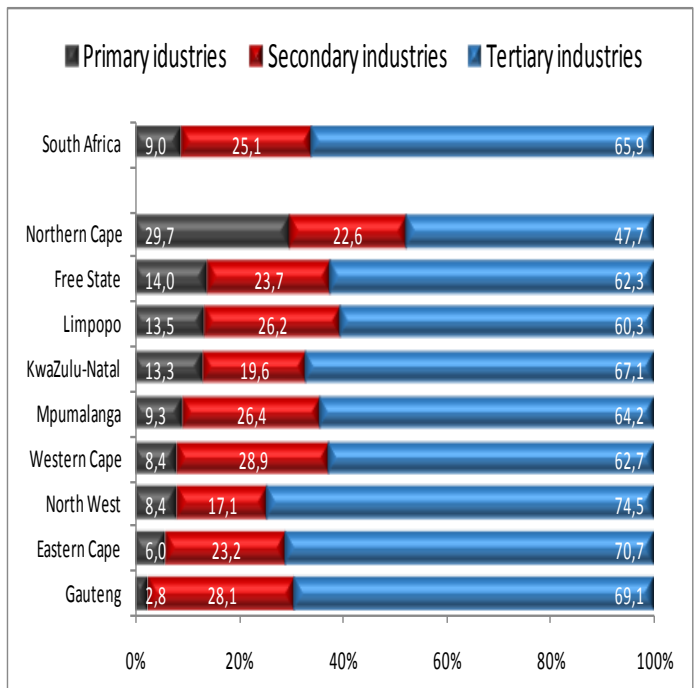


Figure 28: Provincial distribution of those who found employment by industry



Based on Q3: 2012 to Q4: 2012. Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

The national and provincial distributions of those who were without a job in Q3: 2012 but who found employment in the subsequent quarter show interesting patterns as follows:

- The Trade industry provided the most employment opportunities for those who found jobs in Q4: 2012. One in every four people (27,9%) found employment in that industry followed by one in ten (14,2%) who found a job in the Construction industry (Figure 27).
- The broad industry groupings shown in Figure 28 suggest large provincial variations – particularly with respect to those who found jobs in the primary and secondary industries.
- In Gauteng for example, the relatively small share of the primary industries in total employment resulted in only 2,8% of people getting a job in that industry, as against 28,1% who found jobs in the secondary industries.
- Across the country, the tertiary industries offered the best employment opportunities with 60,0% to 70,0% of those who found jobs able to secure employment in that industry in every province except Northern Cape.

Figure 29: Distribution of those who found employment by occupation

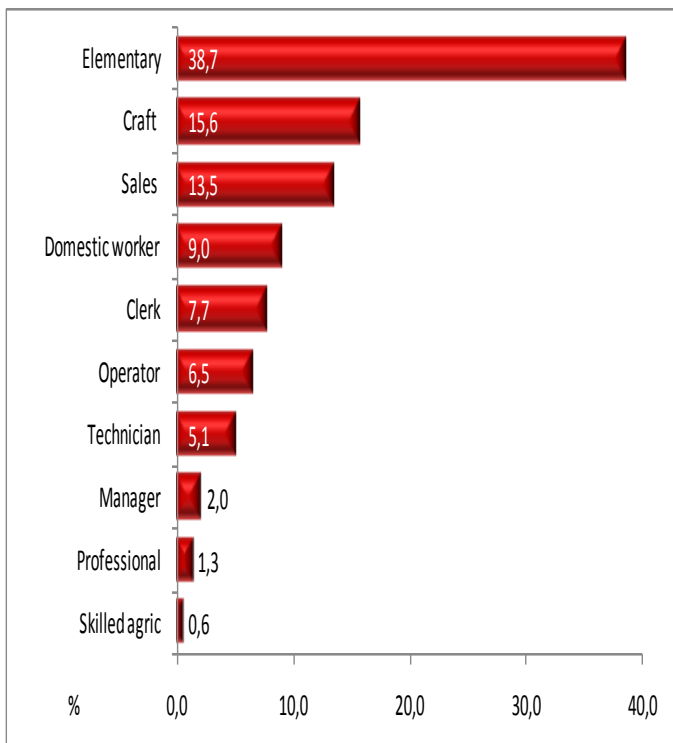
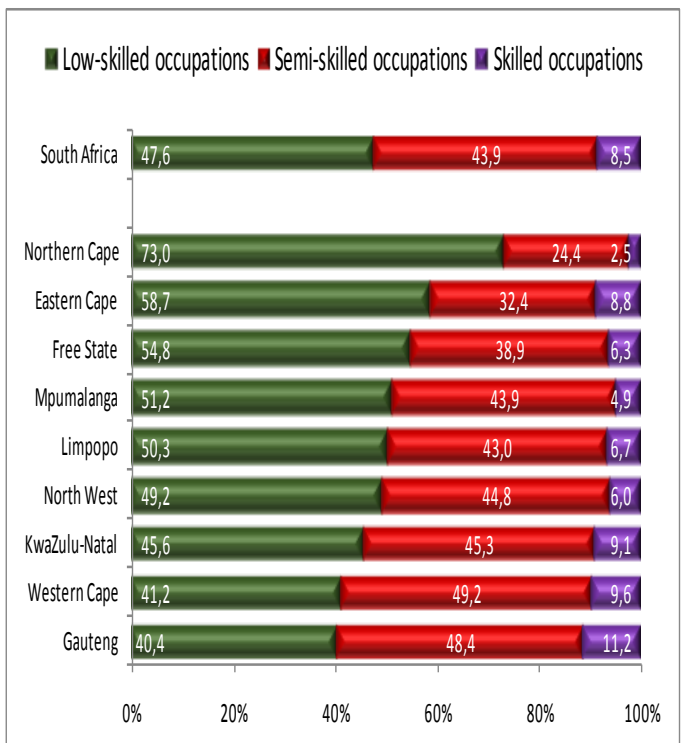


Figure 30: Provincial distribution of those who found employment by occupation



Based on Q3: 2012 to Q4: 2012

At national level, 38,7% of those who found jobs were only able to secure elementary positions (Figure 29). One in every ten found jobs as Craft workers (15,6%) or as Sales and service personnel (13,5%). Less than 4,0% found jobs in the two highest occupation categories (Managers and Professionals).

Figure 30 groups occupations into three broad categories, namely Managers, Professionals and Technicians, which are regarded as skilled occupations. Clerks, Sales personnel, Skilled agricultural workers, Craft workers, and Operators are regarded as having semi-skilled occupations, while low-skilled occupations include Domestic workers and persons engaged in Elementary work.

The results shown in Figure 30 indicate that the best opportunities for finding skilled jobs occurred in Gauteng, Western Cape and KwaZulu-Natal. In those provinces more than 9,0% of jobs were found in the skilled occupation category. Over 45,0% to 50,0% of the jobs found in Gauteng, Western Cape and KwaZulu-Natal occurred in semi-skilled occupations. In contrast to the pattern that occurred in Gauteng, Western Cape and KwaZulu-Natal, in provinces such as Northern Cape, Eastern Cape, Free State, Mpumalanga, and Limpopo, more than 50% of all jobs secured were in low-skilled occupations. In Northern

Cape, as many as 73,0% of those who found jobs were only able to secure employment in low-skilled occupations.

Figure 31: Distribution of those who found employment by sector

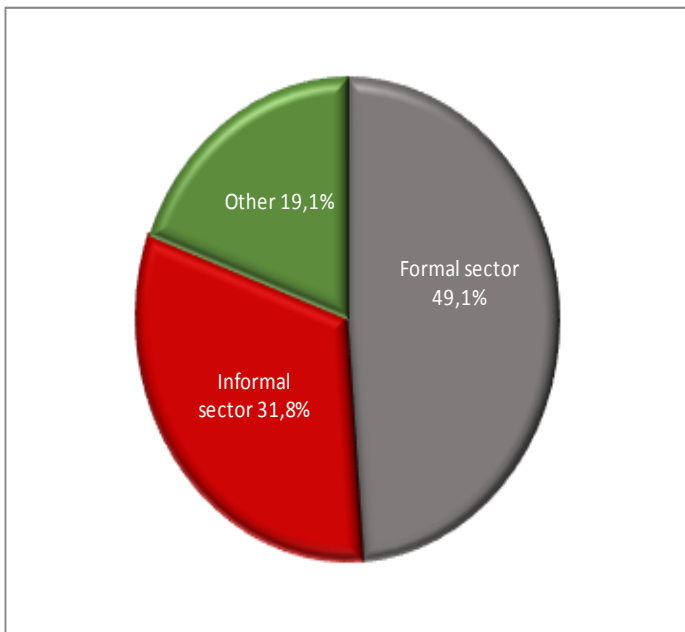
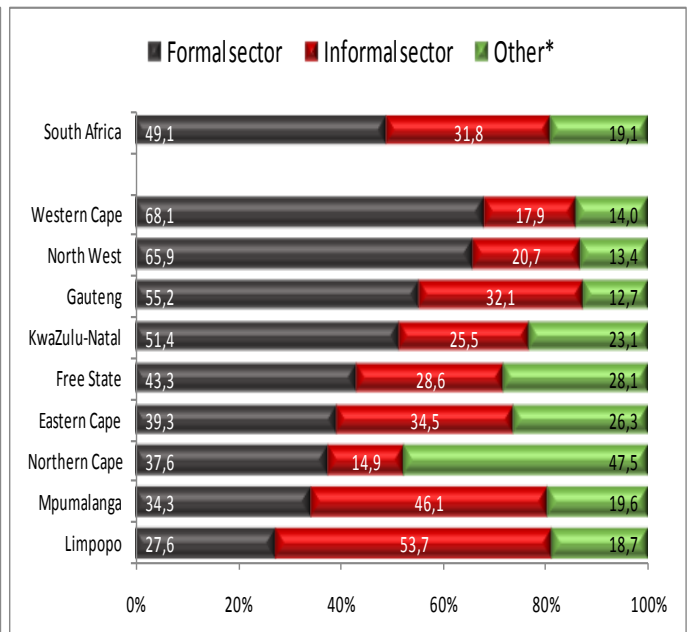


Figure 32: Provincial distribution of those who found employment by sector



Note: "Other" refers to the Agriculture and Private households groups. Based on Q3: 2012 to Q4: 2012

The formal sector accounted for the largest share of all the jobs found in Q4: 2012 (49,1%), while the informal sector provided the somewhat smaller share of 31,8%. A similar pattern occurred in every province except Limpopo, Mpumalanga and Northern Cape. In Limpopo, the informal sector accounted for one in every two jobs found in the province (53,7%).

Figure 33: Distribution of those who found employment by search method

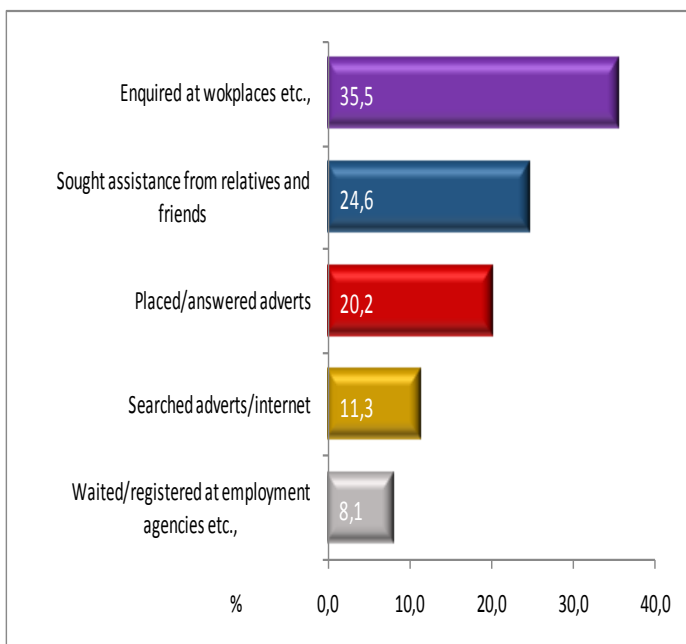
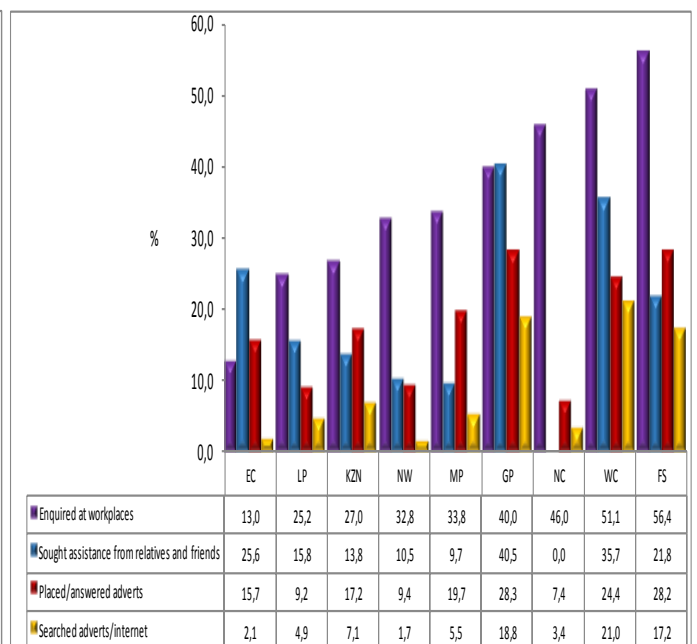


Figure 34: Provincial distribution of those who found employment by search method



Note: The distributions by search method are independent of one another since an individual could have undertaken multiple search methods.

Based on Q3: 2012 to Q4: 2012

Nationally, and in every province except Eastern Cape and Gauteng, enquiring at the workplace was the most widely used method of job searches. Seeking the assistance of relatives and friends was the second

most frequently used method nationally and in Limpopo, North West and Western Cape. Internet searches and looking for adverts were undertaken to a greater extent in provinces such as Western Cape, Gauteng and Free State.

Hard facts

- Gender disparities in employment transition rates are most pronounced in the Western Cape, Northern Cape and Mpumalanga. Men in the Western Cape is 3 percentage points more likely to find employment on a quarterly basis compared to women in this province
- The transition rates into employment are higher for adults compared to youths in every province except in Western Cape. In Limpopo, adults are 2,5 times more likely to find employed compared to youth.
- Those with experience are four times more likely to find employment compared to those with no experience. This gap is most pronounced in the Limpopo province
- Domestic workers and sales and service workers are most likely to remain in these occupations while skilled agricultural workers are least likely.
- In all provinces, formal sector retention rates are higher than those in the informal sector, nationally 91,9% of those employed in the formal sector will remain employed in this sector on a quarterly basis.
- The highest formal sector retention rates were in the Western Cape, Free State and Gauteng, while the highest informal sector retention rates were in North West, Free State and Limpopo.
- The informal sector, provides a point of entry into the formal sector, as many as 28,4% of those with jobs in the sector in the Northern Cape were able to find employment in the formal sector.
- Firms with less than 10 employees created the most jobs in all provinces; nationally 50, 7% of all those who found employment did so in firms with less than 10 employees.
- In Western Cape and North West firms with more than 50 employees created more than a third of the jobs found.

Western Cape labour market dynamics

Q3: 2012–Q4: 2012

Western Cape

Introduction

A panel dataset is one that follows a given sample of individuals over time, and thus provides multiple observations on each individual in the sample. Panel data allow a researcher to analyse a number of important economic questions that cannot be addressed using cross-sectional or time-series datasets, such as how a person’s labour market status changes over a period of time. This report looks at the movements into and out of the labour market status (employed, unemployed and not economically active) in Western Cape between Q3:2012 and Q4:2012.

Retention rates

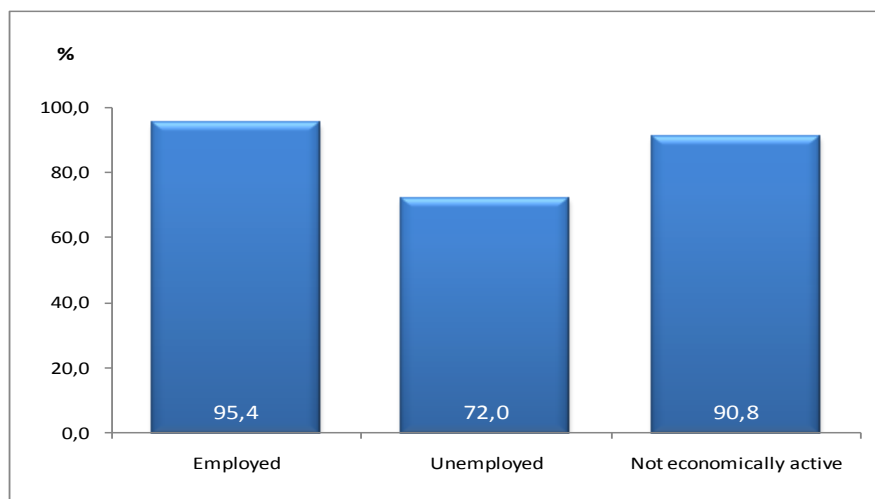
A retention rate is calculated as the percentage of individuals who remained in the same labour market status between successive quarters. Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

Table 1: Retention and transition rates by labour market status Q3: 2012 to Q4: 2012

Labour market status in Q3: 2012	Employed	Unemployed	Not economically active	Total
	Labour market status in Q4: 2012			
Thousand				
Employed	1 981	67	30	2 077
Unemployed	89	494	104	686
Not economically active	39	76	1 139	1 254
Working-age population	2 108	637	1 273	4 017
Retention and transition rates by labour market status in Q4: 2012				
Employed	95,4	3,2	1,4	100,0
Unemployed	12,9	72,0	15,1	100,0
Not economically active	3,1	6,1	90,8	100,0

Table 1 indicates that nine out of every ten persons with a job in Q3: 2012 was still in employment in Q4: 2012, translating into an employment retention rate of 95,4%, which is 2,1 percentage points higher than the national employment retention rate of 93,3%. The transition rate from employment into unemployment and inactivity was 3,2% and 1,4% respectively. Between Q3: 2012 and Q4: 2012, 72,0% of the unemployed remained without jobs while 15,1% moved out of unemployment into inactivity and 12,9% found employment. While the unemployment retention rate in the Western Cape was higher than the national average of 66,8%, the movement from unemployment into employment was higher (12,9%) than the national average of 10,8%. Among the not economically active population, 90,8% remained in that labour market status while 6,1% moved into unemployment compared with 3,1% of those who moved into employment.

Figure 1: Retention rates by labour market status



In the Western Cape, the chances of remaining in employment were high (95,4%) – this was higher than the national figure of 93,3%. The employment retention rate was higher than the retention rates among those that were not economically active (90,8%) and among the unemployed (72,0%).

Transitions into employment

This section focuses on the transition rates among those who were not in employment in Q3:2012 (the unemployed and inactive) but who found employment in Q4:2012 by various attributes.

Figure 2: Transition into employment by various groups

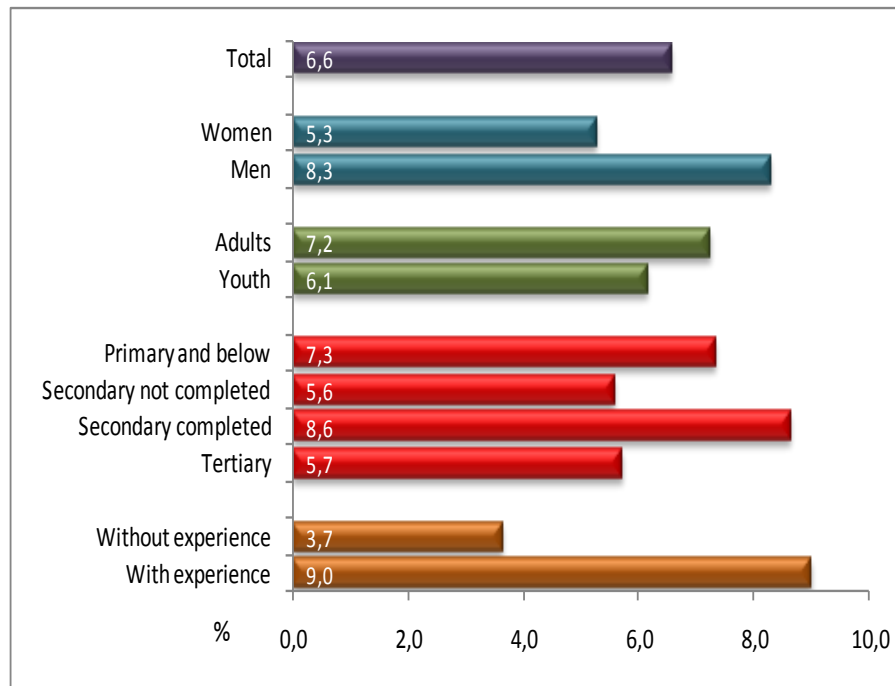


Figure 2 highlights the following:

- Those who did not have jobs in Q3: 2012 (the unemployed and the not economically active) in Western Cape, 6,6% found employment in the subsequent quarter.
- More men (8,3%) than women (5,3%) found employment between Q3:2012 and Q4:2012.
- The lower transition rate into employment among the youth (6,1%) compared with adults (7,2%) highlights the challenges faced by young people in finding employment.
- In the Western Cape, at all levels of education, the unemployed and inactive had a better chance of finding employment relative to the national average.
- The chances of finding employment were highest among those with completed secondary education (8,6%).
- In addition, Figure 2 indicates that having previous work experience was important in finding a job, since those with experience were 2,4 times more likely to get a job compared with those who had never worked before.

Changes in labour market status among those who looked for work

This section focuses solely on unemployed persons who looked for work over the quarter.

Figure 3: Unemployment retention and transition rates by duration of unemployment

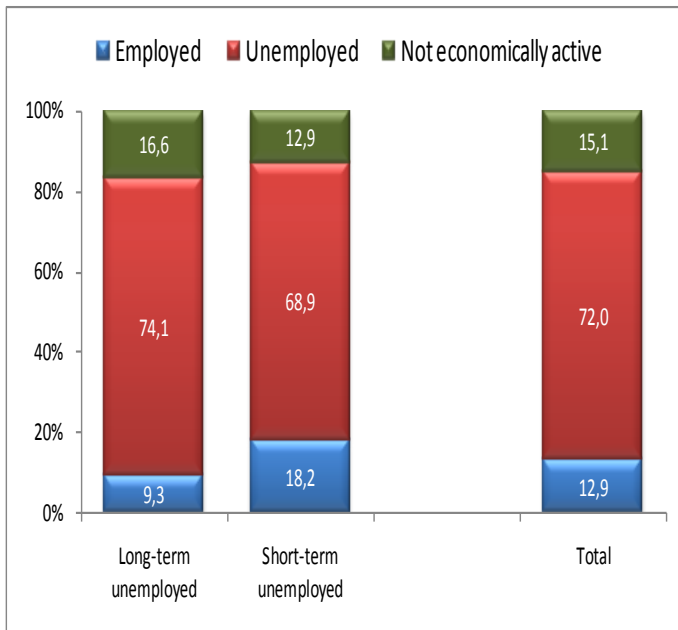
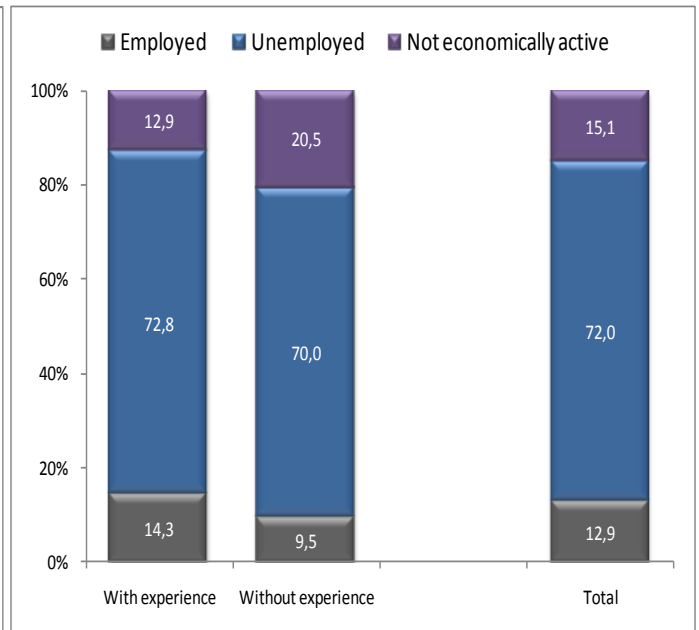


Figure 4: Unemployment retention and transition rates by work experience



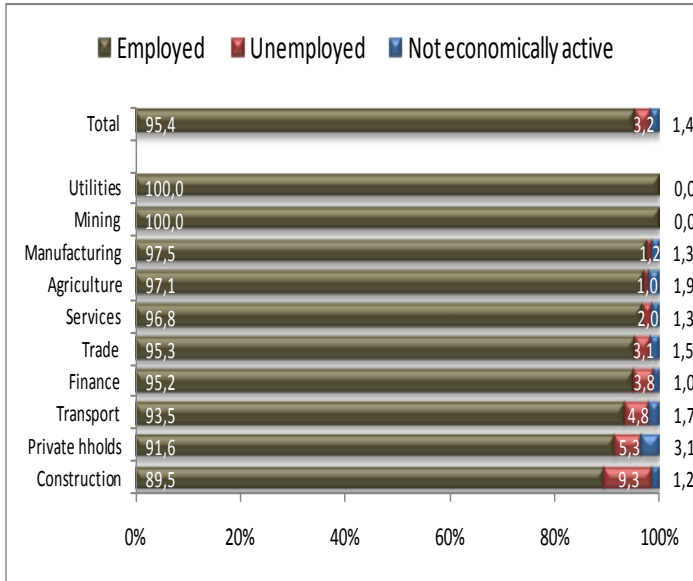
Figures 3 and 4 show the retention and transition rates of the unemployed between Q3:2012 and Q4:2012 by unemployment duration and work experience. The unemployment retention rate was higher (74,1%) among those in long-term unemployment and lower (68,9%) for those in short-term unemployment (Figure 3). Furthermore, Figure 4 shows that the unemployment retention rate was higher for those with work experience (72,8%) than for those without work experience (70,0%). However, those with experience were more likely to remain in the labour force than to move into inactivity (12,9%), while those without previous work experience experienced a higher (20,5%) transition to inactivity.

The transition rates into employment among persons in short-term unemployment (18,2%) and with work experience (14,3%) were high compared to those of persons in long-term unemployment (9,3%) and to those of persons without experience (9,5%). In addition, the transition rate into employment among persons in short-term unemployment was twice that of those in long-term unemployment. The unemployment transition rate into inactivity was higher among persons in long-term unemployment and those without work experience.

Selected retention and transition rates

Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust Mining estimates, please use the Quarterly Employment Statistics (QES).

Figure 5a: Industry retention and transition rates by labour market status



Note: Small sample sizes present in Mining.

Figure 5: Industry retention and transition rates

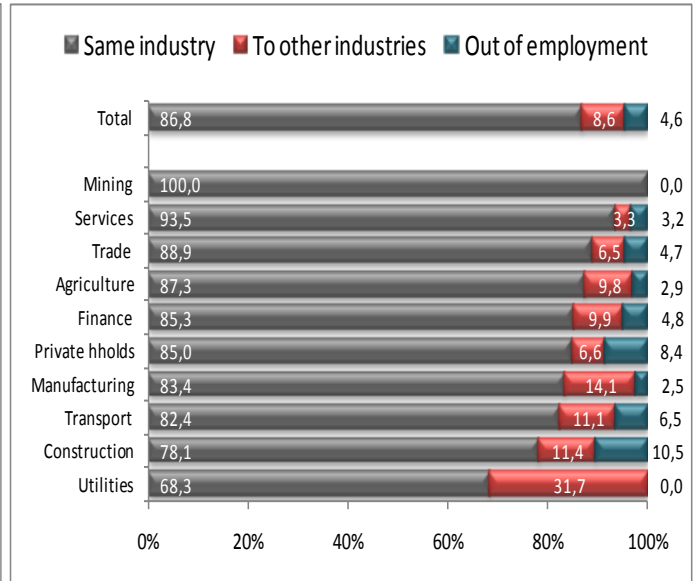


Figure 5a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same industry. Figure 5 complements Figure 5a since it identifies those who remained in the same industry and those who moved to other industries.

Figure 5a highlights that in Western Cape, 95,4% of those employed in Q3:2012 retained their jobs in Q4: 2012, while 3,2% and 1,4% transitioned to unemployment and inactivity respectively. Figure 5 shows that of the 95,4% who retained employment between the two quarters, 86,8% of employed persons remained in the same industry between Q3: 2012 and Q4: 2012, while 8,6% moved to other industries. The figure also indicates that while Community and social services reflected a higher employment retention rate of 93,5%, the lowest retention rate was observed in Utilities at 68,3%, while also exhibiting the highest transition rate of 31,7% to other industries. In the Western Cape, like South Africa as a whole, Construction observed the largest number of persons who moved from employment into either unemployment or the not economically active population. The Construction transition rate out of employment for South Africa was 16,0% and that of Western Cape was 10,5%.

Figure 6a: Occupation retention and transition rates by labour market status

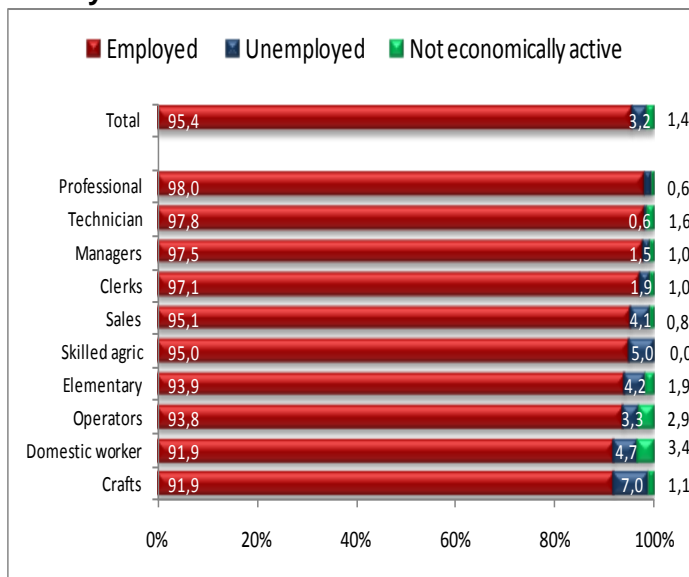


Figure 6: Occupation retention and transition rates

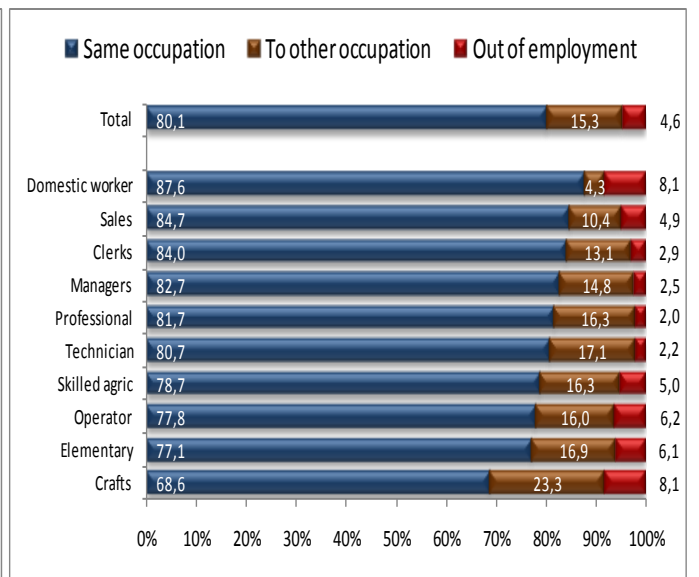


Figure 6a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same occupation. Figure 6 complements Figure 6a since it identifies those who remained in the same occupation and those who moved to other occupations.

Figure 6 reflects that the employment retention rate was highest among those employed as Domestic workers (87,5%), which also had the lowest transition rates into other occupations (4,3%). The figure also indicates that for all occupations (with the exception of persons employed as domestic workers) in Q3: 2012, more than 10,0% had changed occupations between the two quarters, in particular Crafts (23,3%), Elementary occupations (16,9%) and those employed as Operators (16,0%). The occupations that saw the biggest transition from employment to either unemployment or inactivity between Q3:2012 and Q4:2012 were Crafts (8,1%), Domestic workers (8,1%), Operators (6,2%) and Elementary (6,1%).

Figure 7: Employment retention and transition rates by sector

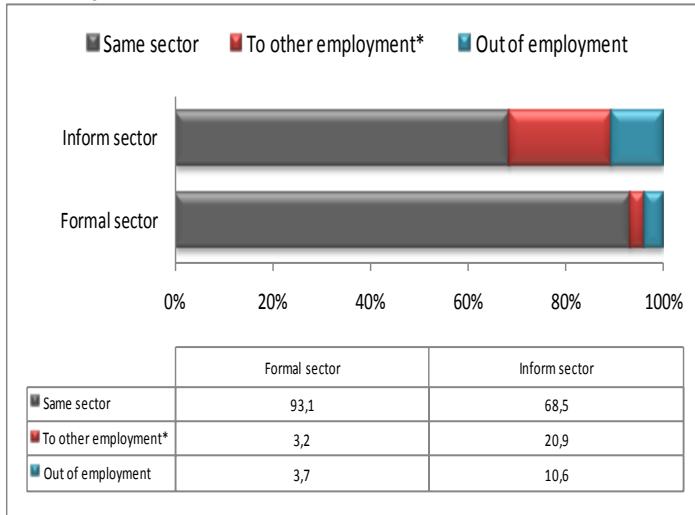
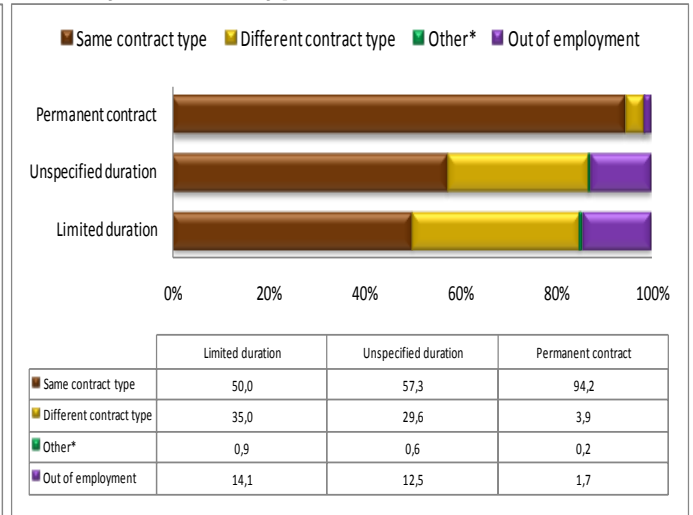


Figure 8: Employment retention and transition rates by contract type



Note: "Other" employment includes Agriculture, Private households and the formal/informal sectors.

Figure 7 shows that the retention rate in the formal sector (93,1%) was considerably higher than that of the informal sector (68,5%). However, the informal sector transition rates to either other employment (20,9%) or out of employment (10,6%) were higher compared to the formal sector. Figure 8 indicates that the retention rate among employees with a permanent contract was noticeably higher at 94,2%, compared to that of employees with contracts of an unspecified (57,3%) and a limited (50,0%) duration. In addition, people with contracts of a limited duration were more likely to have different contractual arrangements in the subsequent quarter as well as to move out of employment.

Distribution of those who found employment

This section focuses on the various distributions of those who were not in employment in Q3:2012 (the unemployed and inactive) and who found employment in Q4:2012. Please note that the distributions analysed in this section are based on a relatively small sample (Table 1), and thus results should be interpreted with caution.

Figure 9: Distribution of those who found employment by status in employment

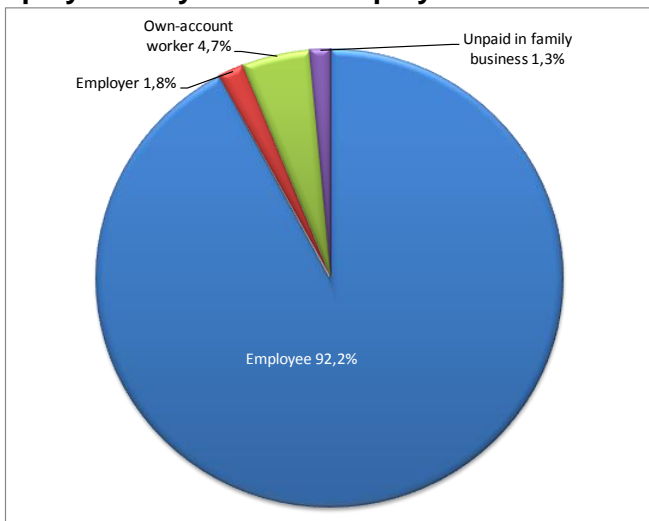


Figure 10: Distribution of those who found employment by size of firm

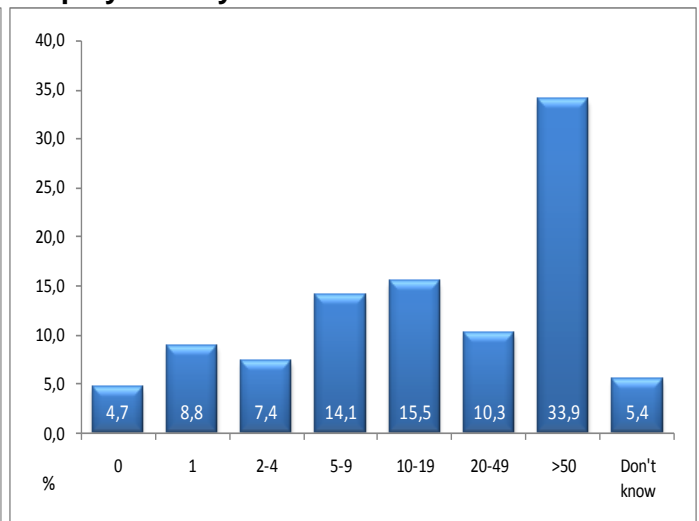


Figure 9 shows that of those who did not have work in Q3:2012, nine out of ten found employment as employees in Q4:2012, while 4,7% started businesses as own-account workers and 1,8% and 1,3% became employers and helped unpaid in a family business respectively. The findings in terms of firms' size in the Western Cape were in contrast to those of the national picture. In the Western Cape, 33,9% found a job in firms with more than 50 employees (Figure 10). As little as 34,9% found jobs in firms with fewer than 10 workers, while the distribution for South Africa was 50,7%.

Figure 11: Distribution of those who found employment by industry

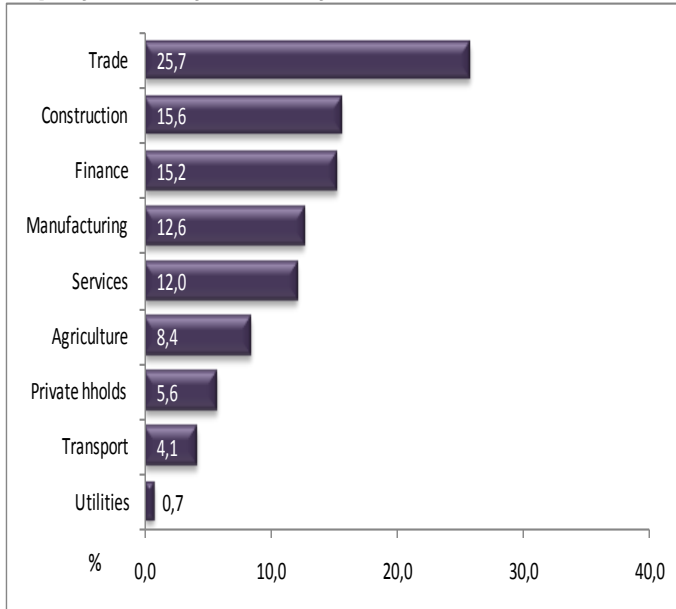
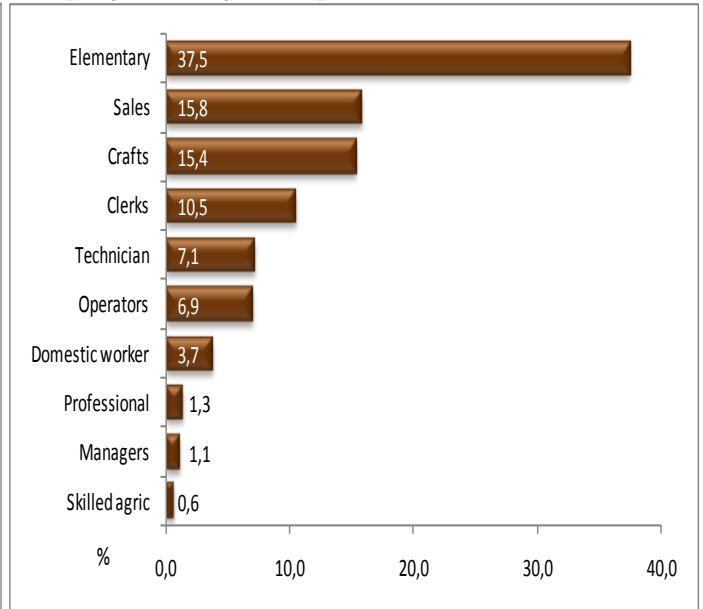
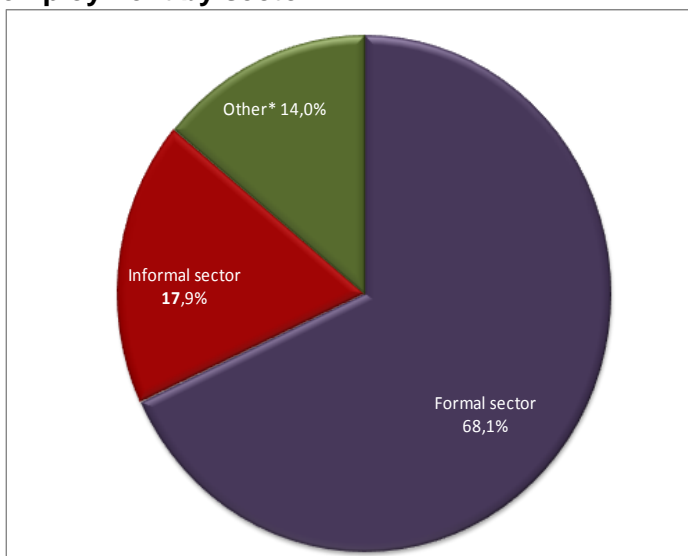


Figure 12: Distribution of those who found employment by occupation



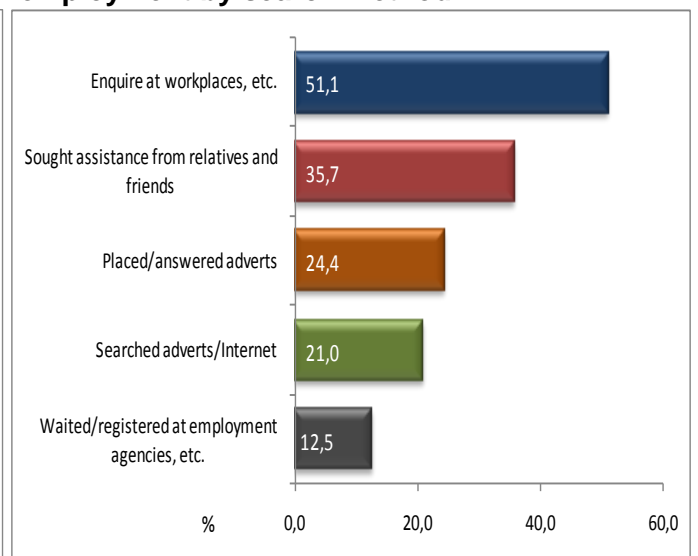
The Trade industry provided the most (25,7%) employment opportunities for those who found jobs in Q4: 2012, followed by Construction (15,6%) and Finance and other business services (15,2%). Only 0,7% of those who found employment in Q4:2012 found it in the Utilities industry. Figure12 highlights that of those who found employment, 37,5% found it in Elementary occupations. Semi-skilled occupations comprising clerks, sales and services, skilled agricultural, craft and related trades as well as plant and machine operators employed as much as 49,2% of those who found employment in Q4:2012.

Figure 13: Distribution of those who found employment by sector



Note: "Other" includes Agriculture and Private households.

Figure 14: Distribution of those who found employment by search method



Note: An individual may have engaged in multiple search methods.

Figure 13 illustrates that the formal sector accounted for 68,1% of all the jobs found in Q4: 2012, while the informal sector offered only 17,9% jobs. Similar to the national picture, the method that was mostly used for looking for work in Western Cape was to enquire at workplaces, farms and factories, or to call on other

possible employers (51,1%), while the second most frequently used method was to ask assistance from relatives or friends (35,7%) (Figure 14).

Hard facts

- The employment retention rate in the Western Cape at 95,4% was higher than the national average.
- Previous work experience plays an important role in finding employment; those with experience were more than twice as likely to get a job compared with those who had never worked before.
- The low transition rate into employment among the youth when compared to that of adults indicates the challenges that young people face in finding employment.
- Retention rates of those employed in the formal sector and of those on permanent contract duration were higher compared to the employment retention rate in the informal sector and among employees on unspecified and limited contract duration.
- Both industry and occupation employment retention rates were higher, in particular in Community and social services and Services and sales occupations.
- The unemployment transition rate into employment was higher among those who were in short-term unemployment and those who had previous work experience.
- The majority of persons who found employment in Q4:2012 in the Western Cape found it in the formal sector and in the trade industry, and were employed in Elementary occupations.
- The preferred method for looking for work in the Western Cape was to enquire at workplaces, farms, and factories, or to call on other possible employers.

Eastern Cape labour market dynamics

Q3: 2012–Q4: 2012

Eastern Cape

The Quarterly Labour Force Survey (QLFS) panel data allows for the tracking of the same individuals over a period of time. This report focuses on these matched individuals' movements into and out of employment, unemployment and inactivity. In addition, panel data provide an understanding of how an individual's labour market movements can change over time, since these are tracked between consecutive quarters. The analysis is based on the results of the QLFS conducted in the third and fourth quarters of 2012, focusing on Eastern Cape.

Retention rates

A retention rate is calculated as the percentage of individuals who remained in the same labour market status between successive quarters. Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

Table 1: Retention and transition rates by labour market status Q3: 2012 to Q4: 2012

	Employed	Unemployed	Not economically active	Total
Labour market status in Q3: 2012	Labour market status in Q4: 2012			
	Thousand			
Employed	1 167	49	73	1 289
Unemployed	39	338	145	522
Not economically active	54	108	2 039	2 201
Working-age population	1 260	495	2 258	4 012
	Retention and transition rates by labour market status in Q4: 2012			
Employed	90,5	3,8	5,7	100,0
Unemployed	7,5	64,7	27,8	100,0
Not economically active	2,4	4,9	92,6	100,0

The retention and transition rates by labour market status between the third and fourth quarters of 2012 are shown in Table 1. The employment retention rate was high at 90,5% but lower than the national employment retention rate of 93,3%. The transition rates from employment into unemployment and not economically active were 3,8% and 5,7% respectively. The unemployed were more likely to become economically inactive (27,8%) than to find jobs (7,5%), while 64,7% remained in the state of unemployment over the period. On the other hand, the transition rates from not economically active into employed and unemployed, i.e. entering the labour force, were low at 2,4% and 4,9% respectively.

Figure 1: Retention rates by labour market status

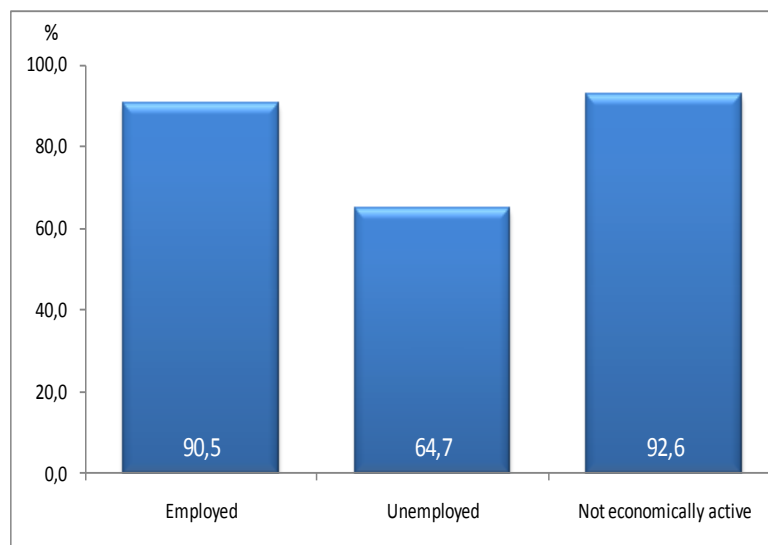


Figure 1 highlights the retention rates by labour market status. The retention rates were higher among both the not economically active (92,6%) and the employed (90,5%) and lowest among the unemployed (64,7%).

Transitions into employment

This section focuses on the transition rates among those who were not in employment in Q3:2012 (the unemployed and inactive) but who found employment in Q4:2012 by various attributes.

Figure 2: Transition into employment by various groups

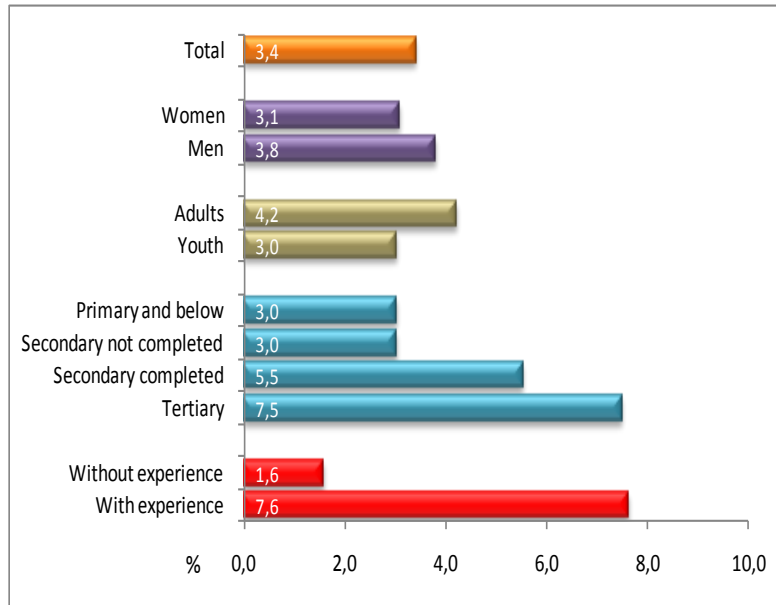


Figure 2 shows that in the Eastern Cape, 3,4% of those individuals who were not employed in Q3:2012 found employment in Q4:2012. Persons with a tertiary level of education were more likely to find jobs than those with primary and lower levels of education; 7,5% of those with tertiary level of education found employment compared to 3,0% of those with primary and lower level of education. A gender and age gap was also observed; the transition rate into employment for men (3,8%) was higher compared to that for women (3,1%). Adults were 1,4 times more likely to find employment on a quarterly basis compared to youths. Persons who had work experience (7,6%) were nearly five times more likely to find jobs compared to those without work experience (1,6%).

Changes in labour market status among those who looked for work

This section focuses solely on unemployed persons who looked for work over the quarter.

Figure 3: Unemployment retention and transition rates by duration of unemployment

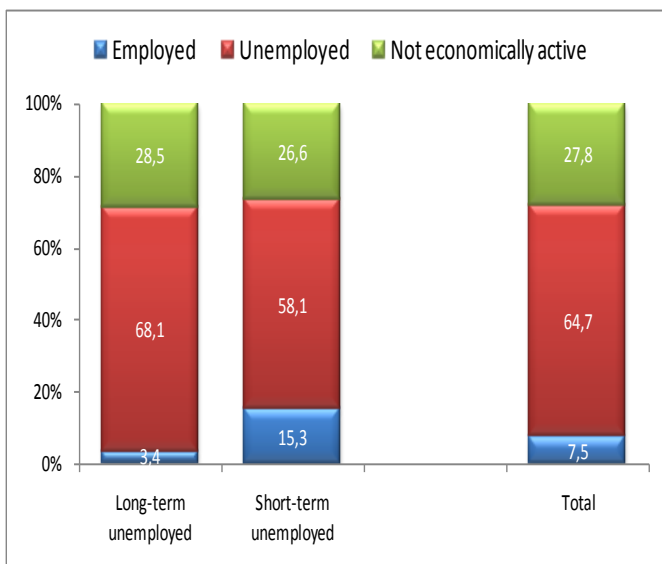
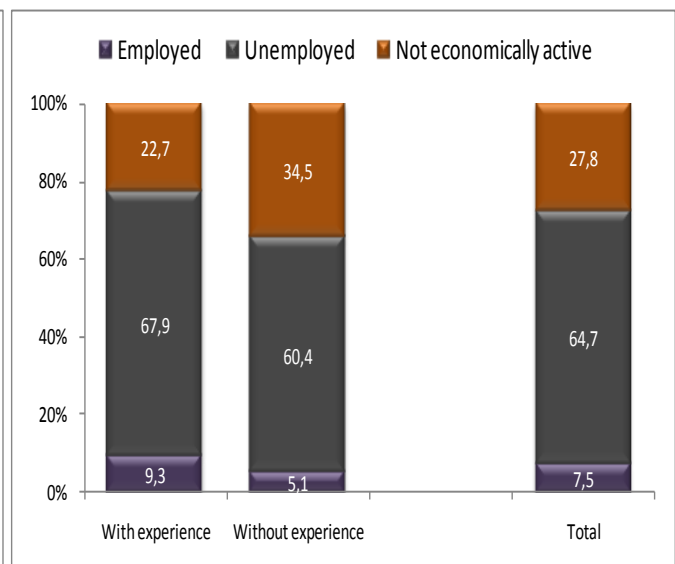


Figure 4: Unemployment retention and transition rates by work experience



Among those who were unemployed and in long-term unemployment in Q3:2012, 28,5% became inactive and 68,1% remained unemployed as shown in Figure 3. Only 3,4% of the unemployed found employment between the two quarters. The transition rate from unemployment into employment was higher for persons who were in short-term unemployment in Q3:2012 (15,3%) compared to individuals in long-term unemployment (3,4%). The short-term unemployed were also less likely to remain in unemployment (58,1%) or enter inactivity (26,6%) relative to the long-term unemployed. Figure 4 highlights that the unemployed without experience were more likely to become economically inactive than those with experience. The transition rate from unemployment to employment for persons with experience (9,3%) was higher than that for persons without experience (5,1%). The unemployment retention rate was higher among persons with work experience (67,9%) relative to those without experience (60,4%).

Selected retention and transition rates

Caution is required when making conclusions based on the industrial profile of employed persons since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

Figure 5a: Labour market retention and transition rates by industry

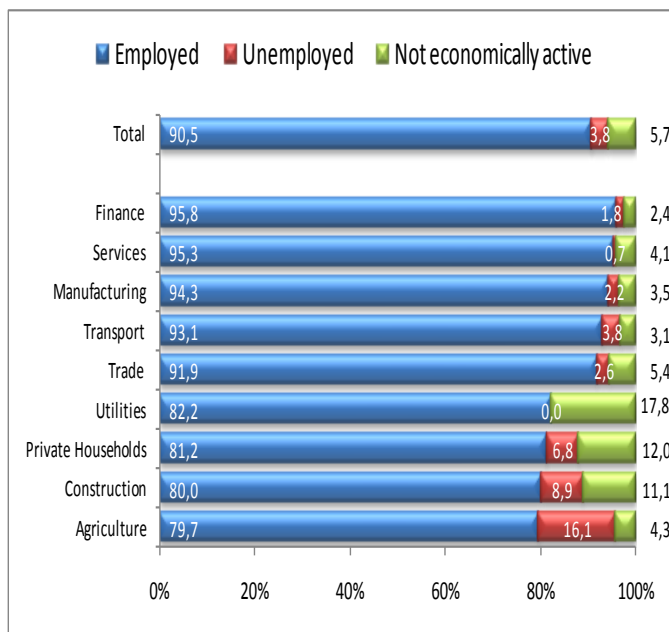
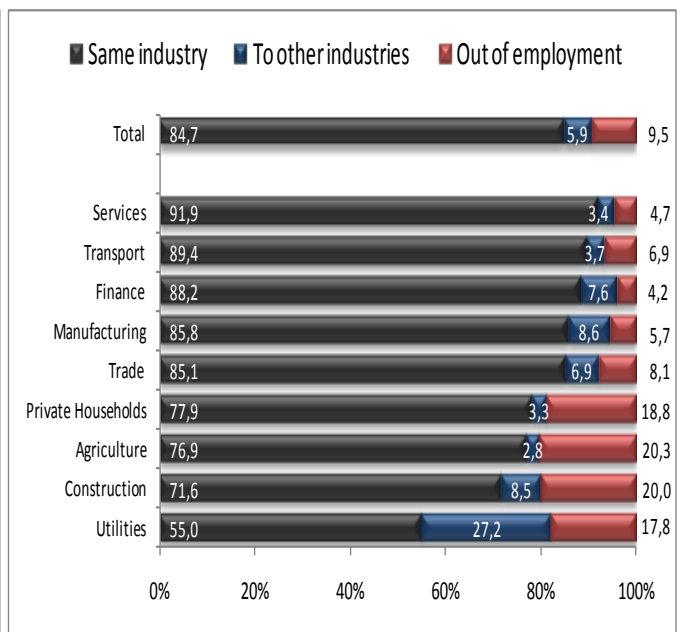


Figure 5: Industry retention and transition rates

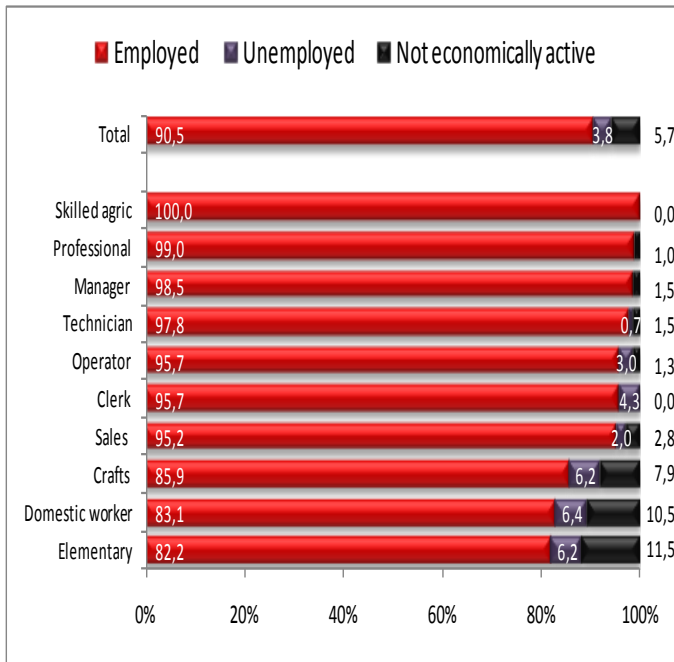


Note: Mining industry was excluded due to small sample size.

Figure 5a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same industry. Figure 5 complements Figure 5a since it identifies those who remained in the same industry and those who moved to other industries.

The overall employment retention rate was 90,5%, but reflected variation by industry ranging from 79,7% in Agriculture to 95,8% in Finance (Figure 5a). Figure 5 indicates that 84,7% of persons who were employed in Q3:2012 remained in the same industry in Q4:2012. The industry retention rate was the highest in Community and social services (91,9%) and lowest in Utilities (55,0%). Those employed in Utilities were also most likely to move to other industries (27,2%). In addition, 17,8% moved out of employment between the two quarters. Industries that were more vulnerable in terms of individuals moving out of employment between the two quarters included Agriculture (20,3%), Construction (20,0%) and Private households(18,8%).

Figure 6a: Labour market retention and transition rates by occupation



Note: Small sample sizes in Skilled agriculture.

Figure 6: Occupation retention and transition rates

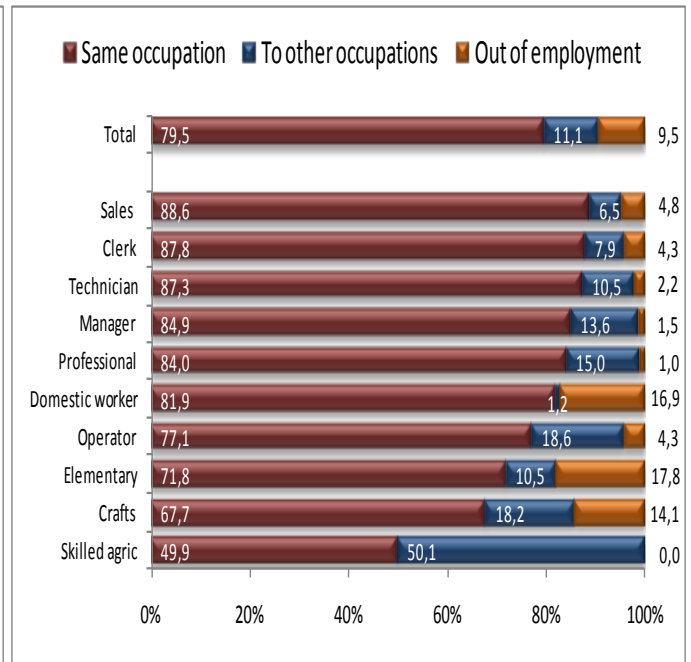


Figure 6a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same occupation. Figure 6 complements Figure 6a since it identifies those who remained in the same occupation and those who moved to other occupations.

Figure 6a indicates that all persons who were employed as skilled agricultural workers in Q3:2012 were retained in employment in the next quarter. Among those who were employed as Professionals and Managers in Q3:2012, the share of those who lost their jobs was less than 2%. The provincial occupational retention rate between Q3:2012 and Q4:2012 was 79,5% while 9,5% of those who were employed moved out of employment and 11,1% moved to other occupations. Occupation retention rates ranged from a low of 49,9% for those employed as skilled agricultural workers to a high of 88,6% for sales workers. More than half of persons who were employed as skilled agricultural workers in Q3:2012 moved to other occupations in Q4:2012. Those employed in Elementary (17,8%) and Domestic worker (16,9%) occupations were most likely to move out of employment between the two quarters.

Figure 7: Employment retention and transition rates by sector

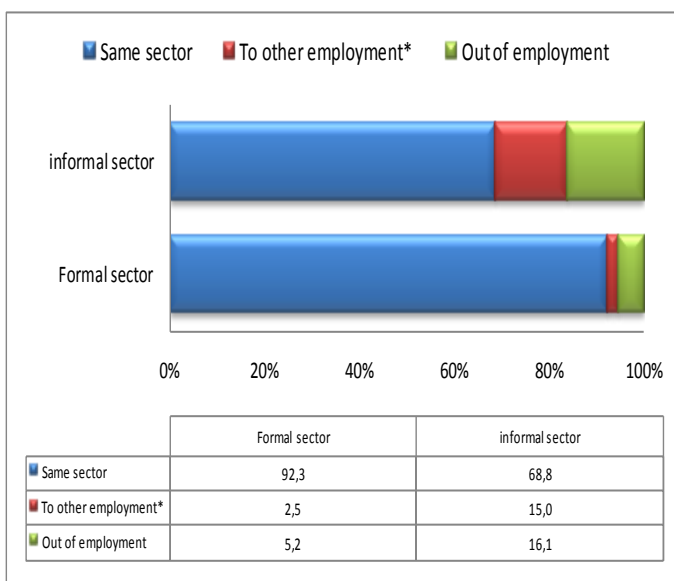
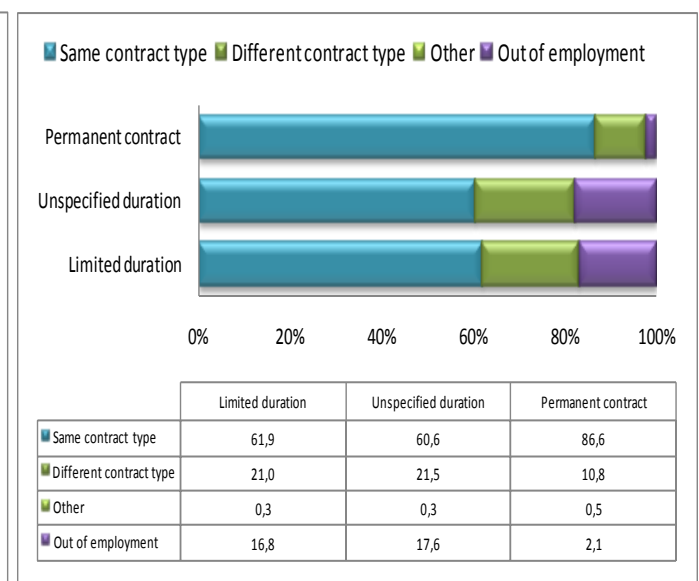


Figure 8: Employment retention and transition rates by contract type



Note: In Figure 8, "Other" includes Private households, Agriculture and the formal/informal sectors.

The retention rate was higher in the formal sector (92,3%) than in the informal sector (68,8%) as highlighted in Figure 7. Those in the informal sector were more likely to move into other employment (15,0%) as well as move out of employment (16,1%) in Q4:2012. Among those who were employed in the formal sector in Q3:2012, 2,5% moved to other employment, while 5,2% lost their jobs. Figure 8 indicates that the retention rate among employees with permanent contracts was higher (86,6%) compared to employees with limited duration (61,9%) and unspecified duration contracts (60,6%). For employees with unspecified and limited duration contracts, the transition rate was more than 20% for those who acquired a different contract type and more than 16% for those who moved out of employment. Among employees with a permanent contract, 10,8% found employment on a different contract type, while 2,1% moved out of employment.

Distribution of those who found employment

This section focuses on various distributions of those who were not in employment in Q3:2012 (the unemployed and inactive) and those who found employment in Q4:2012. Please note that the distributions analysed in this section are based on a relatively small sample (93 000, Table 1) and thus results should be interpreted with caution.

Figure 9: Distribution of those who found employment by status in employment

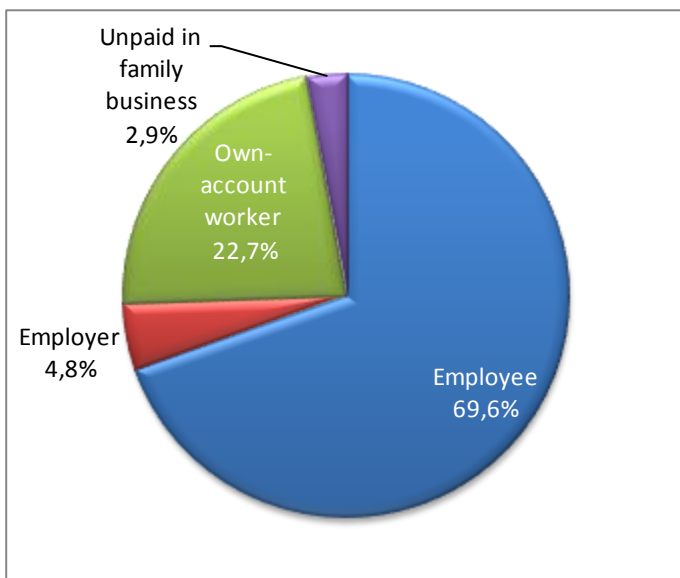


Figure 10: Distribution of those who found employment by size of firm

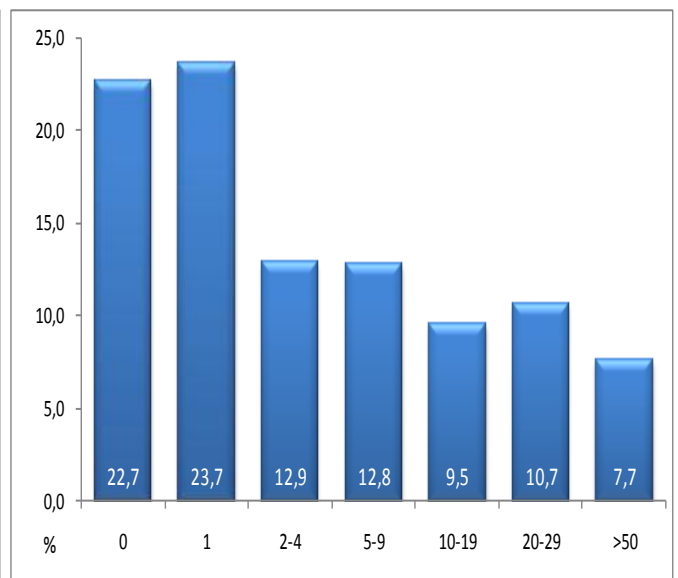


Figure 9 and Figure 10 highlight interesting patterns in the distribution of persons who were not employed in Q3:2012, but found employment in Q4: 2012 as follows:

- 69,6% found employment as employees while 22,7% became own-account workers. About 4,8% were employers in Q4: 2012 while only 2,9% were employed in an unpaid family business.
- Figure 10 shows that in the Eastern Cape, small firms created more jobs than bigger firms in Q4: 2012.
- 72,1% of those who found jobs, were employed in firms with fewer than 10 employees. This finding is higher than the national distribution, where more than half (50,7%) of those who found employment nationally found it in a firm with fewer than 10 employees. Firms with more than 50 employees employed about 7,7% of people who were either unemployed or not economically active in Q3: 2012.

Figure 11: Distribution of those who found employment by industry

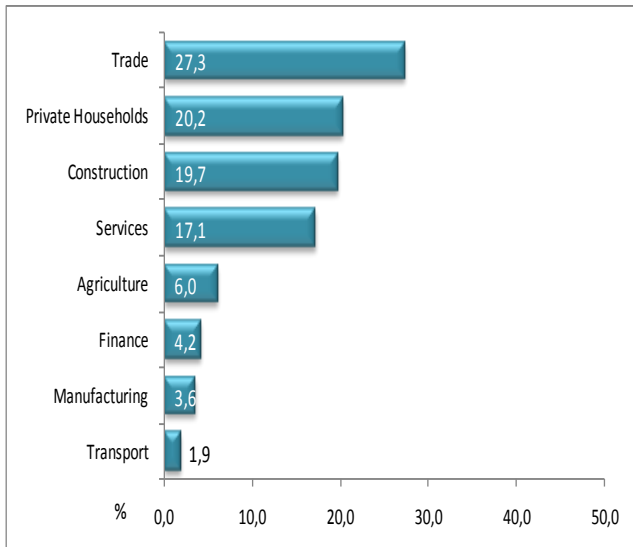
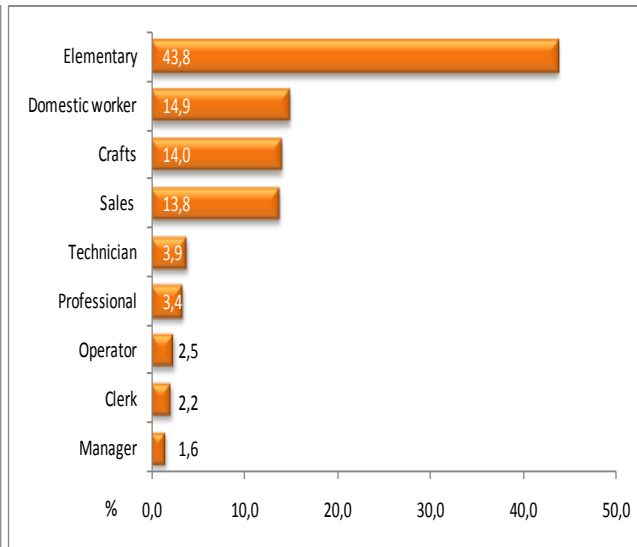


Figure 12: Distribution of those who found employment by occupation



Note: Caution is required when making conclusions based on the industrial profile of employed persons since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

Figures 11 and 12 indicate the distribution of those who found employment by industry and occupation. The Trade industry provided the most employment opportunities: 27,3% of those who found jobs in Q4: 2012 found employment in Trade followed by Private households (20,2%). The smallest shares were observed in Transport (1,9%), followed by Manufacturing (3,6%) and Finance (4,2%). About 43,8% of those who found employment in Q4: 2012 were employed as elementary workers (Figure 12), while the remainder of occupations had shares of less than 15%.

Figure 13: Distribution of those who found employment by sector

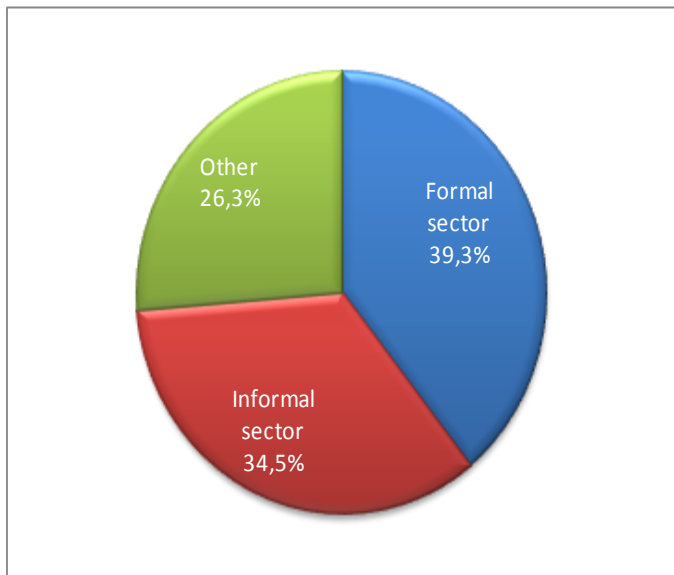
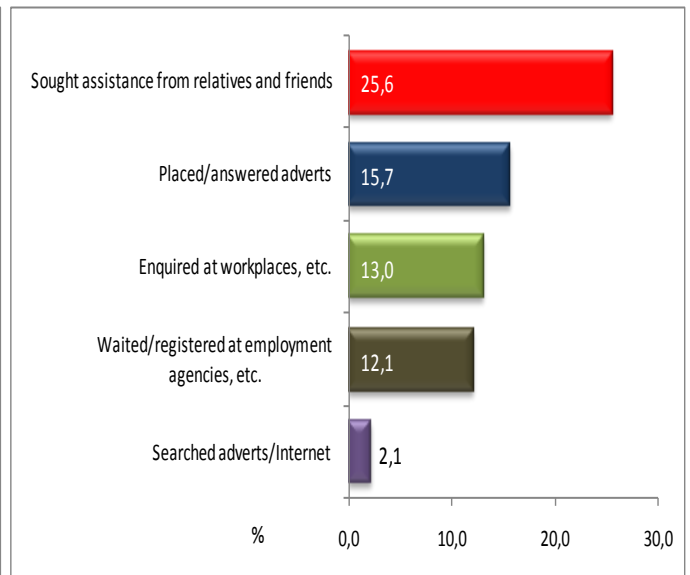


Figure 14: Distribution of those who found employment by search method



Note: "Other" includes Agriculture and Private households. Note: An individual may have engaged in multiple search methods.

About 39,3% of people who were not employed in Q3: 2012 found employment in the formal sector; a finding in contrast to the national picture where close to 50% of people found employment in the formal sector. A total of 34,5% people were employed in the informal sector and 26,3% in other sectors (Figure 13). Figure 14 shows that seeking assistance from relatives and friends was the most utilised method for finding employment, while enquiring at workplaces (the most utilised strategy nationally) was used by only 13,0% of those who found employment in the province. Searching the Internet and adverts was the least utilised method of looking for work in the Eastern Cape.

Hard facts

- More than half of all persons who were employed as skilled agricultural workers in Q3: 2012 moved to another occupation in Q4: 2012.
- Employees with a permanent contract were more likely to be retained in employment compared to those with other contract types.
- Small firms created more jobs than bigger firms in the Eastern Cape over the quarter.
- Seeking assistance from relatives and friends was the most utilised method of finding employment in the province.
- The Trade industry provided the most employment opportunities in Q4: 2013 compared to other industries.

Northern Cape labour market dynamics

Q3: 2012–Q4: 2012

Northern Cape

The degree of job losses and job gains is usually measured through analysing net changes whereby differences in the levels of employment and unemployment between two periods are analysed after individuals may have changed labour market status. However, it is important to understand the movements into and out of the three labour market states (employment, unemployment and economic inactivity) by tracking the same individuals over time, thus facilitating the investigation of changes in the movements into and out of the various labour market states. Based on panel data collected by the QLFS, the analysis in this report allows us to achieve this.

Retention rates

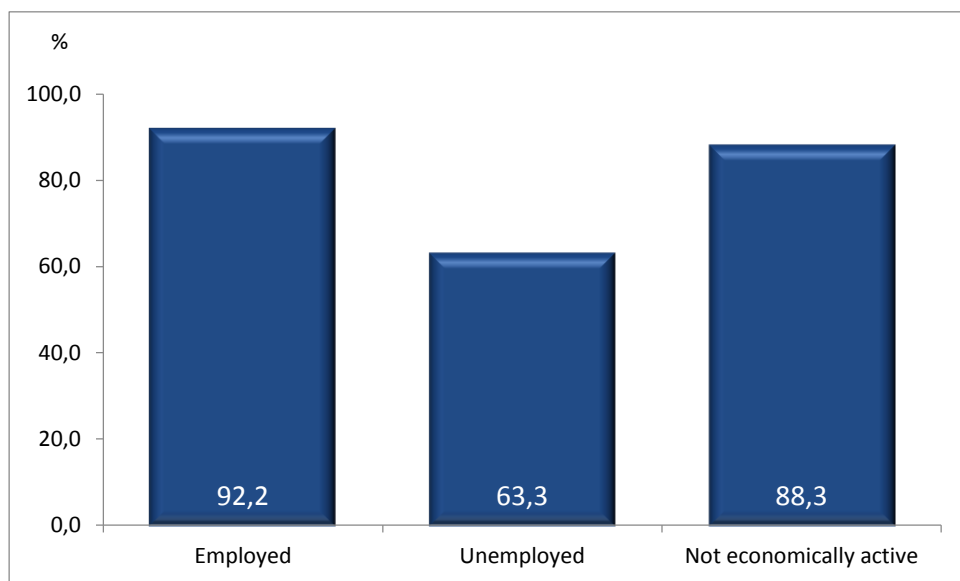
A retention rate is calculated as the percentage of individuals who remained in the same labour market status between successive quarters.

Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

Table 1: Retention and transition rates by labour market status, Q3: 2012 to Q4: 2012

	Employed	Unemployed	Not economically active	Total
Labour market status in Q3: 2012	Labour market status in Q4: 2012			
	Thousand			
Employed	276	10	14	299
Unemployed	16	79	30	126
Not economically active	12	25	278	314
Working-age population	304	114	321	739
	Retention and transition rates by labour market status in Q4: 2012			
Employed	92,2	3,3	4,5	100,0
Unemployed	12,9	63,3	23,8	100,0
Not economically active	3,9	7,8	88,3	100,0

Figure 1: Retention rates by labour market status

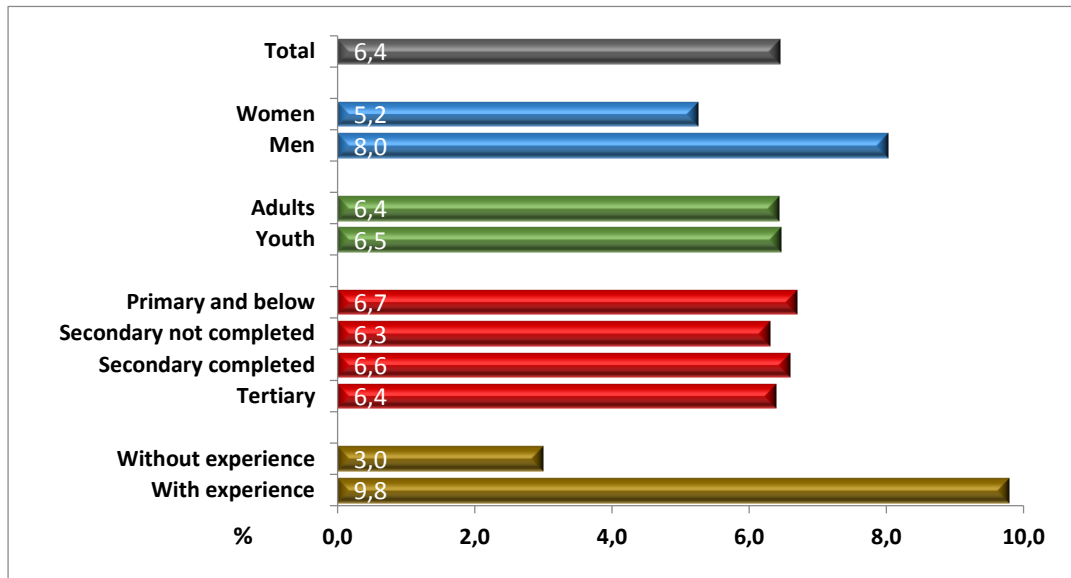


The province had a higher employment retention rate (92,2%) between Q3:2012 and Q4:2012 compared to the not economically active (NEA) and the unemployed retention rates (88,3% and 63,3% respectively). Table 1 shows that transition into employment occurred at a higher rate among those who were unemployed (12,9%) than among those who were NEA (3,9%). Individuals who transitioned from employment between Q3:2012 and Q4:2012 were more likely to be not economically active than unemployed (4,5% as opposed to 3,3%).

Transitions into employment

This section focuses on the transition rates by various attributes among those who were not in employment in Q3:2012 (the unemployed and inactive) but who found employment in Q4:2012.

Figure 2: Transition into employment by various groups



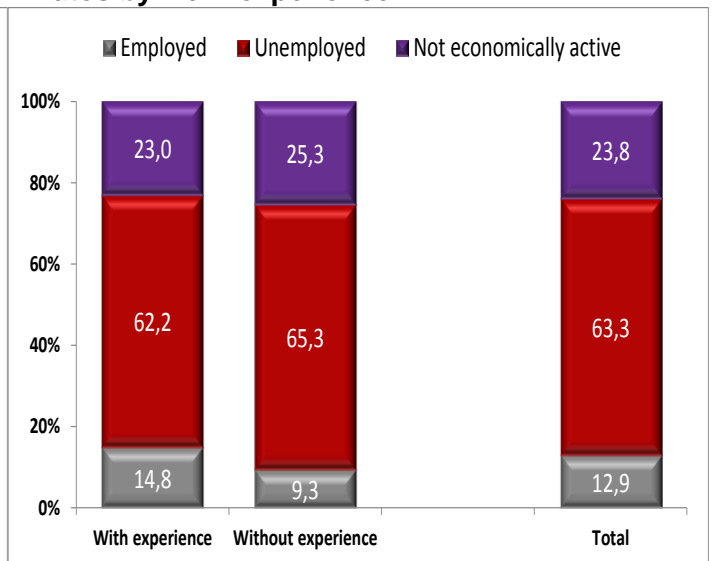
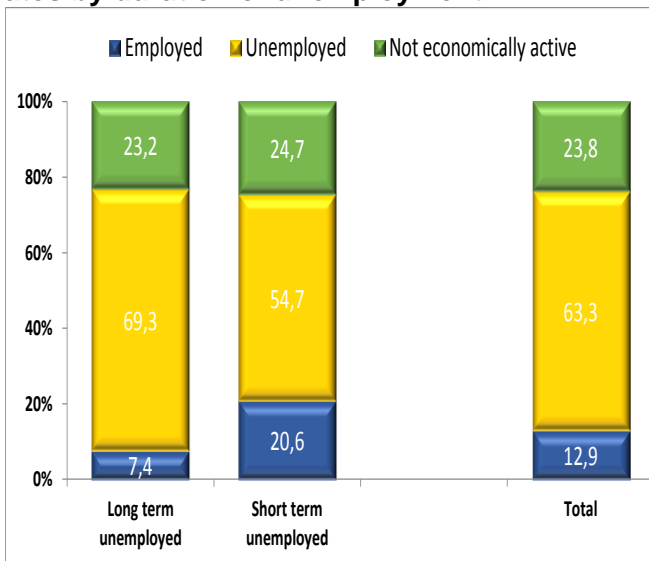
Between Q3:2012 and Q4:2012, the rates of transition were almost equal for people in each education category as well as between adults and youth. Figure 2 shows that in the Northern Cape, education and age group are equally important factors in determining the transition into employment. The rate of transition is higher among men than among women and among those with experience (those who worked before) compared to those who never worked before.

Changes in labour market status among those who looked for work

This section focuses solely on unemployed persons who looked for work over the quarter.

Figure 3: Unemployment retention and transition rates by duration of unemployment

Figure 4: Unemployment retention and transition rates by work experience



On average, almost two in every three people (63,3%) who were unemployed in Q3:2012 remained unemployed in Q4:2012; only 12,9% found employment and 23,8% transitioned into economic inactivity. Figure 3 suggests that individuals who were unemployed for a longer duration had higher probabilities of remaining unemployed, while those who were unemployed for a shorter duration were more likely to transition into employment. Figure 4 outlines the importance of work experience in the labour market-

14,8% of the unemployed with work experience found employment in Q4:2012, compared to only 9,3% of the unemployed without work experience.

Selected retention and transition rates

Caution is required when making conclusions based on the industrial profile of employed persons since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

Figure 5a: Industry retention and transition rates by labour market status

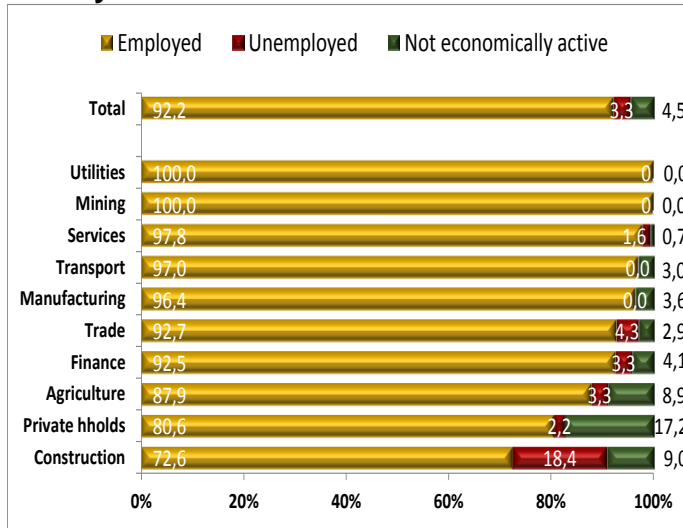
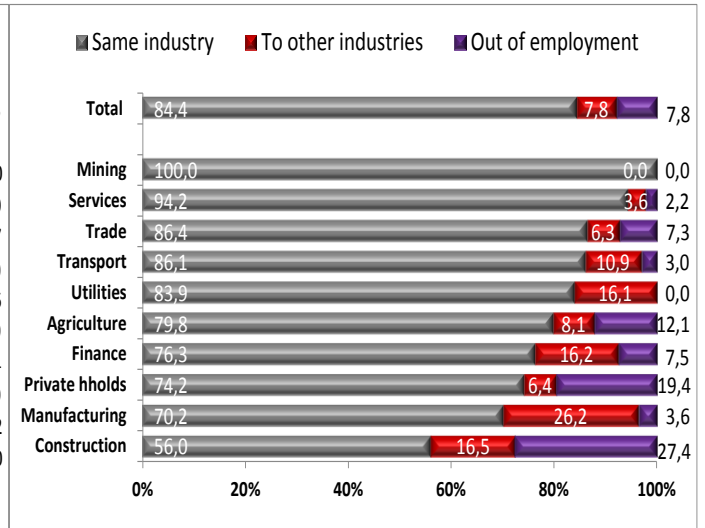


Figure 5: Industry retention and transition rates



Note: Mining and Utilities samples were too small for reliable analysis.

Figure 5a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same industry. Figure 5 complements Figure 5a since it identifies those who remained in the same industry and those who moved to other industries.

On average, nine out of every ten (92,2%) people who were employed in Q3:2012 were also employed in Q4:2012 (retained their jobs), while the remaining 7,8% moved out of employment – 3,3% became unemployed and 4,5% moved out of the labour force (not economically active). Individuals who were employed in the Mining industry were less likely to change jobs, while those employed in the Manufacturing industry changed jobs at the highest rate. Those who worked in the Construction and Private households industries were more likely to move out of employment than those in other industries (27,4% and 19,4% respectively).

Figure 6a: Occupation retention and transition rates by labour market status

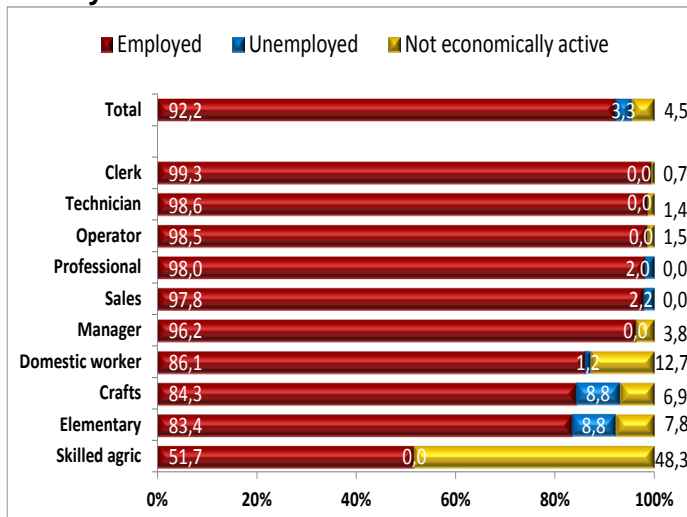


Figure 6: Occupation retention and transition rates

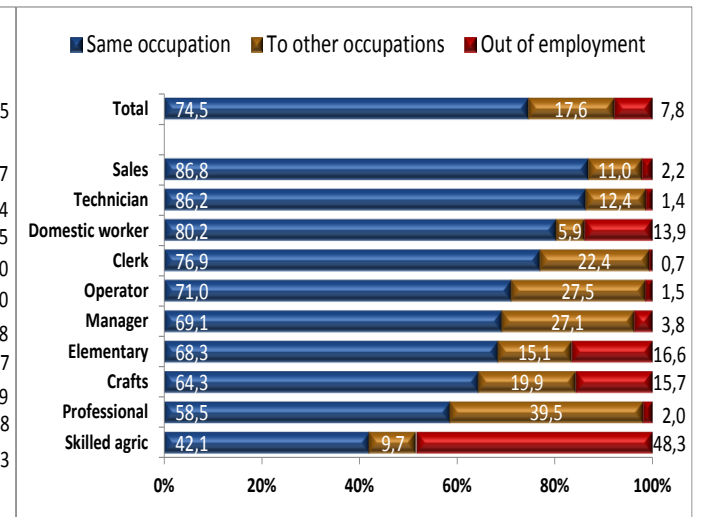


Figure 6a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same occupation. Figure 6 complements Figure 6a since it identifies those who remained in the same occupation and those who moved to other occupations.

Figures 6a and 6 show that, in total, 92,2% of individuals were employed in both quarters, while 7,8% were out of employment in Q4:2012(3,3% unemployed and 4,5% NEA). Among the 92,2% who retained their jobs, 74,5% remained in the same occupation while 17,6% moved to other occupations. Sales and Technician occupations had the highest retention rate (86,8% and 86,2 respectively), while the lowest retention rate (42,1%) was observed among those in Skilled agriculture occupations.

Figure 7: Employment retention and transition rates by sector

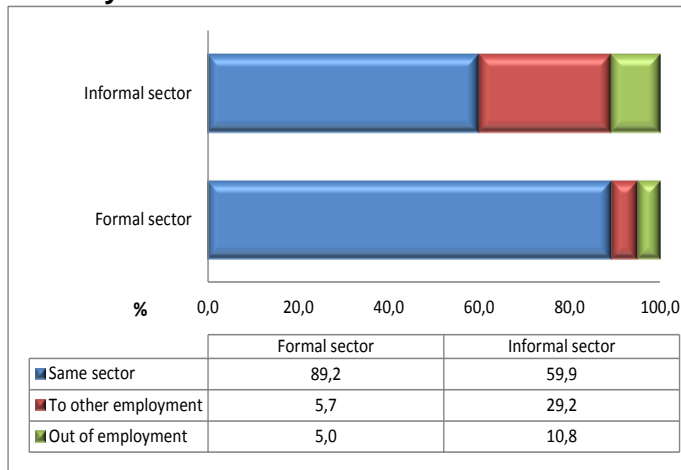


Figure 8: Employment retention and transition rates by contract type

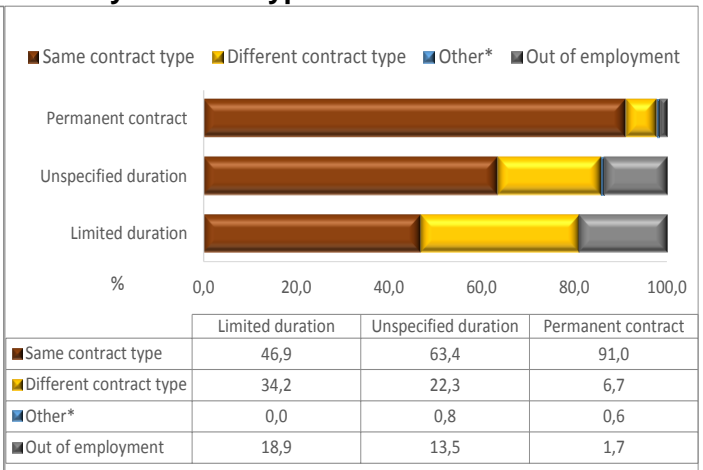


Figure 7 shows that those who remained in the same sector are relatively large in both the formal (89,2%) and informal (59,9%) sectors. In the informal sector people were twice more likely to move out of employment altogether rather than into either Agriculture, Private households or the formal sector. The percentage of those who transitioned from informal sector to other employment is about five times the percentage of those who transitioned from formal sector to other employment. Figure 8 shows that among those who had permanent contracts, 91,0% remained on the same contract the following quarter, 6,7% had a different contract type while 1,7% moved out of employment.

Distribution of those who found employment

This section focuses on the various distributions of those who were not in employment in Q3:2012 (the unemployed and inactive) and who found employment in Q4:2012. Please note the distributions analysed in this section are based on a relatively small sample (28 000, Table 1) and thus results should be interpreted with caution.

Figure 9: Distribution of those who found employment by status in employment

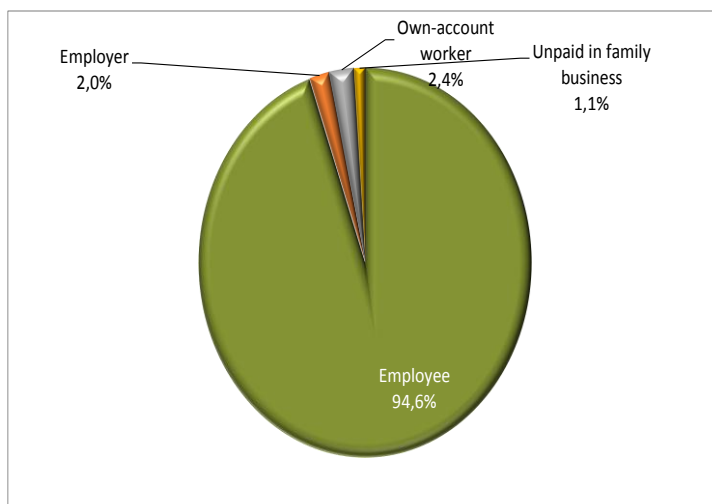


Figure 10: Distribution of those who found employment by size of firm

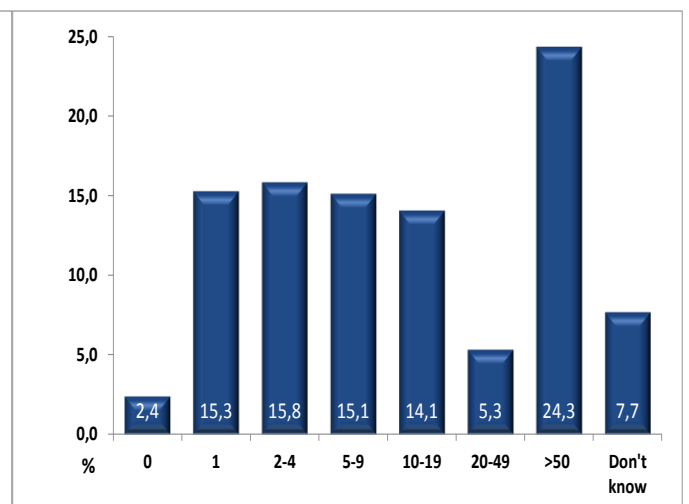


Figure 9 indicates that most individuals who found employment in Q4:2012 were employees (94,6%), while 2,4% were own-account workers, 2,0% employers and 1,1% worked unpaid in a family business. Figure 10 shows that one in every two (48,6%) of those who found employment were employed by small firms (firms with fewer than 10 employees). Large firms which employed 50 or more workers absorbed only 24,3% of workers in Q4:2012.

Figure 11: Distribution of those who found employment by industry

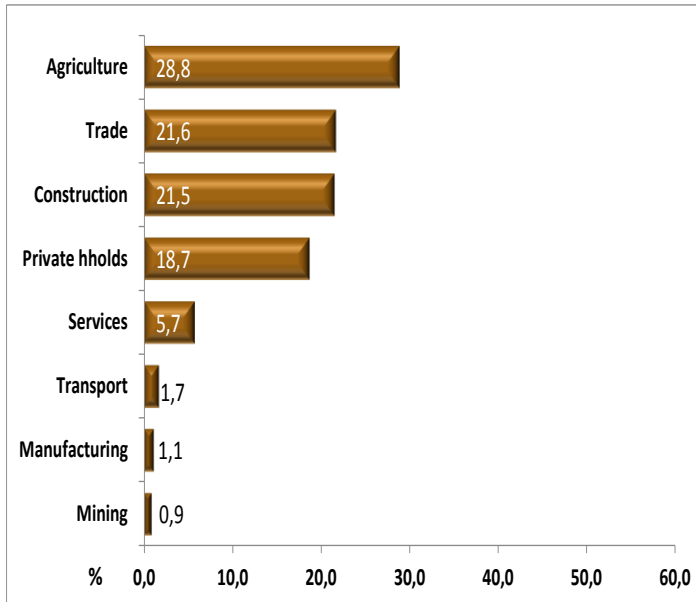


Figure 12: Distribution of those who found employment by occupation

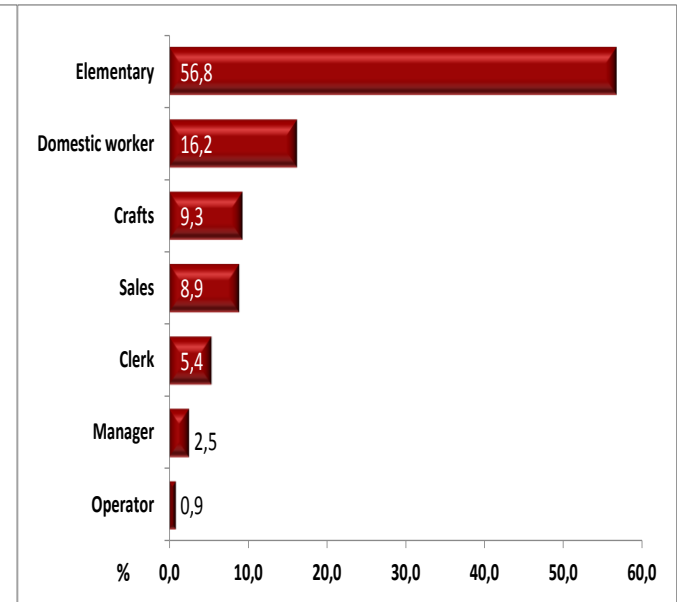


Figure 11 shows that Agriculture, Trade, Construction and Private households had the highest proportions of new jobs in Q4:2012 (28,8%,21,6% and 21,5% respectively). Figure 12 shows that among those who found employment, 56,8% obtained jobs in Elementary occupations, 16,2% found jobs as Domestic workers and 9,3% found jobs as craft and related trade workers.

Figure 13: Distribution of those who found employment by sector

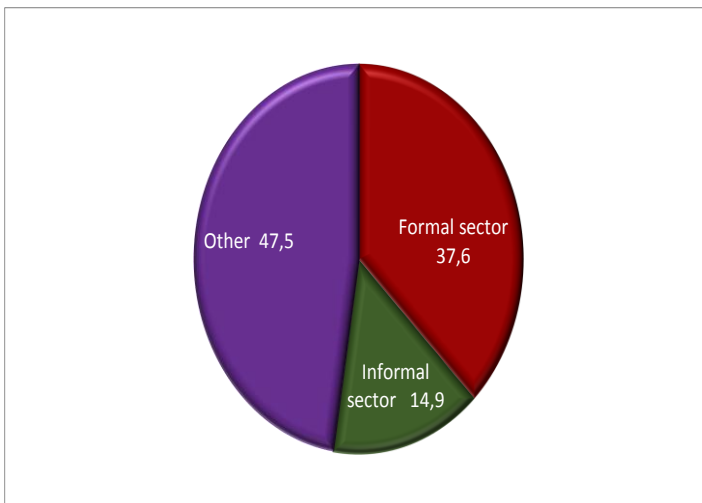


Figure 14: Distribution of those who found employment by search method

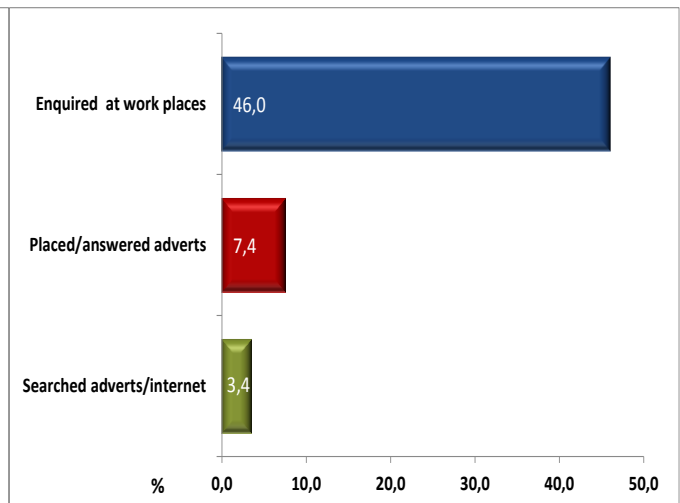


Figure 13 shows that among those who found employment in Q4:2012, 47,5% were employed in either Agriculture or Private households, while 37,6% found jobs in the formal sector and 14,9% in the informal sector. Figure 14 indicates that enquiring at work places was the most common job search method. High job-search costs often limit individuals to specific job-search methods; the lack of both education and access to infrastructure such as the internet may also limit job-search patterns.

Hard facts

- The employment retention rate in Northern Cape (92,1%) between Q3:2012 and Q4:2012 was higher than the retention rate among the not economically active (NEA) and the unemployed (88,2% and 63,5% respectively).
- Transition into employment was the highest among those actively looking for employment (the unemployed) compared to the not economically active.
- The white population group had the highest employment retention rate (98,7%) between Q3:2012 and Q4:2012, followed by the black African and coloured population groups at 94,8% and 86,7% respectively.
- Transition to employment varies greatly among men and women, those with experience and those without; the rate of transition was similar for all levels of education and between adults and youth.
- Individuals who were unemployed for a longer duration had higher probabilities of remaining unemployed, while those who were unemployed for a shorter duration were more likely to transit into employment.
- Job losses were mostly observed in the Construction and Private households industries.
- Professionals were less likely to stay in the same occupation, with 39,9% of them transitioning to other occupations in Q4: 2012.
- Among those who had permanent contracts, 94,1% remained on the same contract the following quarter, 4,0% had a different contract type while 1,7% moved out of employment.
- Between Q3:2012 and Q4:2012, employment creation was observed in higher proportions in small firms, while large firms (those with more than 50 employees) absorbed only 24,7% of workers.
- Between Q3:2012 and Q4:2012, the Mining and Manufacturing industries struggled to create jobs, while the main drivers of employment in the province were the Agriculture, Trade, and Construction industries.
- The search methods indicated that the majority of people who were looking for work enquired at work places.

Free State labour market dynamics

Q3: 2012–Q4: 2012

Free State

Panel data (also called longitudinal or cross-sectional time series data) allow the same individuals to be observed in multiple time points. This report analysed the changes in the labour market status of individuals aged 15–64 years in Free State between Q3:2012 and Q4:2012.

Retention rates

A retention rate is calculated as the percentage of individuals who remained in the same labour market status between successive quarters. Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

Table 1: Retention and transition rates by labour market status Q3: 2012 to Q4: 2012

Labour market status in Q3:2012	Employed	Unemployed	Not economically active	Total
	Labour market status in Q4:2012			
Employed	669	33	28	730
Unemployed	39	241	57	338
Not economically active	18	62	684	764
Working age population	726	336	770	1 832
Retention and transition rates by labour market status in Q4:2012				
Employed	91,6	4,5	3,8	100,0
Unemployed	11,5	71,5	17,0	100,0
Not economically active	2,3	8,1	89,6	100,0

Table 1 shows that the employment retention rate in Free State was 91,6% between Q3: 2012 to Q4: 2012, and the transition rate from employment into unemployment and inactivity was 4,5% and 3,8% respectively. The unemployed retention rate was 71,5% over the same period, and 17,0% moved out of unemployment and into inactivity while only 11,5% found jobs. The retention rate of the not economically active population was 89,6%, while 8,1% moved into unemployment compared to 2,3% who moved into employment.

Figure 1: Retention rates by labour market status

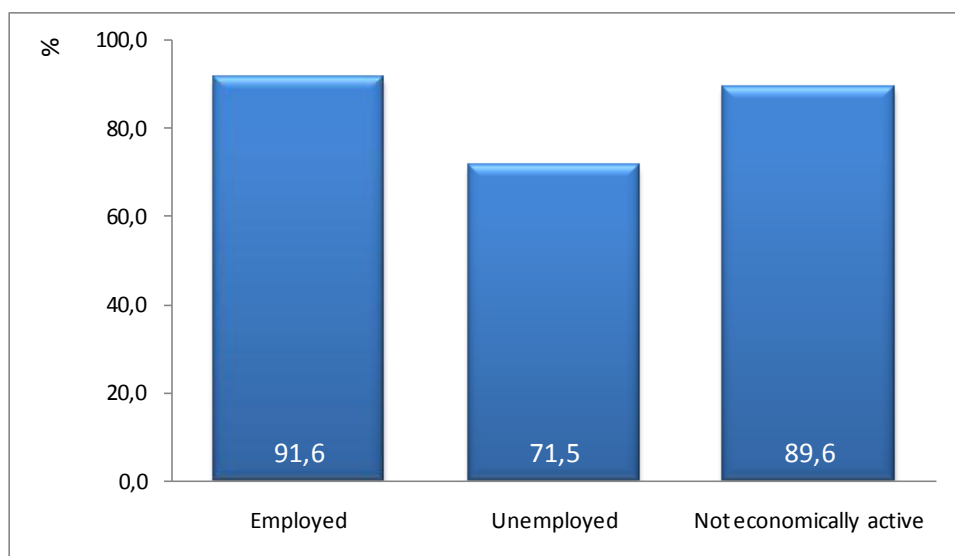


Figure 1 shows that retention rates in Free State were highest among the employed (91,6%) and the not economically active (89,6%), and lowest among the unemployed (71,5%).

Transitions into employment among those who are not in employment

This section focuses on the transition rates among those who were not in employment in Q3: 2012 (the unemployed and inactive) but who found employment in Q4:2012 by various attributes.

Figure 2: Transition into employment by various groups

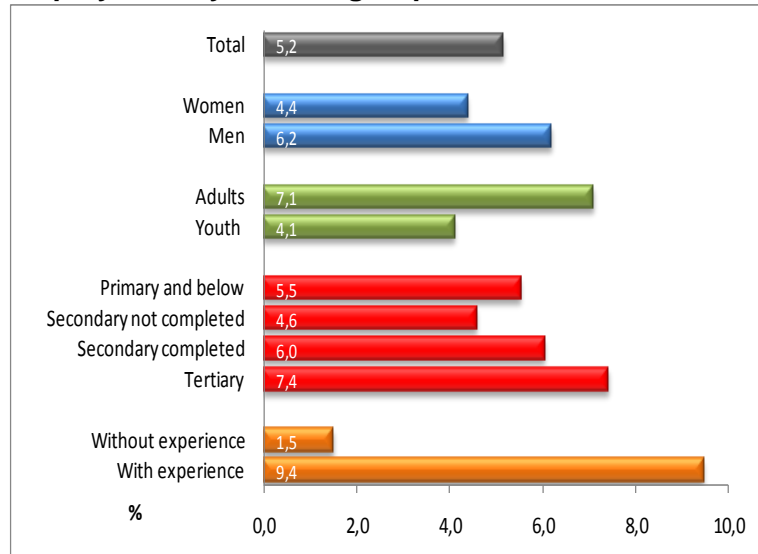


Figure 2 shows that amongst the people who did not have jobs in Q3:2012, only 5,2% found employment in the next quarter. Higher percentages of men (6,2%) than women (4,4%) found employment. A lower transition rate into employment among the youth (4,1%) compared with adults (7,1%) was also observed. In terms of education, those with a higher level of education were more likely to find jobs compared with those in the lower-level education categories. In addition, people without work experience were almost six times less likely to get a job compared with those with work experience.

Changes in labour market status among those who looked for work

This section focuses solely on unemployed persons who looked for work over the quarter.

Figure 3: Unemployment retention and transition rates by duration of unemployment

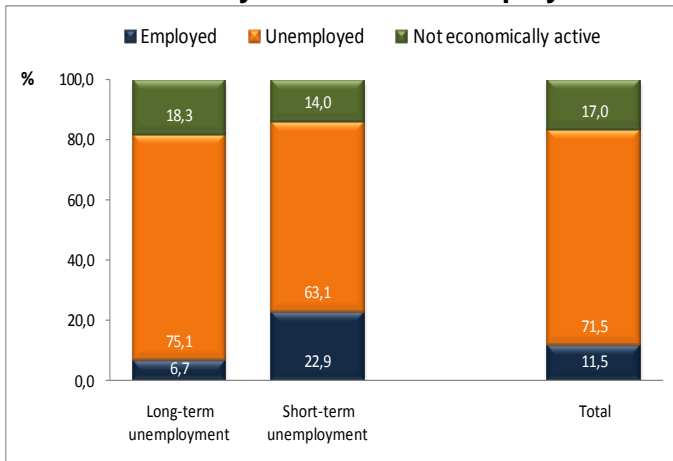
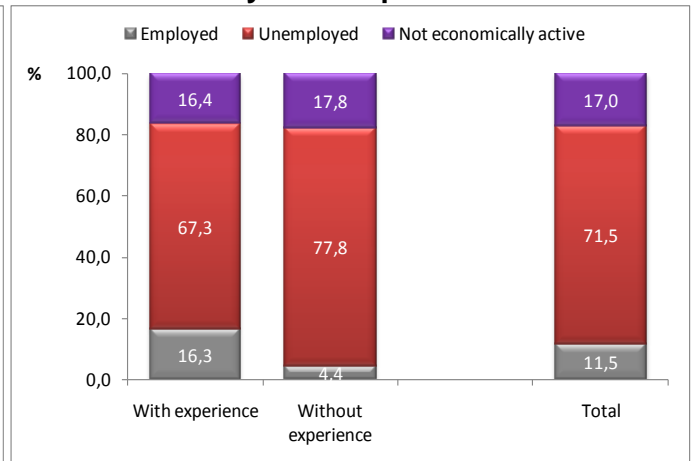


Figure 4: Unemployment retention and transition rates by work experience



As discussed earlier, 71,5% of unemployed persons who looked for work in Q3: 2012 remained without a job in Q4: 2012. However, Figure 3 shows that the rate was somewhat higher among those in long-term unemployment (75,1%) compared with those in short-term unemployment (63,1%). The transition rate into employment among people in short-term unemployment (22,9%) was more than three times that of those in long-term unemployment (6,7%). Figure 4 shows that the unemployment retention rate was higher for those without work experience (77,8%) than for those with experience (67,3%), and the chances of finding employment were also higher among those with experience (16,3%) compared to those without such experience (4,4%).

Selected retention and transition rates

Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

Figure 5a: Industry retention and transition rates by labour market status

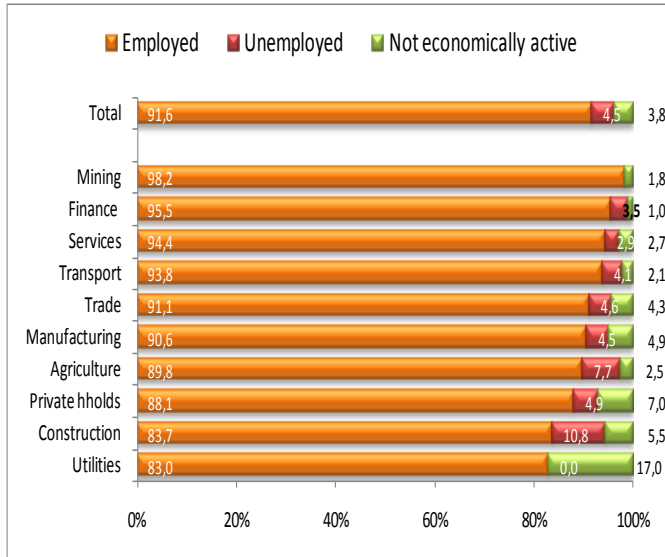


Figure 5: Industry retention and transition rates

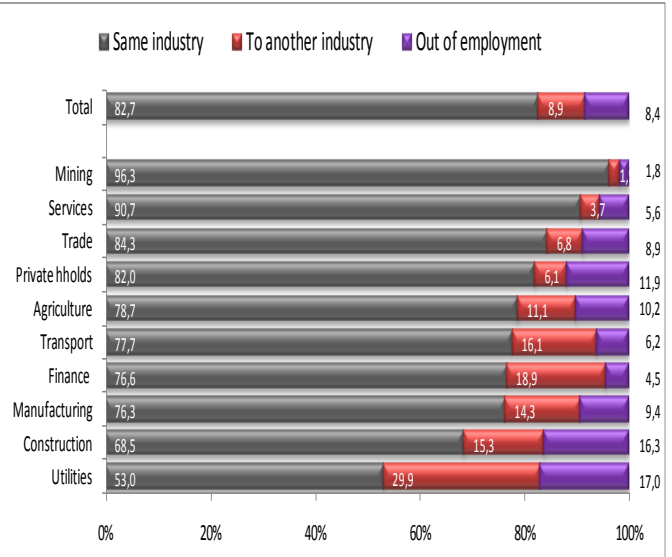


Figure 5a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same industry. Figure 5 complements Figure 5a since it identifies those who remained in the same industry and those who moved to other industries.

Figure 5a shows that the employment retention rates in Free State were higher for all industries, with Mining at 98,2% as the highest and Utilities at 83,0% as the lowest. Between Q3: 2012 and Q4: 2012, nine out of every ten employed persons (91,6%) remained employed, but only 82,7% remained in the same industry; 8,9% moved to another industry while 8,4% moved out of employment. Differences in industry retention rates were large, ranging from 53,0% among those employed in Utilities to 96,3% among those employed in Mining. Utilities (17,0%) and Construction (16,3%) had the highest transition rates out of employment, while workers in the Utilities industry (29,9%) were more likely than other groups to move to another industry.

Figure 6a: Occupation retention and transition rates by labour market status

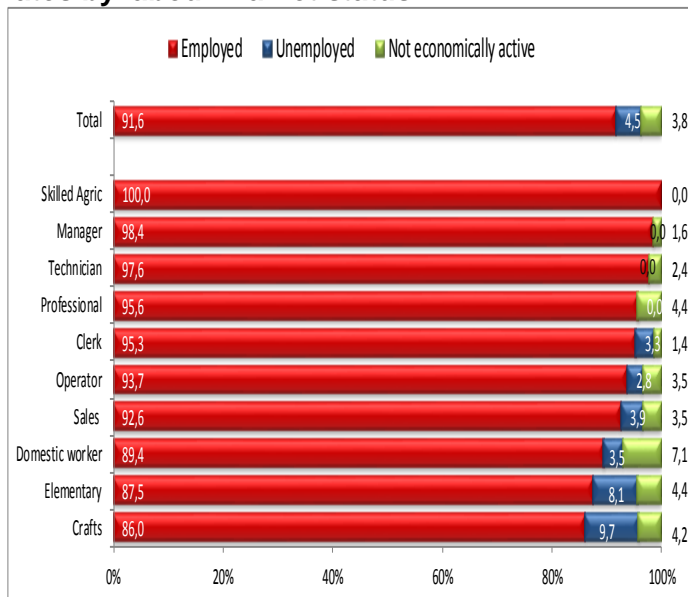


Figure 6: Occupation retention and transition rates

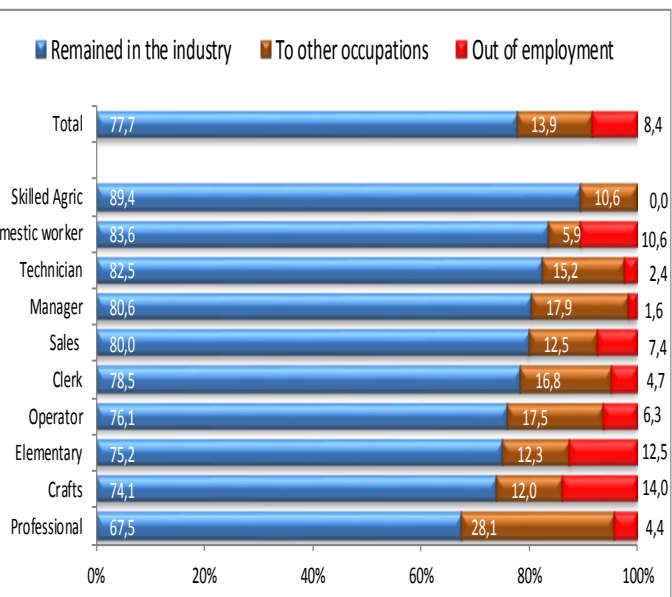


Figure 6a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same occupation. Figure 6 complements Figure 6a since it identifies those who remained in the same occupation and those who moved to other occupations.

Figure 6a shows that the employment retention rates in Free State were high for all occupations, with Skilled agriculture at 100,0% as the highest and Crafts at 86,0% as the lowest. Three out of every four employed persons (77,7%) remained in the same occupation between Q3: 2012 and Q4: 2012, and 13,9% moved to another occupation while 8,4% moved out of employment. Differences in occupation retention rates were large, ranging from 67,5% among those employed as Professionals to 89,4% among those employed as Skilled agriculture workers. Crafts (14,0%) and Elementary (12,5%) occupations had the highest transition rates out of employment, while Professional workers (28,1%) were more likely than other groups to move to another occupation.

Figure 7: Employment retention and transition rates by sector

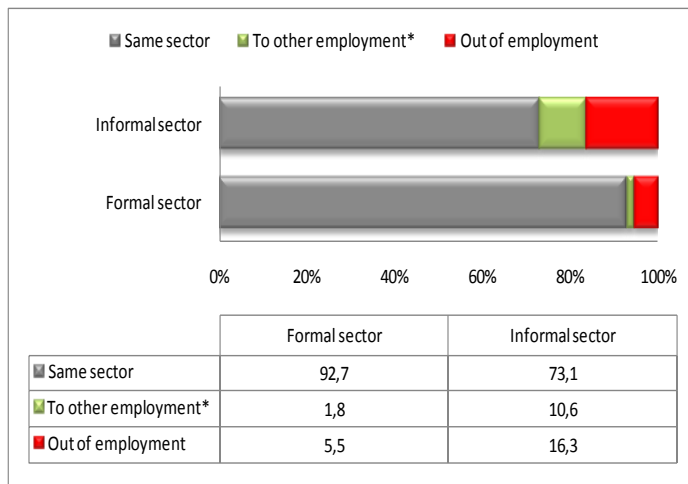
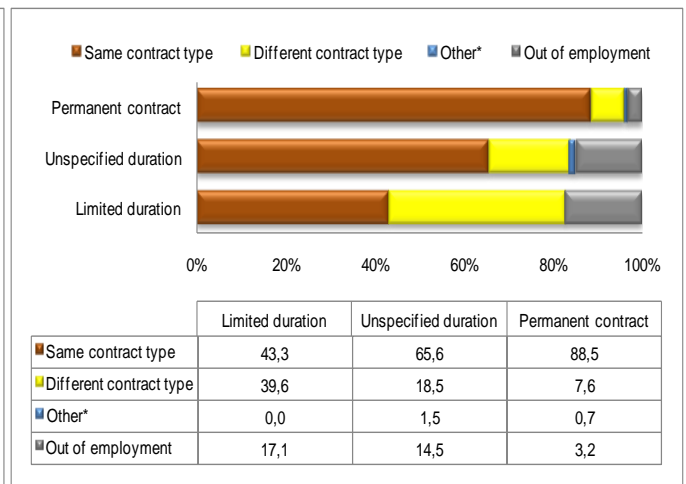


Figure 8: Employment retention and transition rates by contract type



Note: In Figure 8, "Other employment" refers to Agriculture, Private households and the formal/informal sectors.

Figure 7 shows that people employed in the formal sector were more likely to keep their jobs than those employed in the informal sector. In Free State, 92,7% of people who were employed in the formal sector in Q3: 2012 remained in that sector in the subsequent quarter, and only 1,8% moved to other employment while 5,5% moved out of employment. The informal sector retention rate was 73,1%, and 10,6% moved to other employment while 16,3% moved out of employment. The retention rate among employees with a permanent contract was substantially higher at 88,5% than among employees with contracts of a limited duration (43,3%) or among those with contracts of an unspecified duration (65,6%). Figure 8 also shows that 39,6% of employees who had contracts of a limited duration in Q3: 2012 changed their contractual arrangements in Q4: 2012.

Distribution of those who found employment

This section focuses on the various distributions of those who were not in employment in Q3:2012 (the unemployed and inactive) and who found employment in Q4:2012. Please note that the distributions analysed in this section are based on a relatively small sample (58 000, Table 1) and thus results should be interpreted with caution.

Figure 9: Distribution of those who found employment by status in employment

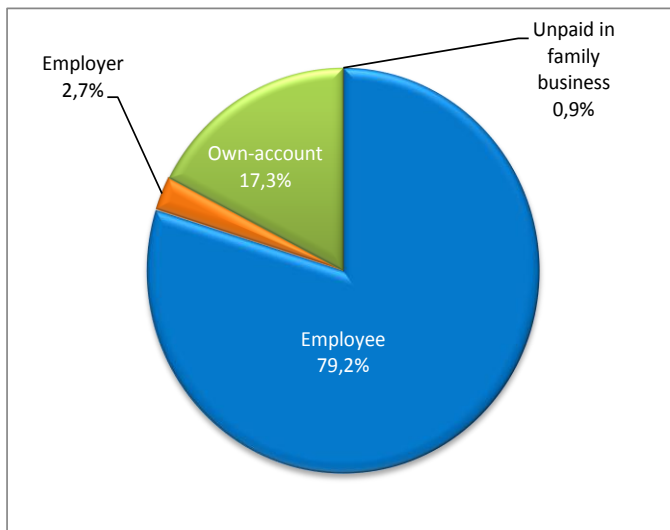


Figure 10: Distribution of those who found employment by size of firm

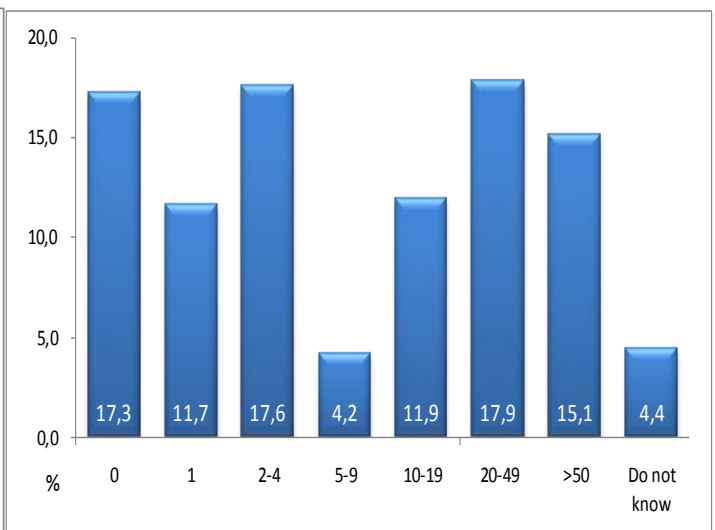


Figure 9 shows that among those persons who had been without work in Q3: 2012, 79,2% found employment in Q4: 2012 as employees, 17,3% became own-account workers, 2,7% became employers and the remainder (0,9%) helped unpaid in a family business. In this province more than a fifth of persons who became employed either worked on their own or became employers. Figure 10 shows that small firms create jobs. More than half (50,8%) of those who found employment did so in firms that employed fewer than 10 workers. About 15,1% of those who found jobs did so in large firms that employed more than 50 workers.

Figure 11: Distribution of those who found employment by industry

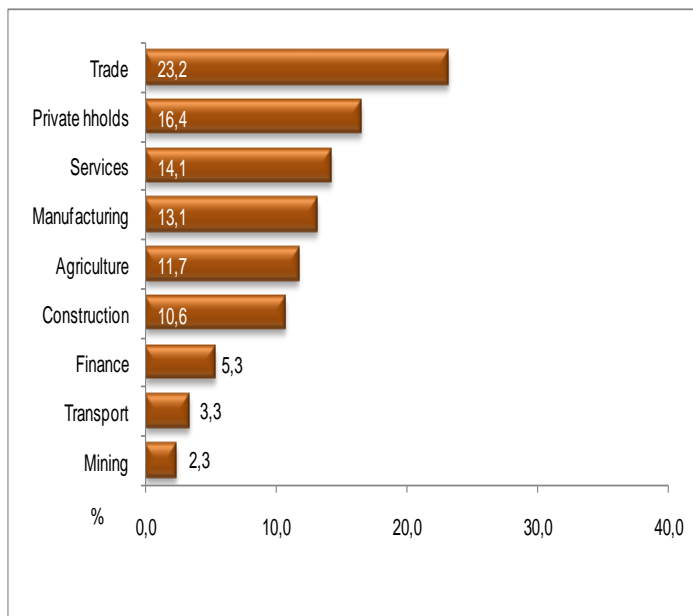
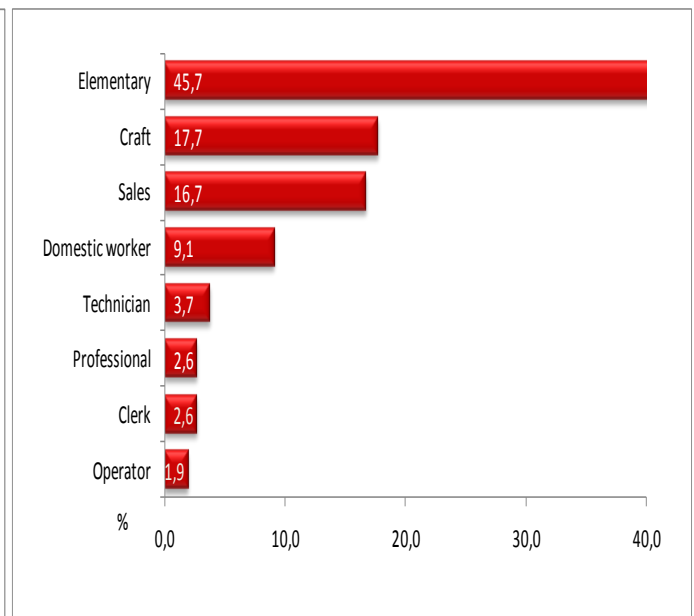
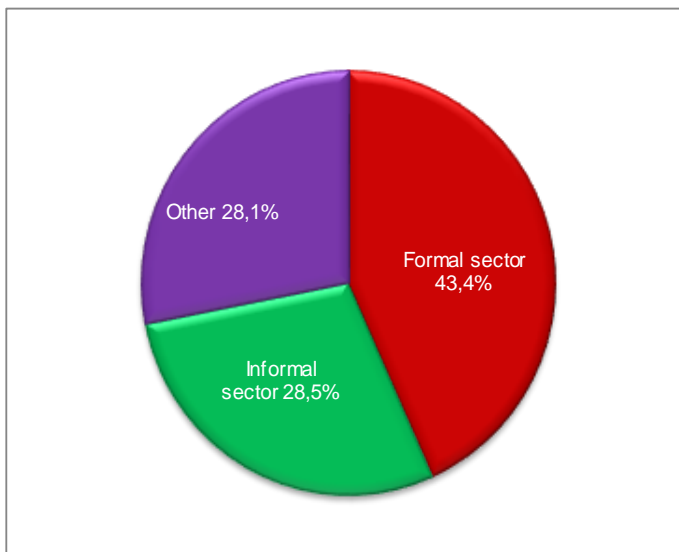


Figure 12: Distribution of those who found employment by occupation



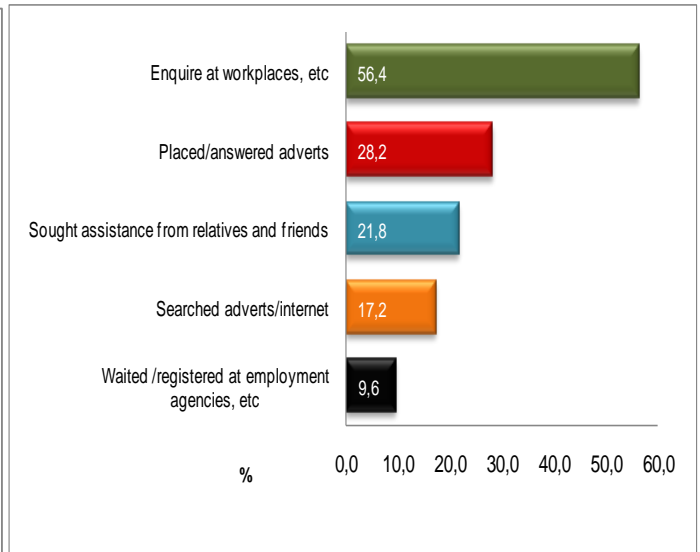
The Trade industry provided the most employment opportunities for those who found jobs in Q4: 2012. Almost a quarter of the employed (23,2%) found employment in that industry, followed by 16,4% who found jobs in the Private households. Figure 12 shows that the majority of people in Free State found employment in the Elementary (45,7%) occupation, followed by Crafts and Sales at 17,7% and 16,7% respectively.

Figure 13: Distribution of those who found employment by sector



Other" includes Agriculture and Private households.

Figure 14: Distribution of those who found employment by search method



Note: An individual may have used multiple job search methods.

The formal sector accounted for the largest share of all the jobs found in Q4: 2012 (43,3%), while the informal sector provided the somewhat smaller share of 28,6%. In Free State, enquiring at the workplace (56,4%) was the most widely used method of job searching. Waiting or registering at employment agencies was the least used method of job searching while the percentage of those who engaged in Internet searches and looking for adverts (17,2%) was higher than the national figure.

Hard facts

- The employment retention rate in Free State (91,6%) was 1,7 percentage points lower than the national employment retention rate, while the unemployment retention rate (71,5%) was 4,7 percentage points higher than that for the country as a whole.
- Individuals who had completed a tertiary education were more likely to move into employment than those who had not. The results further show that the likelihood of moving into employment was higher for men and adults.
- Individuals with previous work experience were more than three times more likely to move into employment than those without experience.
- The transition rate into employment among people in short-term unemployment (22,9%) was almost four times that of those in long-term unemployment (6,7%).
- Employment retention rates in Free State were higher in the Mining industry (98,2%) and lowest in Utilities at 83,0%. Furthermore, Utilities (17,0%) and Construction (16,3%) had the highest transition rates out of employment, while Utility workers (29,9%) were more likely than other groups to move to another industry.
- Three out of every four employed persons (77,7%) remained in the same occupation between Q3: 2012 and Q4: 2012, and 13,9% moved to another occupation while 8,4% moved out of employment and became either unemployed or inactive.

KwaZulu-Natal labour market dynamics

Q3: 2012–Q4: 2012

KwaZulu-Natal

The analysis in this report is based on tracking the same individuals over the period Q3: 2012 to Q4: 2012 and establishing whether or not their labour market status changed over the period. Movements into and out of employment, unemployment and economic inactivity – labour market dynamics – enable a better understanding of the challenges faced in a dynamic economy where jobs are being created and lost on a continuous basis.

Retention rates

A retention rate is calculated as the percentage of individuals who remained in the same labour market status between successive quarters.

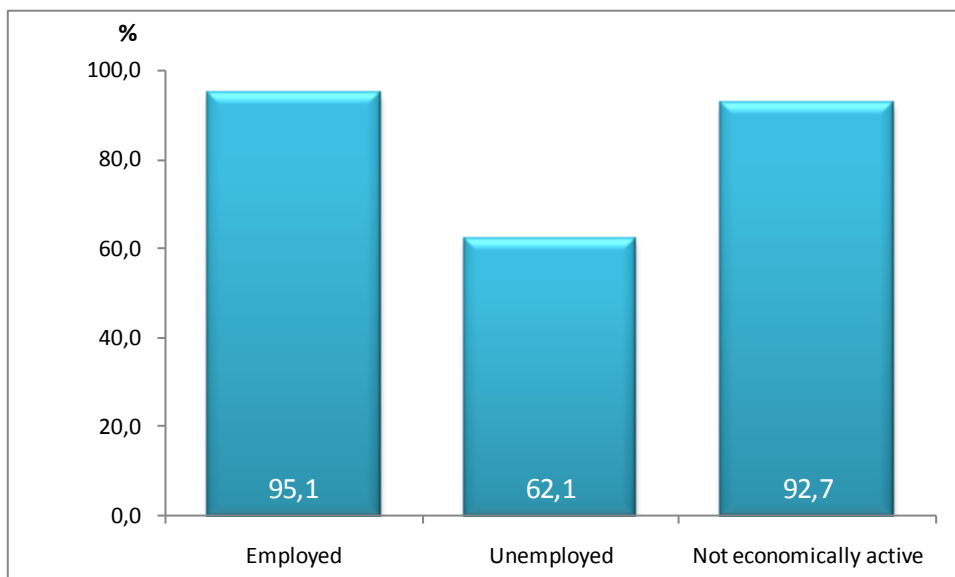
Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

Table 1: Retention and transition rates by labour market status Q3: 2012 to Q4: 2012

	Employed	Unemployed	Not economically active	Total
Labour market status in Q3:2012	Labour market status in Q4:2012			
	Thousand			
Employed	2 321	38	82	2 441
Unemployed	55	393	184	632
Not economically active	73	172	3 114	3 359
Working age population	2 449	602	3 381	6 432
	Retention and transition rates by labour market status in Q4:2012			
Employed	95,1	1,6	3,4	100
Unemployed	8,7	62,1	29,2	100
Not economically active	2,2	5,1	92,7	100

Table 1 and Figure 1 show that between Q3:2012 and Q4:2012, 95,1% of employed people in KwaZulu-Natal remained employed, while 92,7% remained not economically active and 62,1% remained unemployed. The highest transition rate was among those who transitioned from being unemployed to being inactive (29,2%), and the lowest rate was among those who had been previously employed and transitioned into being unemployed (1,6%).

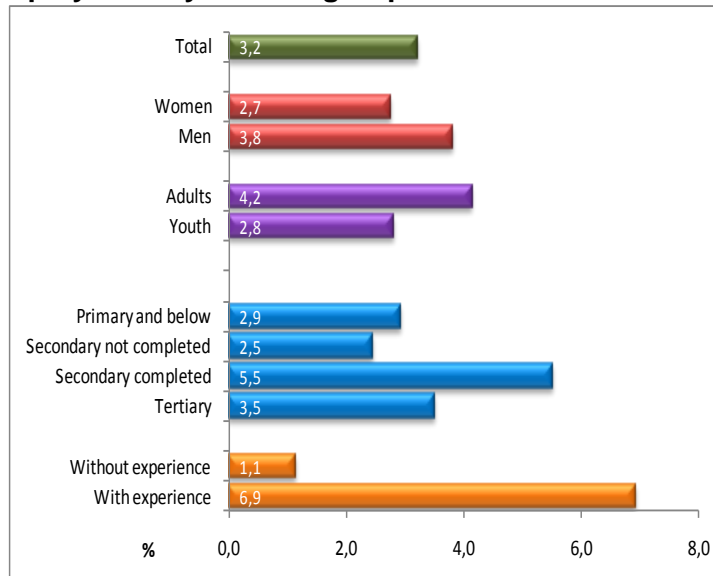
Figure 1: Retention rates by labour market status



Transitions into employment

This section focuses on the transition rates by various attributes among those who were not in employment in Q3:2012 (the unemployed and inactive) but who found employment in Q4:2012.

Figure 2: Transition into employment by various groups



Among the people who were unemployed or inactive in Q3:2012, about 3,2% found jobs in the next quarter. Having previous work experience increases one’s chances of transitioning into employment, as 6,9% of people with experience found jobs compared to 1,1% of those without experience. By levels of education, those who had a completed secondary education had the highest transition rate into employment. The lowest transition rate was among those with incomplete secondary education. The move into employment among adults was higher than that of youths, and the transition rate among men was higher than that of women.

Changes in labour market status among those who looked for work

This section focuses solely on persons who looked for work over the quarter.

Figure 3: Unemployment retention and transition rates by duration of unemployment

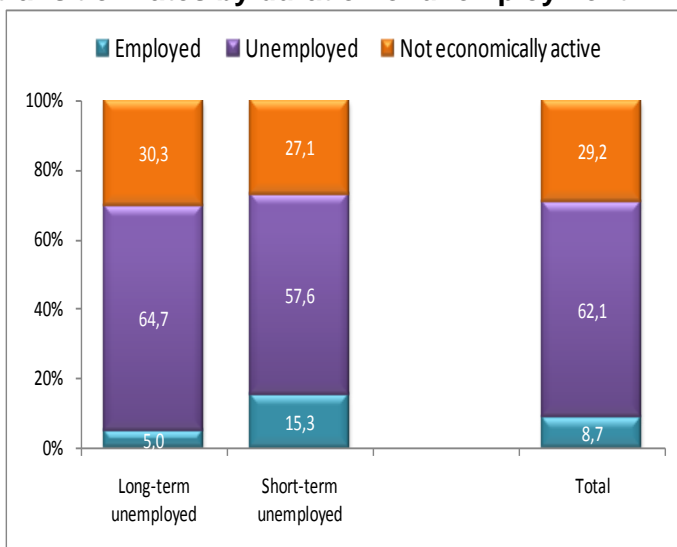


Figure 4: Unemployment retention and transition rates by work experience

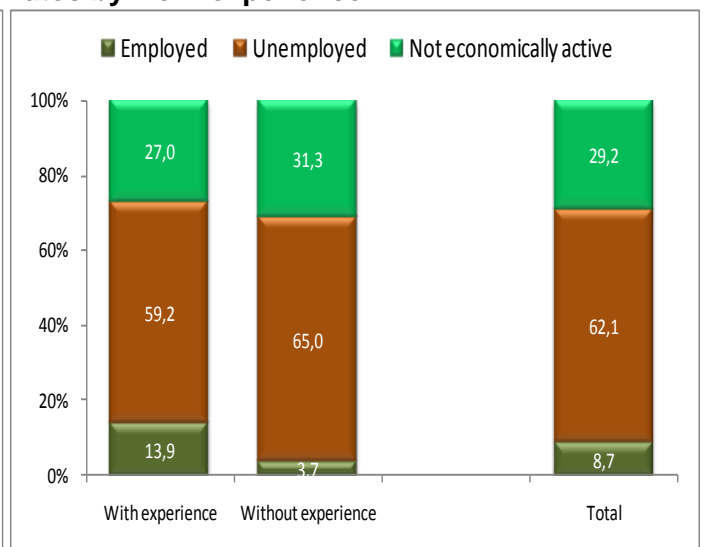


Figure 3 shows that among people who were unemployed in Q3:2012, almost two out of every three (62,1%) remained unemployed, 29,2% became not economically active and only 8,7% found jobs in the following quarter. Those who had been unemployed for less than a year (short-term unemployed) were three times more likely to be employed than those who had been unemployed for more than a year (long-term unemployed). Figure 4 depicts that 13,9% of unemployed persons with work experience found

employment in the next quarter compared to only 3,7% of those without work experience. The rate of remaining unemployed was higher for those who didn't have work experience.

Selected retention and transition rates

Caution is required when making conclusions based on the industrial profile of employed persons, since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES) – P0277.

Figure 5a: Industry retention and transition rates by labour market status

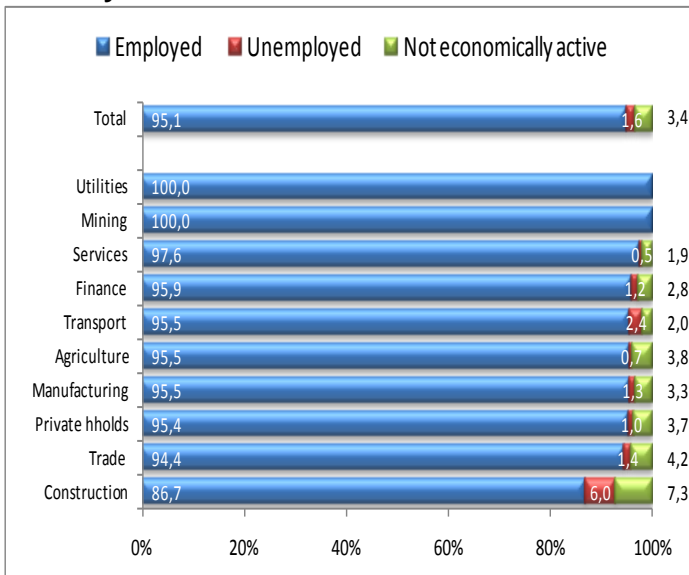
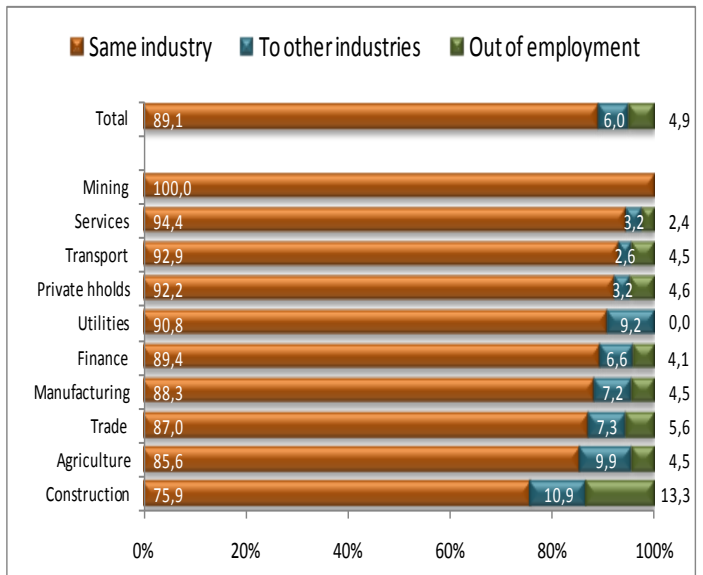


Figure 5: Industry retention and transition rates



* Note: Mining and Utilities retention rates were based on small samples.

Figure 5a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same industry. Figure 5 complements Figure 5a since it identifies those who remained in the same industry and those who moved to other industries.

Among the 95,1% of people who retained their jobs in Q4:2012, almost nine out of ten (89,1%) remained in the same industry, 6,0% moved to another industry, while 4,9% moved out of employment. The lowest retention rate was for those employed in the Construction industry (75,9%). One out of every ten persons employed in the Agriculture and Construction industries moved to other industries.

Figure 6a: Occupation retention and transition rates by labour market status

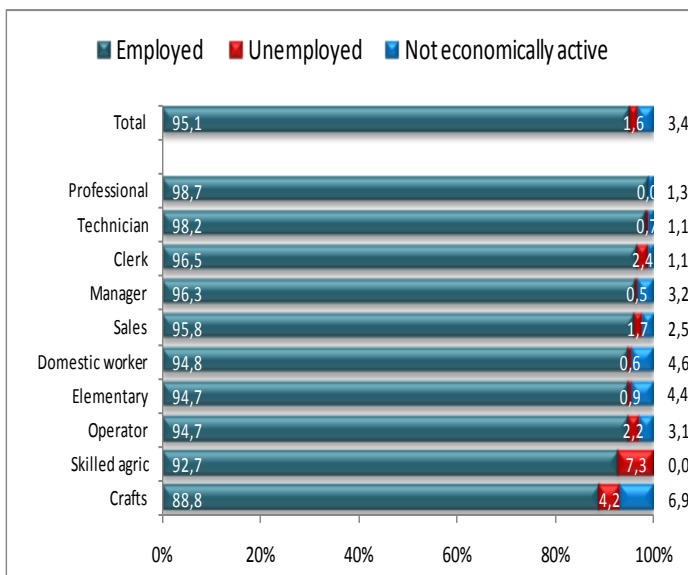
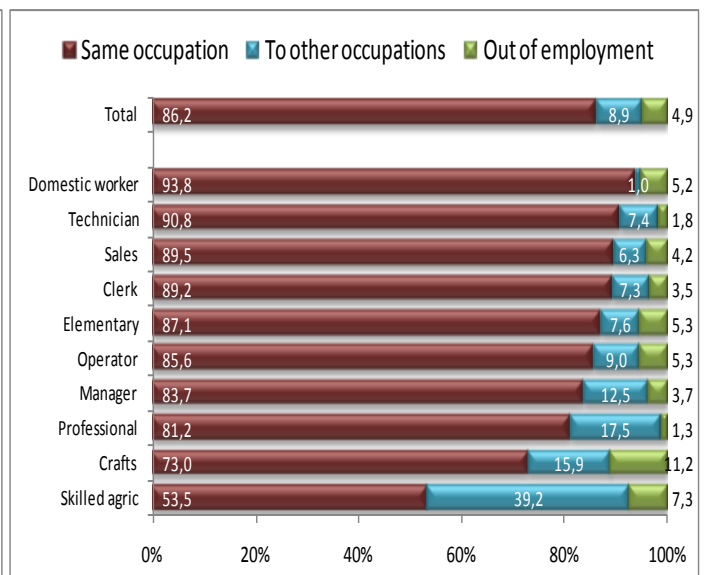


Figure 6: Occupation retention and transition rates



*Note: Skilled agriculture retention and transition rates were based on small samples.

Figure 6a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same occupation. Figure 6 complements Figure 6a since it identifies those who remained in the same occupation and those who moved to other occupations.

Out of the 95,1% of people who remained employed in Q4:2012, 86,2% remained in the same occupation, and 8,9% moved to another occupation, while 4,9% were either unemployed or inactive. Nine out of every ten (93,8%) domestic workers remained in their occupation. One out of ten (11,2%) of those employed as craft workers moved out of employment, while the lowest move out of employment was for professionals (1,3%). Skilled agriculture workers were more likely to move to another occupation than workers of other occupations.

Figure 7: Employment retention and transition rates by sector

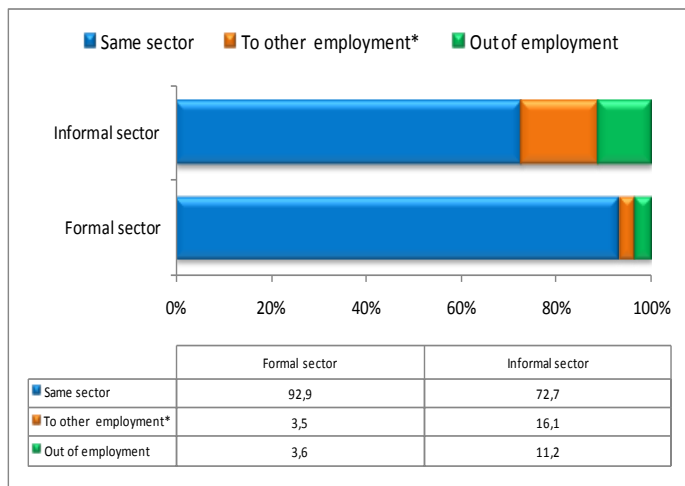
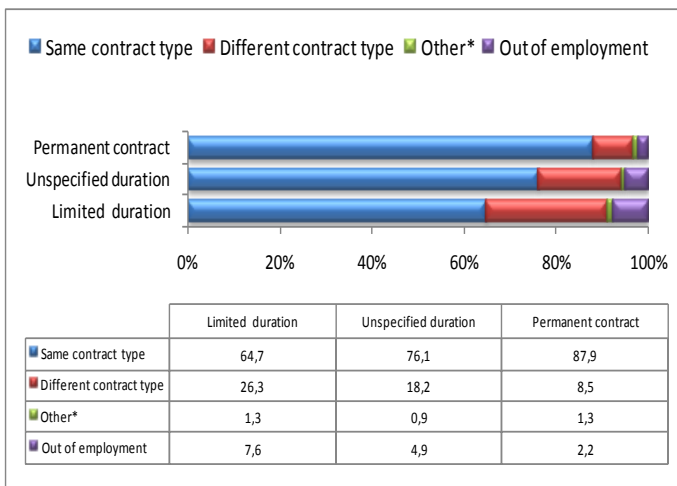


Figure 8: Employment retention and transition rates by contract type



*Note: In Figure 8, "Other" includes Agriculture, Private households and the formal/informal sectors.

Among people employed in the formal sector, 92,9% remained in their sector and almost the same proportion either moved to the informal sector or the Agriculture and Private household industries or moved out of employment altogether (3,5% and 3,6% respectively). Those employed in the informal sector were more than four times more likely to move to other employment (formal sector, Agriculture or Private household industries) than people employed in the formal sector. They are also more likely to move out of employment. Figure 8 shows that among employees who had permanent contracts, 87,9% remained in the same type of contract in the following quarter, while 8,5% moved to a different contract type. Among those employees who had limited duration contracts, 64,7% remained with those contracts, while 26,3% moved to a different contract type. Those with limited and unspecified duration contracts were more likely to move to a different contract type, while those who had permanent contracts were likely to remain with the same contract type between the quarters.

Distribution of those who found employment

This section focuses on the various distributions of those who were not in employment in Q3:2012 (the unemployed and inactive) and who found employment in Q4:2012. Please note that the distributions analysed in this section are based on a relatively small sample (128 000, Table 1) and thus results should be interpreted with caution.

Figure 9: Distribution of those who found employment by status in employment

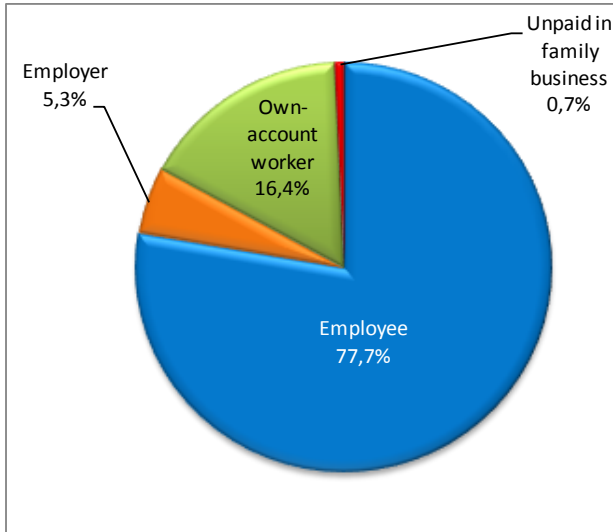
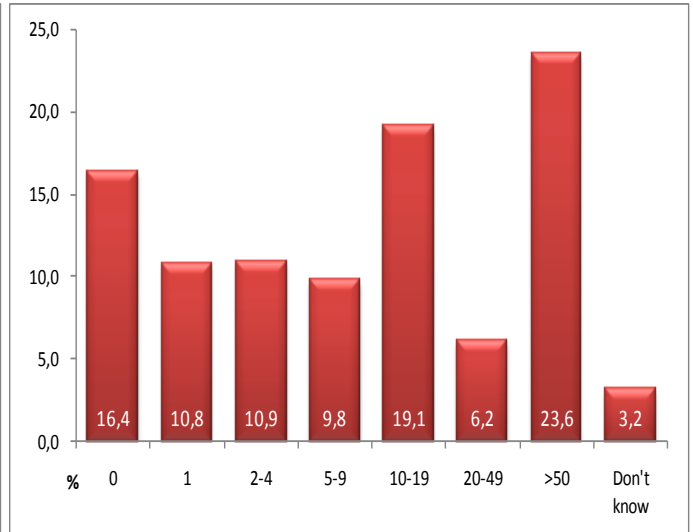


Figure 10: Distribution of those who found employment by size of firm



Among those who were not employed (unemployed and not economically active) in Q3:2012 but who found employment in Q4:2012, the majority became employees (77,7%) while 16,4% became self-employed. A smaller proportion were employers or helping unpaid in a family business (5,3% and 0,7% respectively). Figure 10 shows that 47,9% of people who found employment did so in firms that employed fewer than 10 people, while 23,6% of people were employed in firms that employed more than 50 people.

Figure 11: Distribution of those who found employment by industry

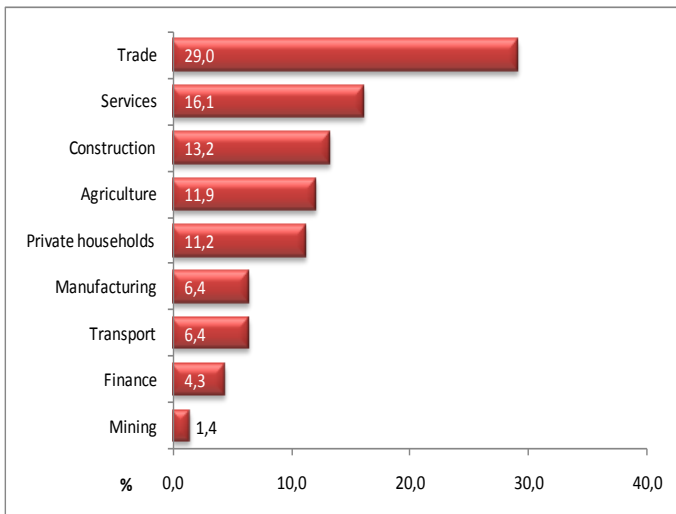
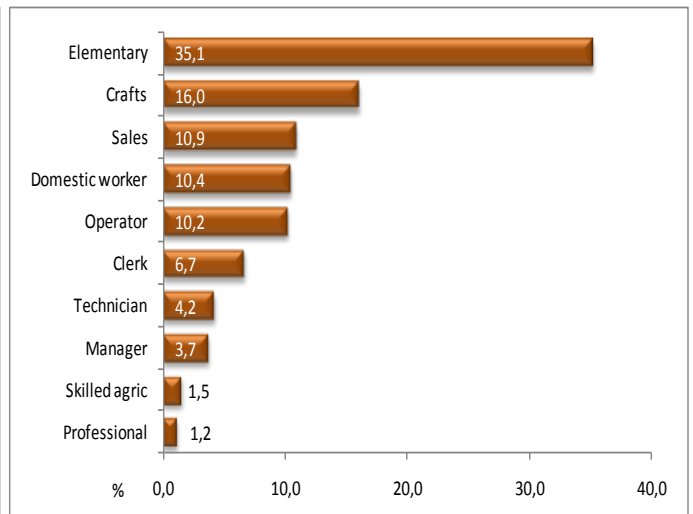


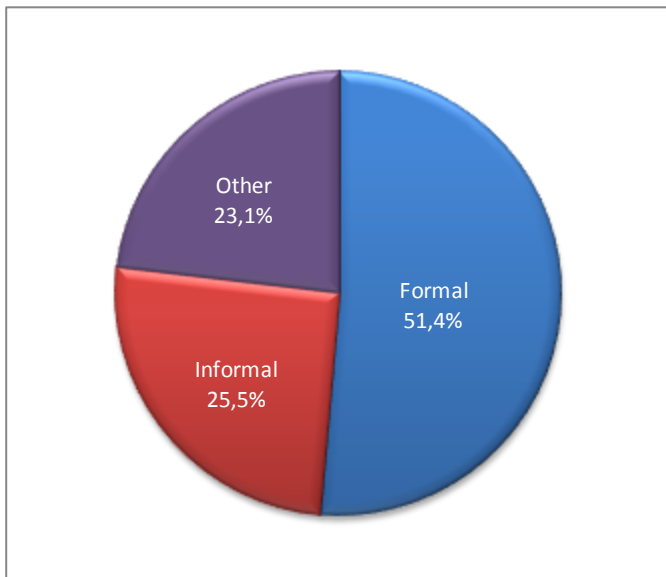
Figure 12: Distribution of those who found employment by occupation



Note: Due to small sample size, the Utilities industry has been removed.

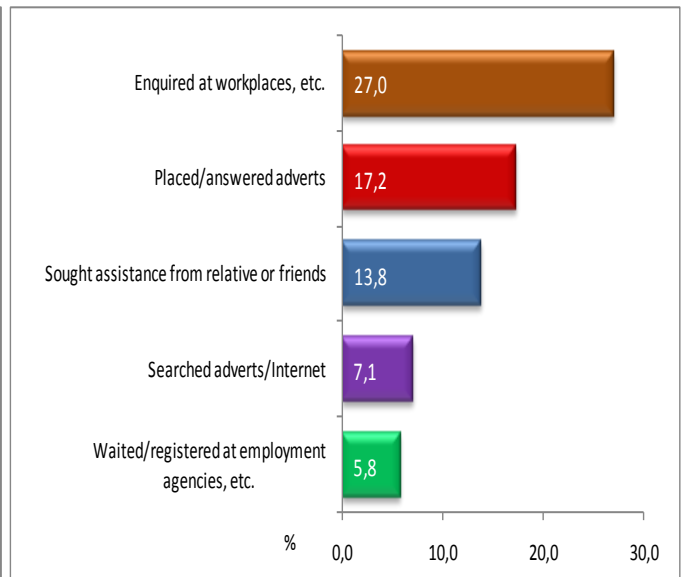
Figure 11 shows that of those who found employment in Q4:2012, 29,0% obtained jobs in the Trade industry, followed by 16,1% in the Community and social services industry. As shown in Figure 12, 35,1% of persons found employment in the Elementary occupations, while the Professional and Skilled agriculture occupations had the smallest share (1,2% and 1,5% respectively).

Figure 13: Distribution of those who found employment by sector



"Other" includes Agriculture and Private households.

Figure 14: Distribution of those who found employment by search method



Note: An individual may have used multiple job search methods.

Figure 13 shows that among those who were either unemployed or not economically active in Q3:2012, five out of ten (51,4%) found employment in the formal sector in Q4:2012, while 25,5% found jobs in the informal sector. According to Figure 14, the most popular job search method used by those who found employment in Q4:2012 was enquiring at workplaces and answering adverts. The least used method was registering at employment agencies.

Hard facts

- About 95,1% of people in KwaZulu-Natal remained employed in Q4:2012, while 92,7% remained not economically active.
- People with experience are more than six times more likely to transition into employment than those without experience.
- The long-term unemployed find it more difficult to enter employment than the short-term unemployed.
- About 47,9% of people who found jobs in Q4:2012 found them in firms that employed fewer than 10 people.
- The majority of people who found jobs in Q4:2012 found them in the Trade and Community and social services industries, and the most popular job search method used by job seekers was enquiring at workplaces.

North West labour market dynamics

Q3: 2012–Q4: 2012

North West

Panel data allows for the tracking of individuals over a period of time thus facilitating the investigation of changes in the movements in and out of various labour market states. This report focuses on these movements for the North West province between Q3:2012 and Q4:2012.

Retention rates

A retention rate is calculated as the percentage of individuals who remained in the same labour market status between two successive quarters. Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

Table 1: Retention and transition rates by labour market status Q3: 2012 to Q4: 2012

	Employed	Unemployed	Not economically active	Total
Labour market status in Q3: 2012	Labour market status in Q4: 2012			
Employed	792	23	24	838
Unemployed	26	170	82	278
Not economically active	32	73	1080	1185
Working age population	850	266	1186	2302
	Retention and transition rates by labour market status in Q4: 2012			
Employed	94,5	2,7	2,8	100,0
Unemployed	9,3	61,2	29,6	100,0
Not economically active	2,7	6,1	91,2	100,0

Table 1 shows that in the North West, the employment retention rate was 94,5% with most of the persons who had jobs in Q3: 2012 remaining employed in Q4: 2012. The transition rate from employment into unemployment and economic inactivity was 2,7% and 2,8% respectively. Over the same period, the unemployed who remained without jobs were 61,2%, while 29,6% moved out of unemployment into economic inactivity and only 9,3% found jobs. Among the not economically active population 91,2% remained in the same state, while 6,1% moved into unemployment compared and 2,7% moved into employment.

Figure 1: Retention rates by labour market status

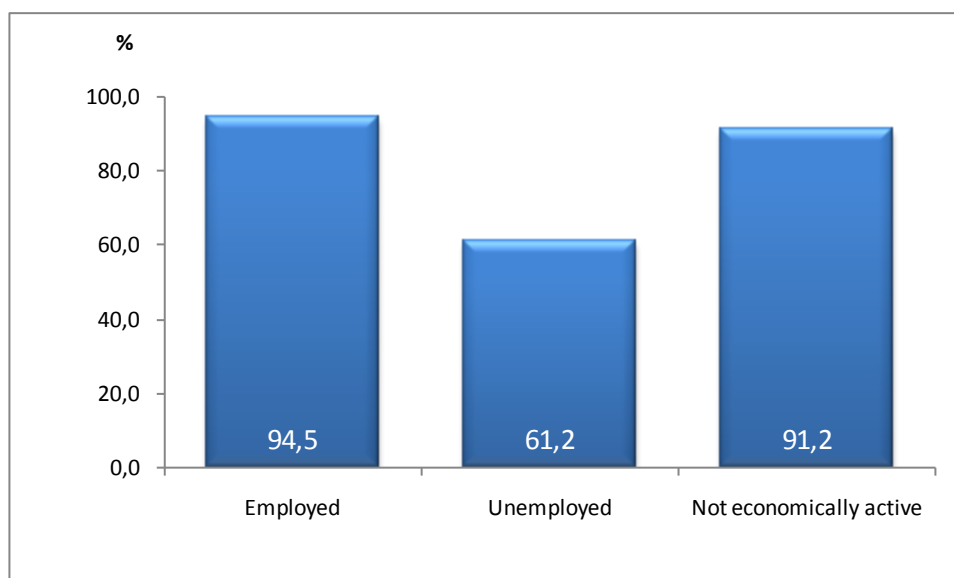
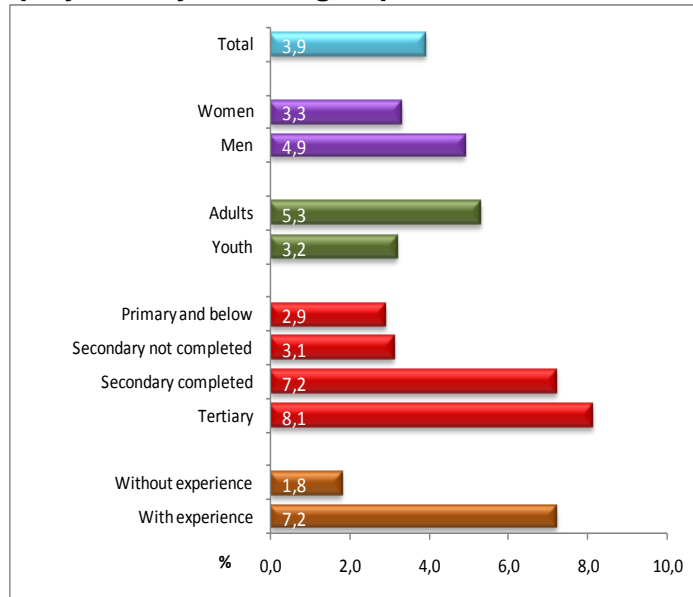


Figure 1 shows that North West retention rates was higher among the employed at 94,5%, followed by the not economically active at 91,2% and lower in the unemployed group at 61,2%.

Transitions into employment among those not in employments

This section focuses on the transition rates among those who were not in employment in Q3:2012 (the unemployed and inactive) but who found employment in Q4:2012 by various attributes.

Figure 2: Transition into employment by various groups



A total of 3,9% of those who did not have jobs in Q3:2012 found employment in Q4:2012, with a higher percentage of men at 4,9% than women (3,3%) finding jobs in the quarter. The youth is less likely to transit into employment (3,2%) compared with adults (5,3%) highlighting the challenges faced by young people in finding employment. In addition, figure 2 further shows that the better educated had higher chances of finding jobs compared with those with lower education levels. People who had work experience (7,2%) were more likely to get a job compared with those who had never worked before (1,8%) indicating the importance of having a first job in the labour market.

Changes in labour market status among those who looked for work

This section focuses solely on unemployed persons who looked for work over the quarter.

Figure 3: Unemployment retention and transition rates by duration of unemployment

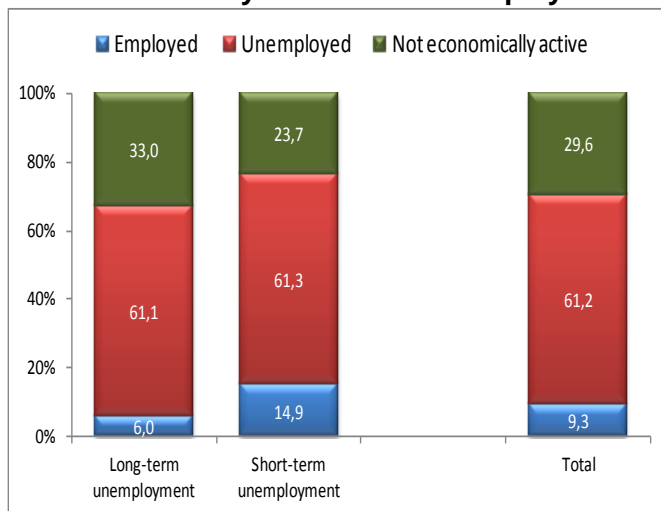


Figure 4: Unemployment retention and transition rates by work experience

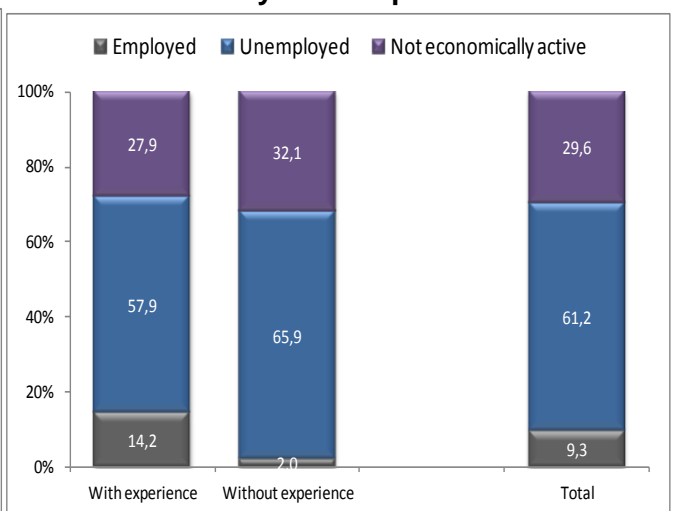


Figure 3 shows that unemployment retention was relatively high in the North West, with 61,2% of the unemployed remaining unemployed in the subsequent quarter. Persons who were unemployed for a short term were nearly twice as likely to transition into employment compared to those who were unemployed for a long term. In Figure 4, unemployed persons with previous work experience transitioned into employment at a higher rate of 14,2% compared to 2,0% for those without experience. Unemployed persons without

experience had higher retention rates relative to the total unemployed in both unemployment and inactivity, at 65,9% and 32,1% respectively.

Selected retention and transition rates

Caution is required when making conclusions based on the industrial profile of employed persons since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

Figure 5a: Retention and transition rates by labour market status

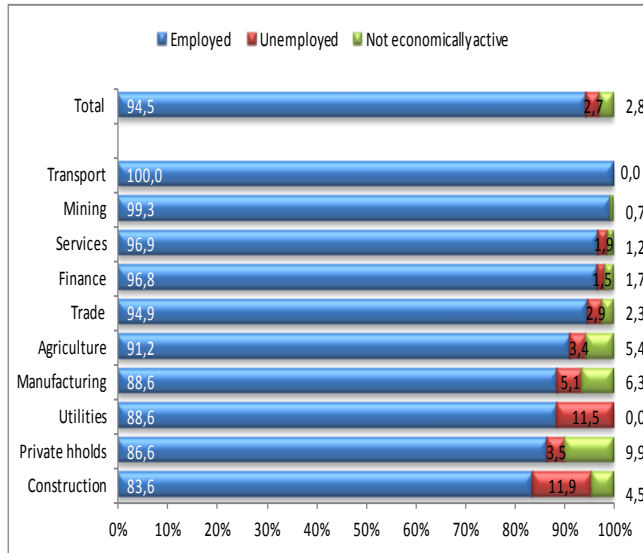


Figure 5: Industry retention and transition rates

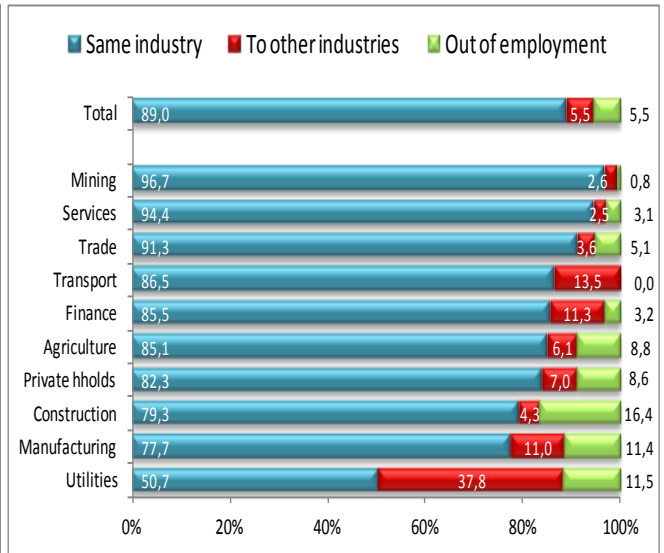


Figure 5a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same industry. Figure 5 complements Figure 5a since it identifies those who remained in the same industry and those who moved to other industries.

Figure 5a shows that all industries reflected high employment retention rates, with all those employed in Transport remaining employed in this industry on a quarterly basis (100%). The industry that experienced the highest transition into unemployment was Construction (11,9%) followed by Utilities (11,5%). Persons having worked in private households were more likely to transition out of the labour market (9,9%) followed by those in Manufacturing (6,3%) and Agriculture (5,4%). Figure 5 shows that 96,7% of persons employed in the Mining industry remained employed in the same industry, it was also the highest retention rate. The highest (16,4%) transition out of employment was from persons employed in the Construction industry in the preceding quarter, with the lowest transitions out of employment found in the Mining industry (0,8%).

Figure 6a: Retention and transition rates by labour market status

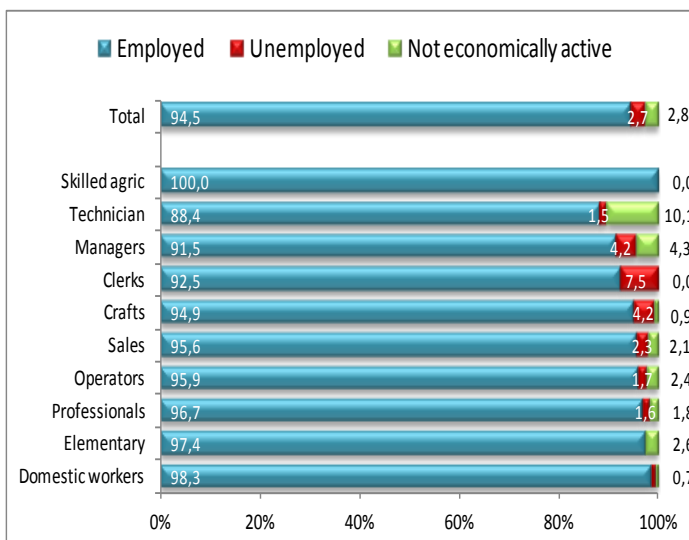


Figure 6: Occupation retention and transition rates

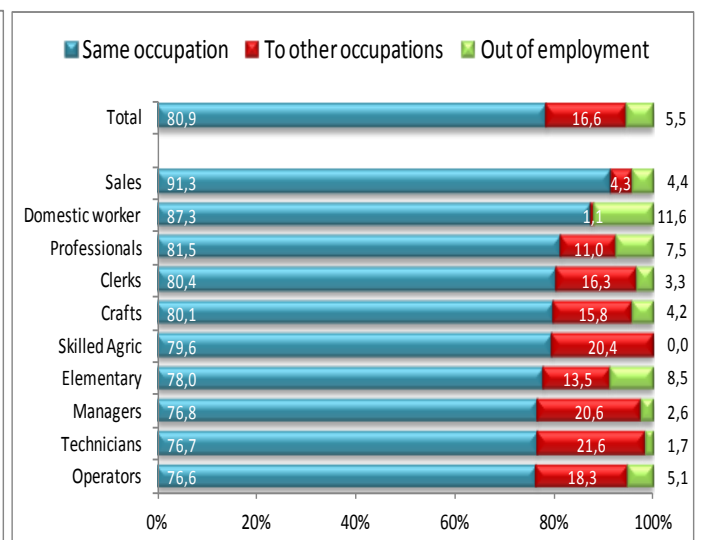


Figure 6a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same occupation. Figure 6 complements Figure 6a since it identifies those who remained in the same occupation and those who moved to other occupations.

Figure 6a shows that the Skilled agriculture occupation was the most stable occupation with a 100% retention rate of its employed. While 92,5% of those employed as Clerks remained in the labour market, 7,5% became unemployed. In Figure 6, employment transitions between occupations varied between 1,1% for Domestic workers to 21,6% for Technicians with the collective transition to other occupations averaging at 13,6%. Domestic workers were the least likely to transition to other occupations, consequently having the largest proportion of people transition out of employment.

Figure 7: Employment retention and transition rates by sector

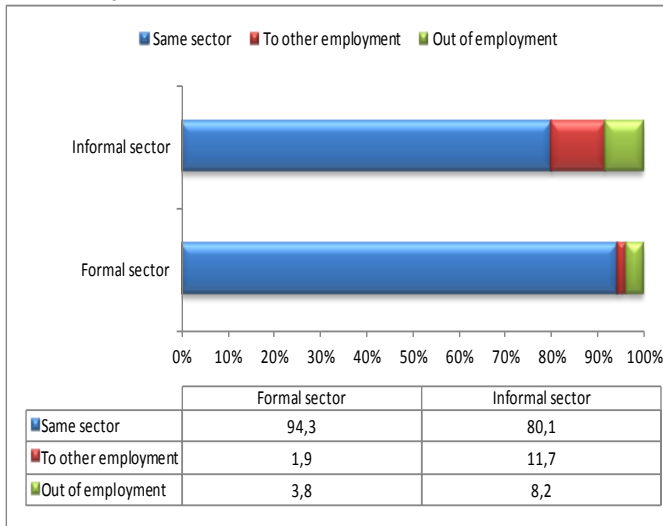
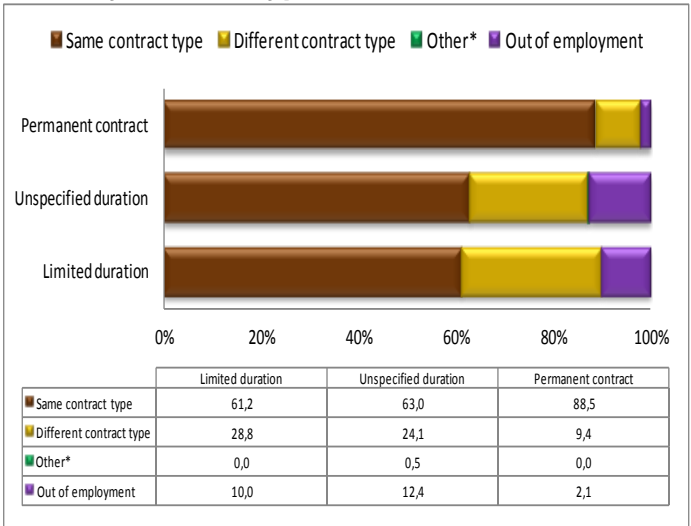


Figure 8: Employment retention and transition rates by contract type



Note: "Other" employment includes Agriculture, Private households and the formal/informal sectors.

Figure 7 shows that in the Informal sector 80,1% remained in that sector while 8,2% transition out of employment and 11,7% transition to other employment. The formal sector reflected a higher retention rate of 94,3% as compared to informal sector while 3,8% of those who were employed in the Formal sector transitioned out of employment and only 1,9% moved to other employment. In Figure 8 the retention rate among employees with a permanent contract was substantially higher at 88,5% than among employees with contracts of a limited duration (61,2%). The retention rate among those with contracts of an unspecified duration was (63,0%). Those with limited duration contract and unspecified duration contract were more likely to transition out of employment at 10,0% and 12,4% respectively.

Distributions of those who found employment

This section focuses on the various distributions of those who were not in employment in Q3:2012 (the unemployed and inactive) and who found employment in Q4:2012. Please note the distribution analysed in this section are based on a relatively small sample and thus results should be interpreted with caution.

Figure 9: Distribution of those who found employment by status in employment

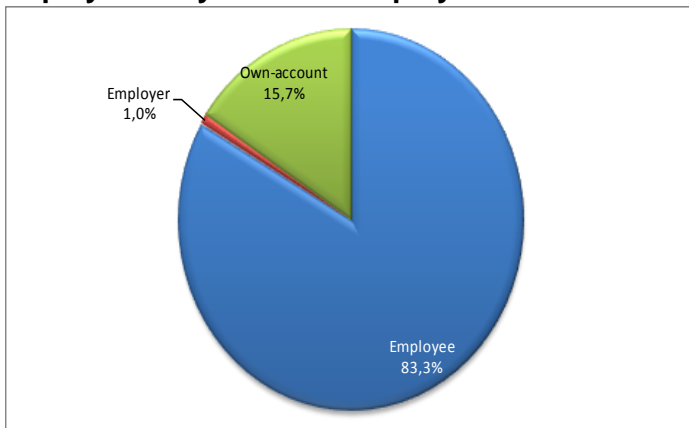


Figure 10: Distribution of those who found employment by size of firms

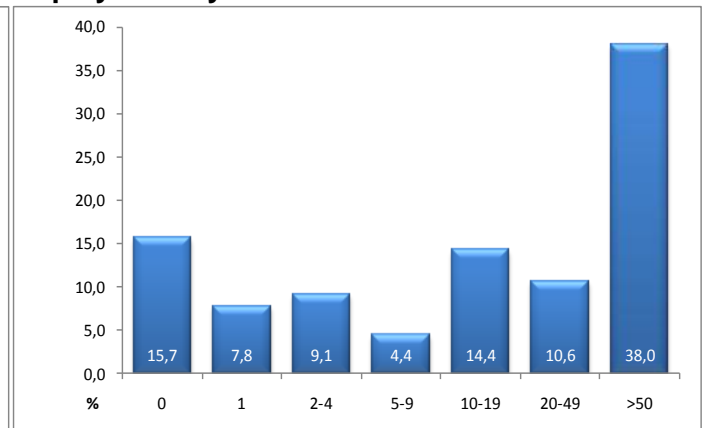


Figure 9 illustrates that (83,3%) of those who had been without work in Q3:2012, found employment in Q4:2012 as employees, 15,7% became own-account workers and 1,0% became employers. This finding shows the dependence of people in becoming employees than wanting to venture into entrepreneurship.

Figure 10 shows that close to two thirds (62,9%) of those who found employment did so in firms which employed ten or more workers. In particular firms with more than 50 employees accounted for 38,0% of those who found employment.

Figure 11: Distribution of those who found employment by industry

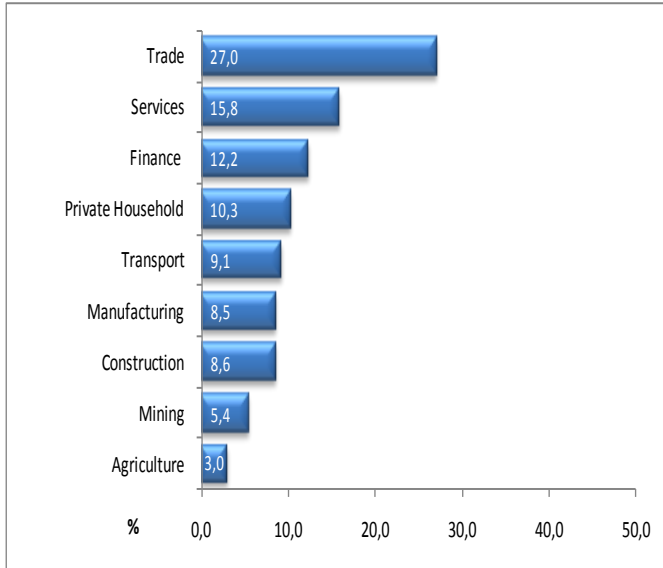


Figure 12: Distribution of those who found employment by occupation

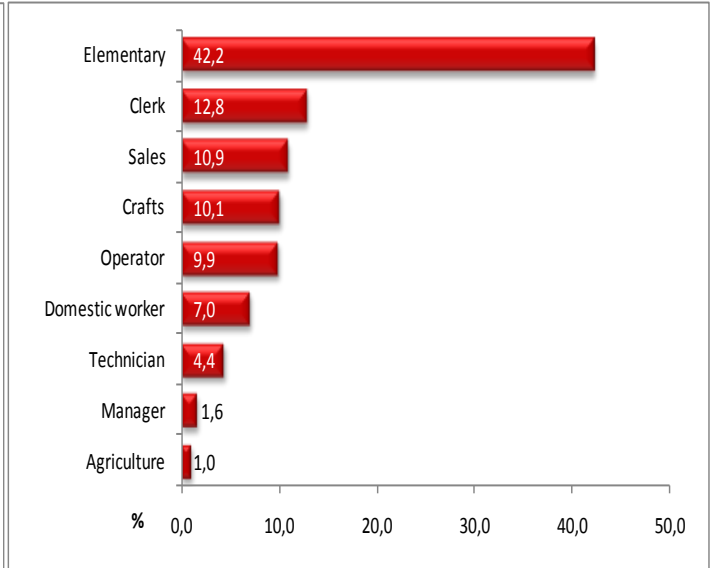
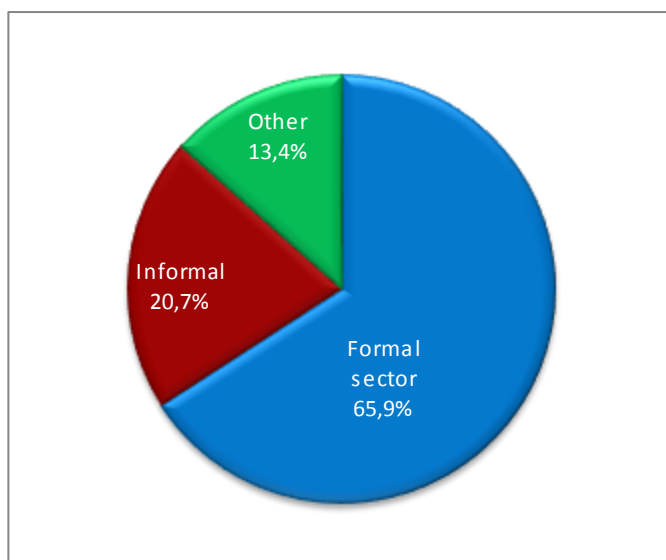


Figure 11 indicates that the Trade industry (27,0%) provided the most employment opportunities for those who found jobs in Q4: 2012, followed by Community and social services (15,8%) and the least people were employed in Mining and Agriculture with (5,4%) and (3,0%) respectively.

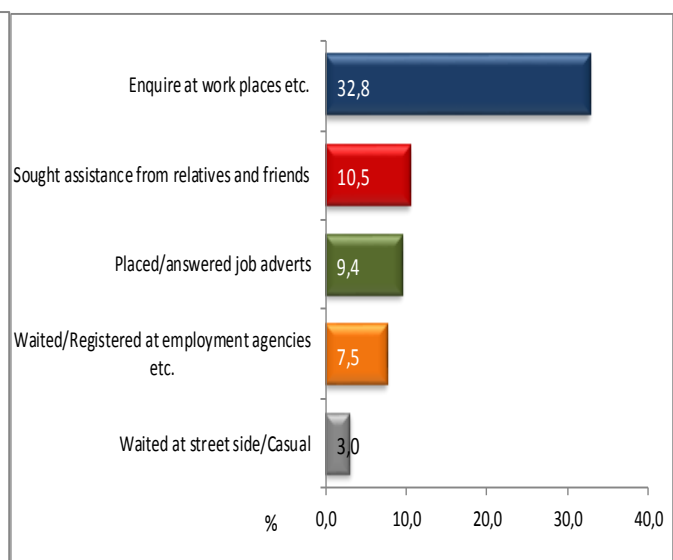
In Figure 12, the largest proportion of those who found employment were employed as Elementary workers (42,2%) followed by Clerks (12,8%), Craft and Operator occupations account for a similar share for those who found employment between the two quarter. Agriculture contributed the smallest proportion of 1,0%.

Figure 13: Distribution of those who found employment by sector



Note: "Other" includes Agriculture and Private households.

Figure 14: Distribution of those who found employment by search method



Note: An individual may have engaged in multiple search methods.

Figure 13 shows that the formal sector accounted for the largest share of all the jobs found in Q4: 2012 with (65,9%) while the informal sector had a share of (20,7%) and other sectors had the smallest share of (13,4%). Figure 14 depicts that 32,8% of those who found employment had enquired at work places etc, while 10,5% had sought assistance from relatives and friends. Approximately 1 in 10 of the persons who found employment had searched adverts or the internet.

Hard Facts

- The employment retention rate in the North West 94,5%. Adults (5,3%) were more likely to move into employment compared to youth (3,2%).
- Those with previous work experience (14,2%) had a higher chance of getting a job compared with those who had never worked before (2,0%).
- The Trade industry (27,0%) provided the most employment opportunities, followed by Community and social services (15,8%) with fewer opportunities in Mining and Agriculture at (5,4%) and (3,0%) respectively.
- Domestic workers are more likely to transition out of employment (11,6%), while only 1,1% of them transitioned to other occupations.

Gauteng labour market dynamics

Q3: 2012–Q4: 2012

Gauteng

Panel data analysis is used to investigate whether an individual's labour market status has changed over time. This study investigated the movements of individuals in and out of the labour market in Gauteng between Q3: 2012 and Q4: 2012.

Retention rates

A retention rate is calculated as the percentage of individuals who remained in the same labour market status between successive quarters. Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

Table 1: Retention and transition rates by labour market status Q3: 2012 to Q4: 2012

	Employed	Unemployed	Not economically active	Total
Labour market status in Q3:2012	Labour market status in Q4:2012			
Employed	4 446	164	119	4 729
Unemployed	166	1 086	303	1 555
Not economically active	77	201	2 363	2 642
Working age population	4 689	1 452	2 785	8 926
	Retention and transition rates by labour market status in Q4:2012			
Employed	94,0	3,5	2,5	100,0
Unemployed	10,7	69,8	19,5	100,0
Not economically active	2,9	7,6	89,5	100,0

Table 1 shows that 94,0% of those who were employed in Q3: 2012 remained employed in Q4: 2012, while 3,5% moved from being employed to unemployed and only 2,5% moved into inactivity. Over the same period, 69,8% of those who were unemployed remained unemployed, while 19,5% moved out of unemployment into inactivity and only 10,7% found jobs. The retention rate of the not economically active population was 89,5% while 7,6% moved into unemployment compared to only 2,9% who moved into employment.

Figure 1: Retention rates by labour market status

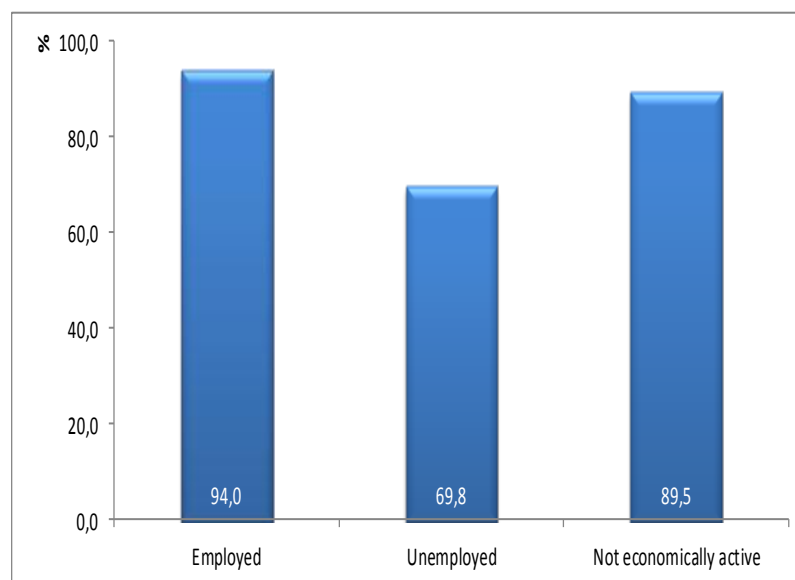


Figure 1 shows that retention rates in Gauteng were highest among the employed (94,0%) and the not economically active (89,5%), and lowest among the unemployed (69,8%).

Transition into employment

This section focuses on the transition rates among those who were not in employment in Q3: 2012 (the unemployed and inactive) but who found employment in Q4: 2012, by various attributes.

Figure 2: Transition into employment by various groups

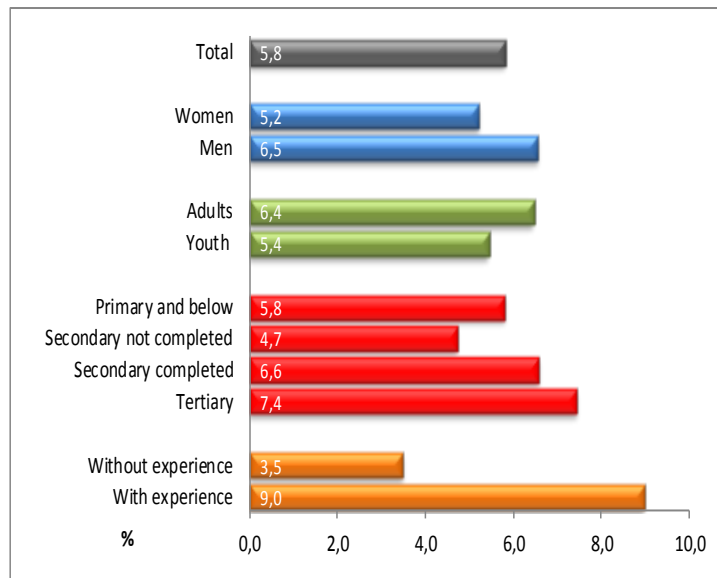


Figure 2 shows that amongst those who did not have jobs in Q3: 2012, only 5,8% found employment in Q4: 2012. Higher percentages of men (6,5%) than women (5,2%) found employment.

Youth were less likely to move from unemployment into employment compared to adults. Persons who had a tertiary education (11,3%) were more likely to move from unemployment to employment than those with other education levels. In addition, people who had work experience were almost three times more likely to get a job compared with those who had never worked before.

Changes in labour market status among those who looked for work

This section focuses solely on unemployed persons who looked for work over the quarter.

Figure 3: Unemployment retention and transition rates by duration of unemployment

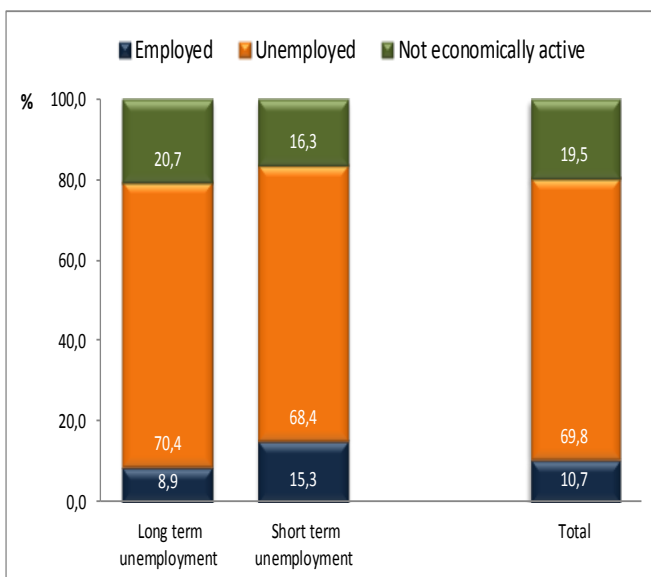
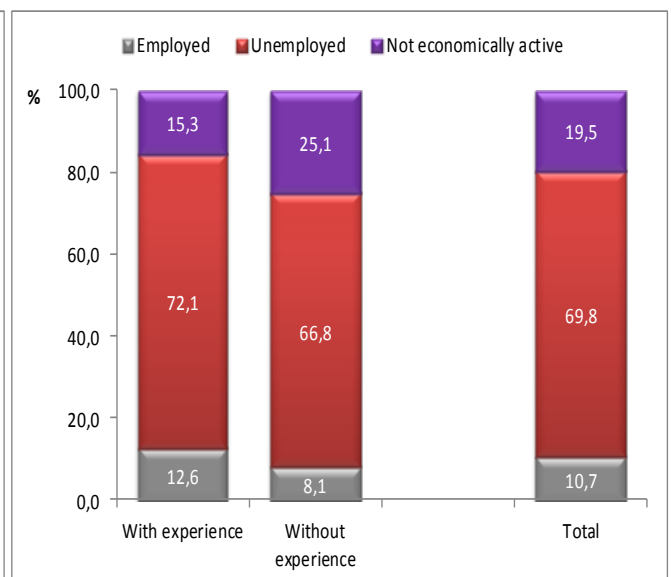


Figure 4: Unemployment retention and transition rates by work experience



As discussed earlier, 69,8% of unemployed persons who looked for work in Q3: 2012 remained without a job in Q4: 2012. Although, Figure 3 shows that the rate is, to some extent, higher among those in long-term unemployment (70,4%) when compared with those in short-term unemployment (68,4%). Persons who were unemployed in the short term (15,3%) were more likely to find employment than those in long-term unemployment (8,9%). Figure 4 shows that unemployment retention rates are higher for those individuals with work experience (72,1%) than for those without experience (66,8%), and the chances of finding employment is also higher among those with experience (12,6%) compared to those without such experience (8,1%).

Selected retention and transition rates

Caution is required when making conclusions based on the industrial profile of employed persons as the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

Figure 5a: Industry retention and transition rates by labour market status

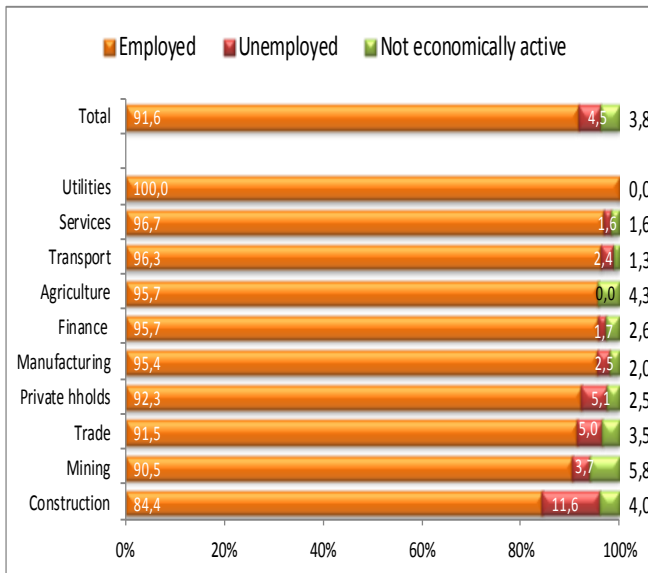


Figure 5: Industry retention and transition rates

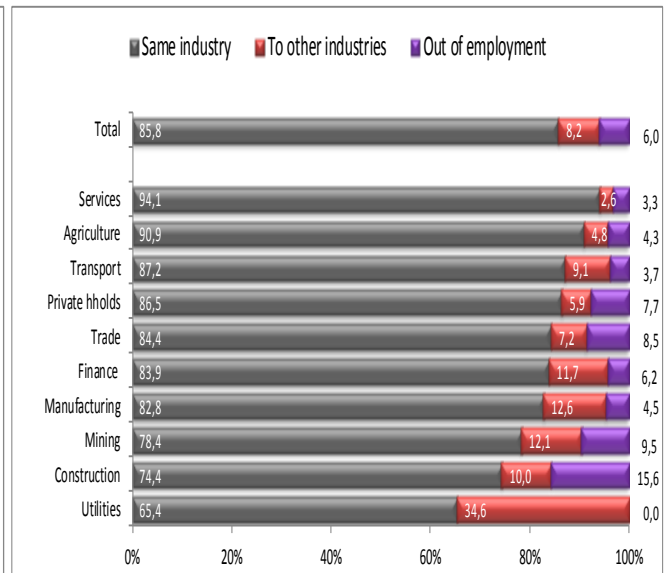


Figure 5a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same industry. Figure 5 complements Figure 5a since it identifies those who remained in the same industry and those who moved to other industries.

Figure 5a shows that the employment retention rates in Gauteng were higher for all industries. At 100%, Utilities was the highest, while Construction (84,4%) was the lowest. Overall, 94,0% of the employed people remained employed in Q4: 2012, while 85,8% remained in the same industry and only 8,2% moved to other industries; 6,0% moved out of employment.

Industry retention rates range from 65,4% among those employed in Utilities to 94,1% among those employed in Community and social services. All persons who were employed in the Utilities industry in Q3: 2012 remained employed in Q4: 2012 and 65,4% remained employed in the same industry (Utilities) while 34,6% moved out of Utilities and found employment in other industries.

Those who were employed in Construction (15,6%) and Mining (9,5%) were more likely to move out of employment than those employed in Utilities (0,0%) and Services (3,3%).

Figure 6a: Occupation retention and transition rates by labour market status

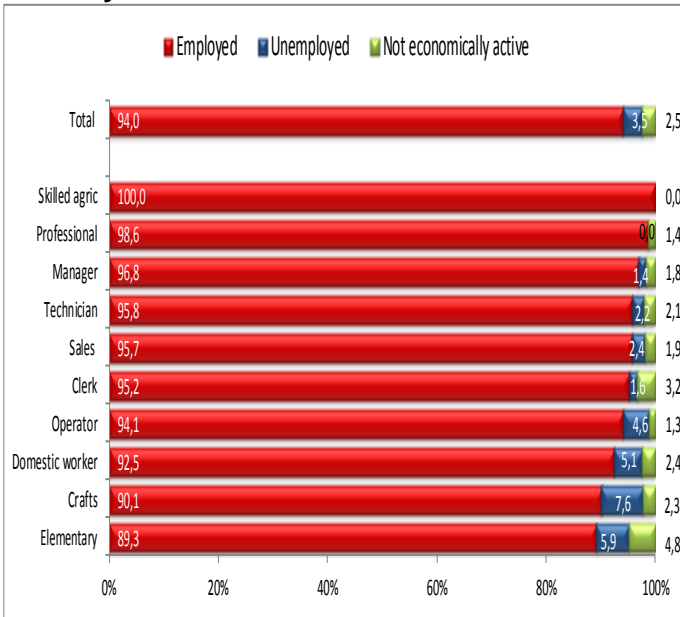


Figure 6: Occupation retention and transition rates

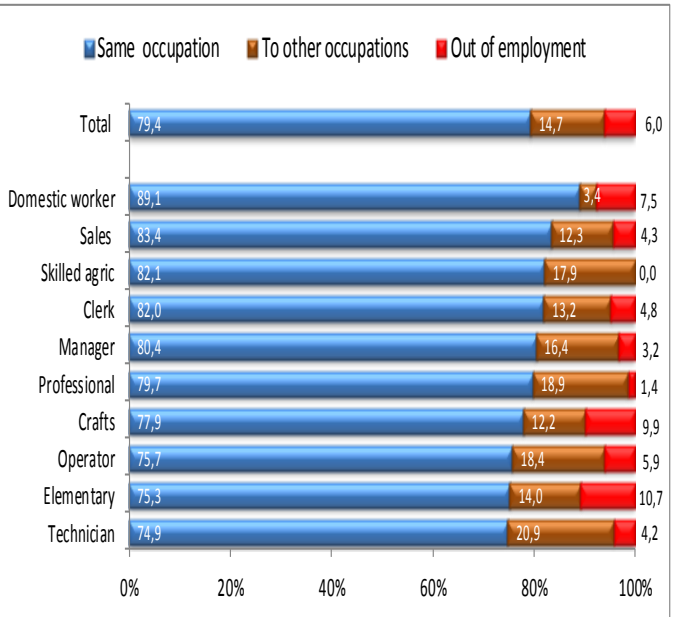


Figure 6a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same occupation. Figure 6 complements Figure 6a since it identifies those who remained in the same occupation and those who moved to other occupations.

Figure 6a shows that the employment retention rates in Gauteng are higher for all occupations. Of the 94,0% employed persons, 79,4% remained in the same occupation between Q3: 2012 and Q4: 2012; 14,7% of them moved to other occupations.. The occupation retention rates ranged from 74,9% among those employed as Technicians to 89,1% among those employed as Domestic workers. All persons employed in Skilled agriculture occupations in Q3: 2012 remained employed in Q4: 2012, however, 82,1% remained in the same industry in Q4: 2012, and the remainder moved to other industries. Persons employed as Elementary (10,7%) and Craft workers (9,9%) had the highest transition rates out of employment, while Technicians (20,9%) were more likely than other groups to move to other occupations.

Figure 7: Employment retention and transition rates by sector

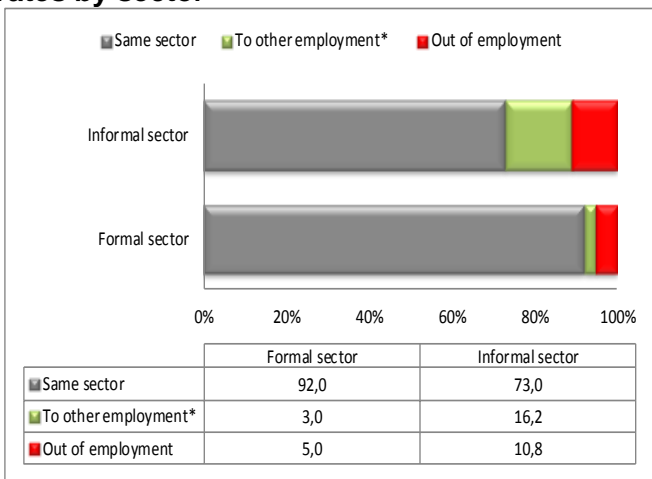
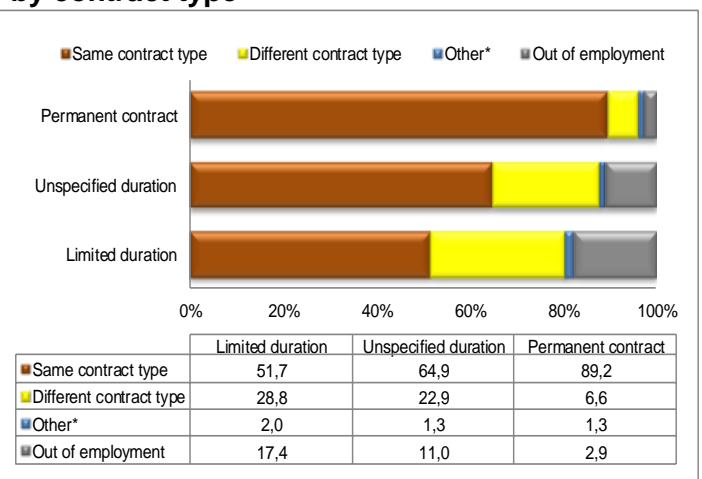


Figure 8: Employment retention and transition rates by contract type



Note: In Figure 8, "Other employment" refers to Agriculture, Private households and the formal/informal sectors.

Figure 7 shows that people employed in the formal sector are more likely to remain in their jobs than those employed in the informal sector. About 92% of people who were employed in the formal sector in Q3: 2012 remained in that sector in the subsequent quarter and only 3,0% moved to other employment, while 5,0% moved out of employment. About 73% of the people employed in the informal sector in Q3: 2012 remained employed in the sector and only 16,2% moved to other sectors, while 10,8% moved out of employment.

Permanent contract employees' retention rates were substantially higher at 89,2% than among employees with contracts of a limited duration (51,7%) or among those with contracts of an unspecified duration (64,9%). It was observed in the next quarter that people with contracts of a limited duration were more likely to have different contractual arrangements when compared with the previous quarter. This is shown by the fact that 28,8% of employees who had contracts of a limited duration in Q3: 2012 changed their contractual arrangements in Q4: 2012.

Distribution of those who found employment

This section focuses on the various distributions of those who were not in employment in Q3: 2012 (the unemployed and inactive) and who found employment in Q4: 2012. Please note that the distribution analysed in this section is based on a relatively small sample (243 000) and thus results should be interpreted with caution.

Figure 9: Distribution of those who found employment by status in employment

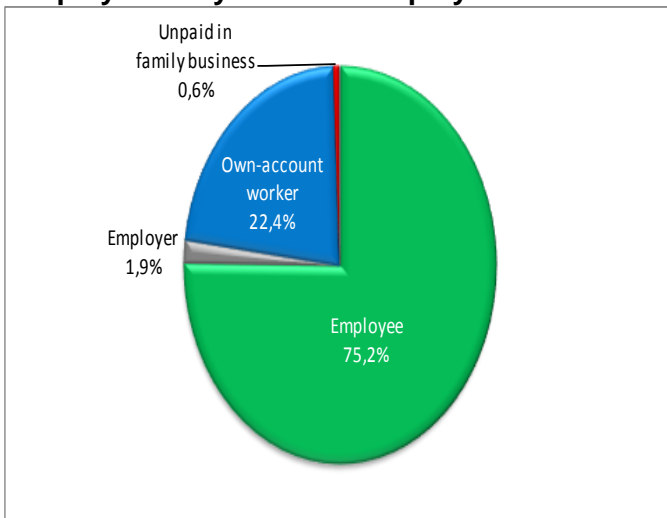


Figure 10: Distribution of those who found employment by size of firm

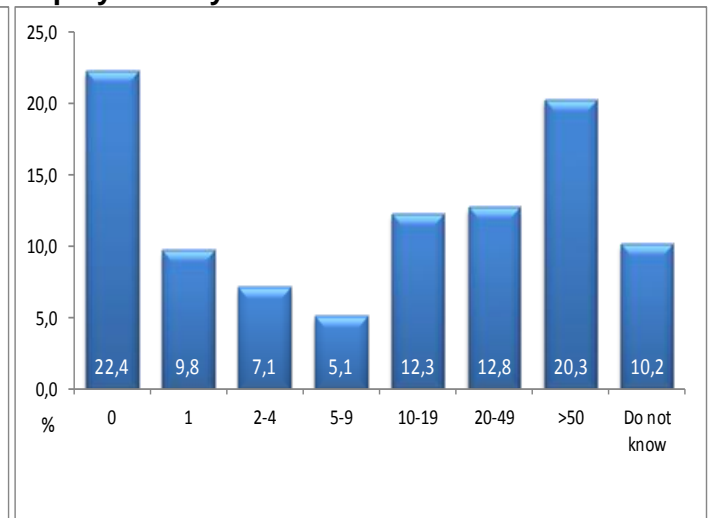


Figure 9 shows that 75,2% of persons who had been without work in Q3: 2012, found employment in Q4: 2012 as employees, 22,4% became own-account workers, 1,9% became employers and the remainder (0,6%) helped unpaid in a family business. More than a fifth of persons who became employed in Gauteng either worked on their own or became employers. Figure 10 shows that small firms create jobs. More than a third (44,4%) of those who found employment did so in firms which employed less than ten workers and 20,3% of those who found jobs did so in large firms that employed more than 50 workers.

Figure 11: Distribution of those who found employment by industry

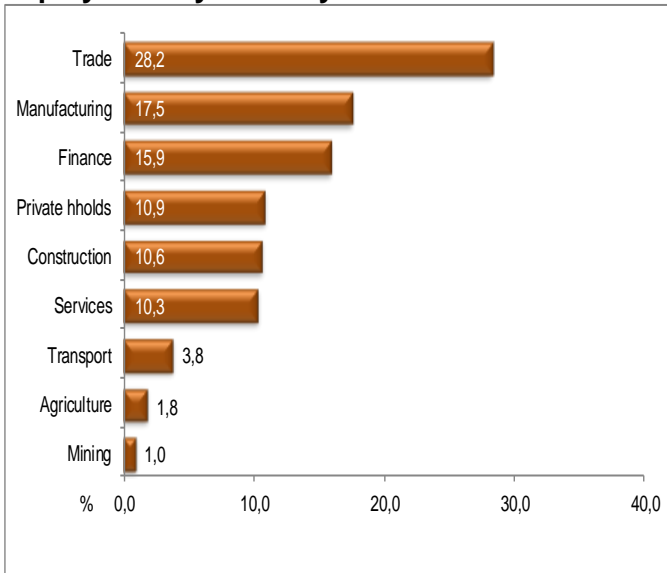
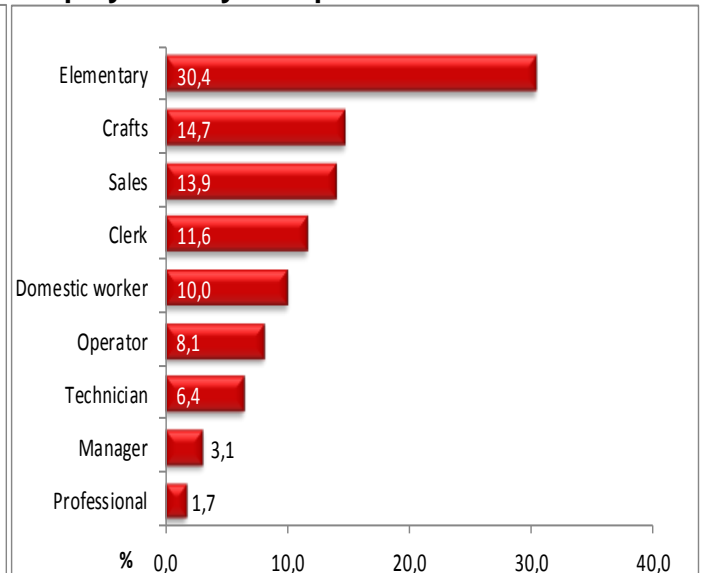


Figure 12: Distribution of those who found employment by occupation



Slightly more than a quarter of people found work in Trade (28,2%). The Manufacturing (17,5%) and Finance (15,9%) industries also provided the most employment opportunities for those who found jobs in Q4: 2012. Figure 12 shows that the majority of people in Gauteng found employment in the Elementary (30,4%) occupations, followed by Crafts and Sales at 14,7% and 13,9% respectively.

Figure 13: Distribution of those who found employment by sector

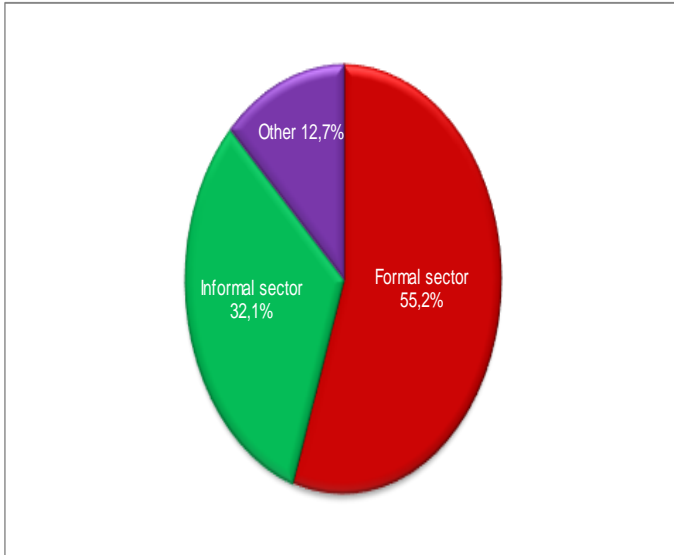
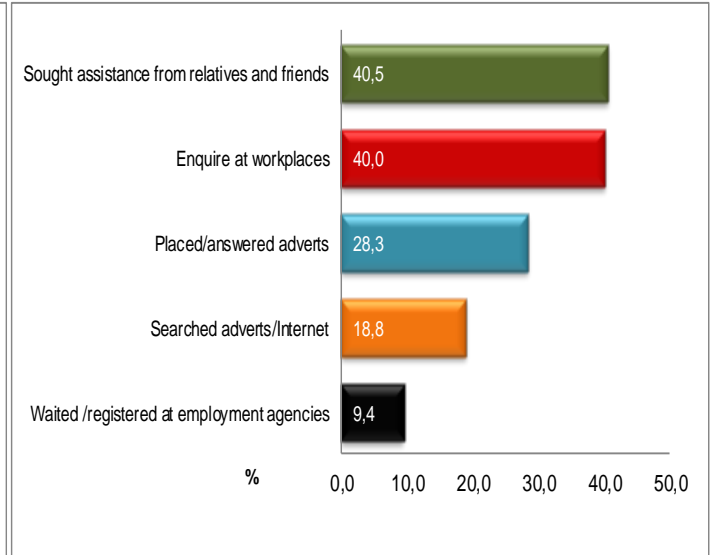


Figure 14: Distribution of those who found employment by search method



The formal sector accounted for the largest share of all the jobs found in Q4: 2012 (55,2%) while the informal sector provided a somewhat smaller share of 32,1%. Seeking assistance from relatives and friends (40,5%) and enquiring at the workplace (40,0%) were the most widely used methods of job search, while waiting or registering at employment agencies was the least used method of job search.

Hard facts

- The employment retention rate in Gauteng was 94,0% – this means that nine out of every ten persons with a job in Q3: 2012 was still in employment in the succeeding quarter.
- Chances of finding employment are higher among those with experience (12,6%) compared to those without such experience (8,1%).
- Higher percentages of men (6,5%) than women (5,2%) found employment.
- There was a lower transition rate into employment among the youth (5,4%) as compared to adults (6,4%).
- Lastly, the better educated are able to find jobs compared with those with lower education levels.

Mpumalanga labour market dynamics

Q3: 2012–Q4: 2012

Mpumalanga

Panel data allows for the tracking of individuals over a period of time, thus facilitating the investigation of changes in the movements into and out of various labour market states. This report focuses on these movements for Mpumalanga between Q3:2012 and Q4:2012.

Retention rates

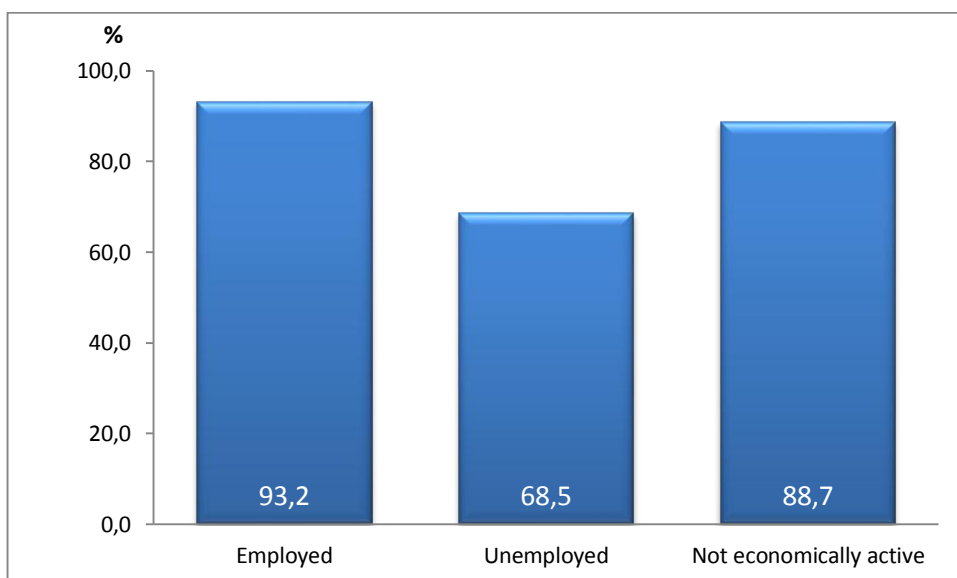
A retention rate is calculated as the percentage of individuals who remained in the same labour market status between successive quarters. Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

Table 1: Retention and transition rates by labour market status, Q3: 2012 to Q4: 2012

	Employed	Unemployed	Not economically active	Total
Labour market Status in Q3:2012	Labour market status in Q4:2012 (in thousands)			
Employed	962	31	39	1 033
Unemployed	48	311	95	453
Not economically active	42	84	991	1 117
Working age population	1 052	425	1 125	2 602
	Retention and transition rates by labour market status in Q4:2012			
Employed	93,2	3,0	3,8	100,0
Unemployed	10,5	68,5	20,9	100,0
Not economically active	3,8	7,5	88,7	100,0

Table 1 above shows the retention and transition rates for the period Q3:2012 to Q4:2012. Close to 94% of those who were employed in Q3:2012 retained their jobs in Q4:2012, while the remainder moved into unemployment (3,0%), and inactivity (3,8%) in Q4:2012. The unemployed had a retention rate of 68,5%, in addition 31,4% moved into employment and inactivity in Q4:2012. Only 10,5% found employment between the two quarters in line with the national transition rate of 10,8%. Amongst the not economically active, 126 000 moved into the labour force as 3,8% found employment and 7,5% became unemployed.

Figure 1: Retention rates by labour market status



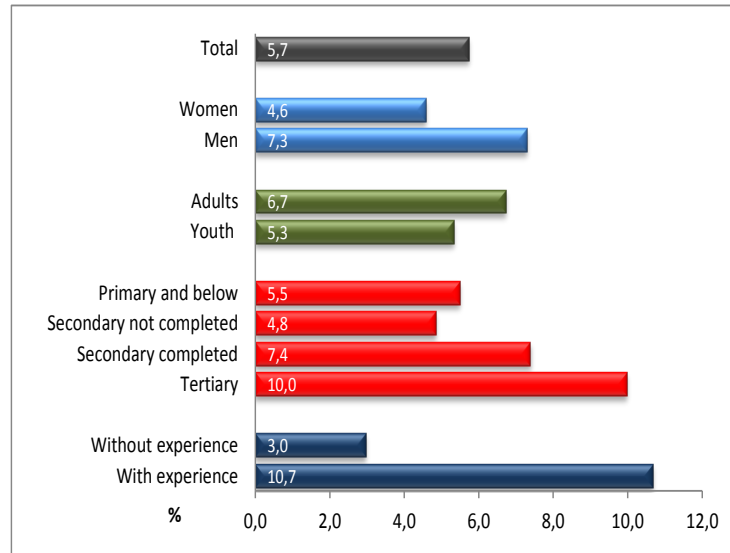
The retention rates for all labour market statuses between Q3:2012 and Q4:2012 were high, with the highest retention rate amongst the employed. Of those who were employed in Q3:2012, 93,2% were retained in their jobs in Q4:2012. The retention rate of those who were unemployed in Q3:2012 was 68,5%, which makes it the lowest retention rate as compared to the other labour market statuses. Close to nine in

ten of those who were not economically active in Q3:2012 did not move into another labour market status in Q4:2012.

Transitions into employment

This section focuses on the transition rates by various attributes among those who were not in employment in Q3:2012 (the unemployed and inactive) but who found employment in Q4:2012.

Figure 2: Transition into employment by various groups



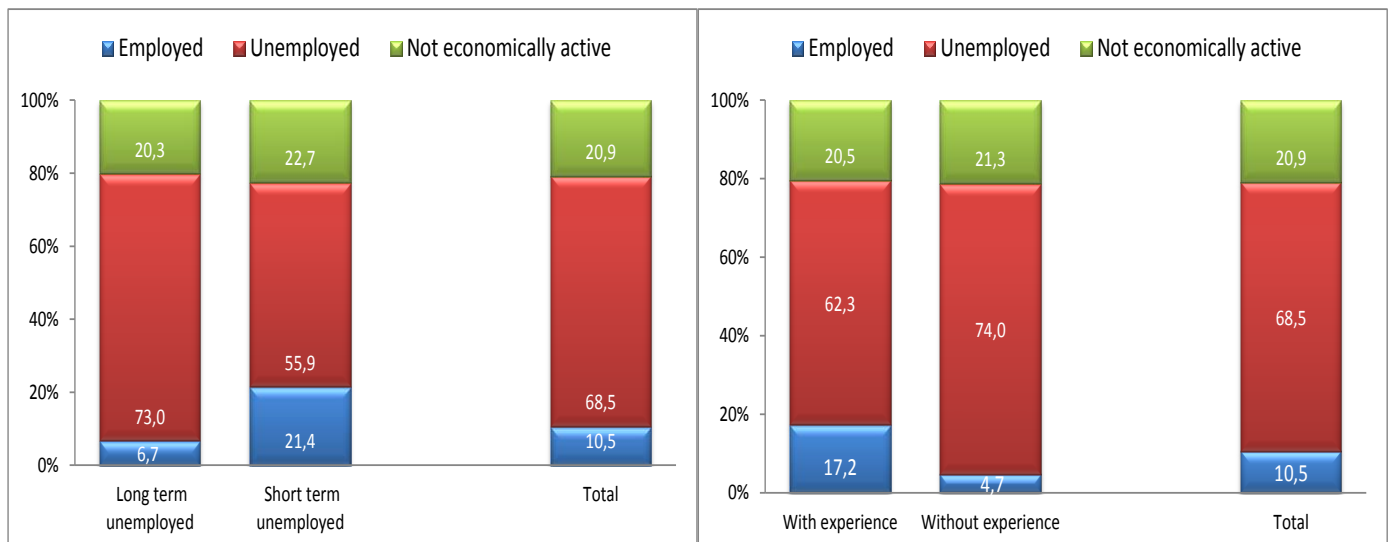
Men have a higher likelihood of moving into employment as compared to women (7,3% vs. 4,6%). Adults (persons aged 35–64) are 1,3% more likely to move into employment as compared to youths. The chances of moving into employment ‘with experience’ are 7,7 percentage points higher compared to those without experience. Having tertiary education increases the chances of moving into employment as compared to other education levels. A person with a tertiary qualification is twice as likely to find employment on a quarterly basis compared to a person with secondary not completed education.

Changes in labour market status among those who looked for work

This section focuses solely on unemployed persons who looked for work over the quarter.

Figure 3: Unemployment retention and transition rates by duration of unemployment

Figure 4: Unemployment retention and transition rates by work experience



Persons who are in long term unemployment have higher chances of staying in unemployment (Figure 3); the unemployment retention rate for this group at 73,0% is 4,5 percentage points higher than the provincial unemployment retention rate (68,5%). In contrast, 21,4% of those in short term unemployment found employment between the two quarters; 3,8 percentage points higher than the national transition rate from short term unemployment of 17,6%. Figure 4 shows that having no previous work experience increases the chances of remaining unemployed (74,0%) compared to an unemployment retention rate of 62,3% for those with experience. Similarly, having experience increases the chances of moving into employment (17,2%) compare to those with no experience (4,7%).

Selected retention and transition rates

Caution is required when making conclusions based on the industrial profile of employed persons since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

Figure 5a: Retention and transition rates by labour market status and industry

Figure 5: Industry retention and transition rates

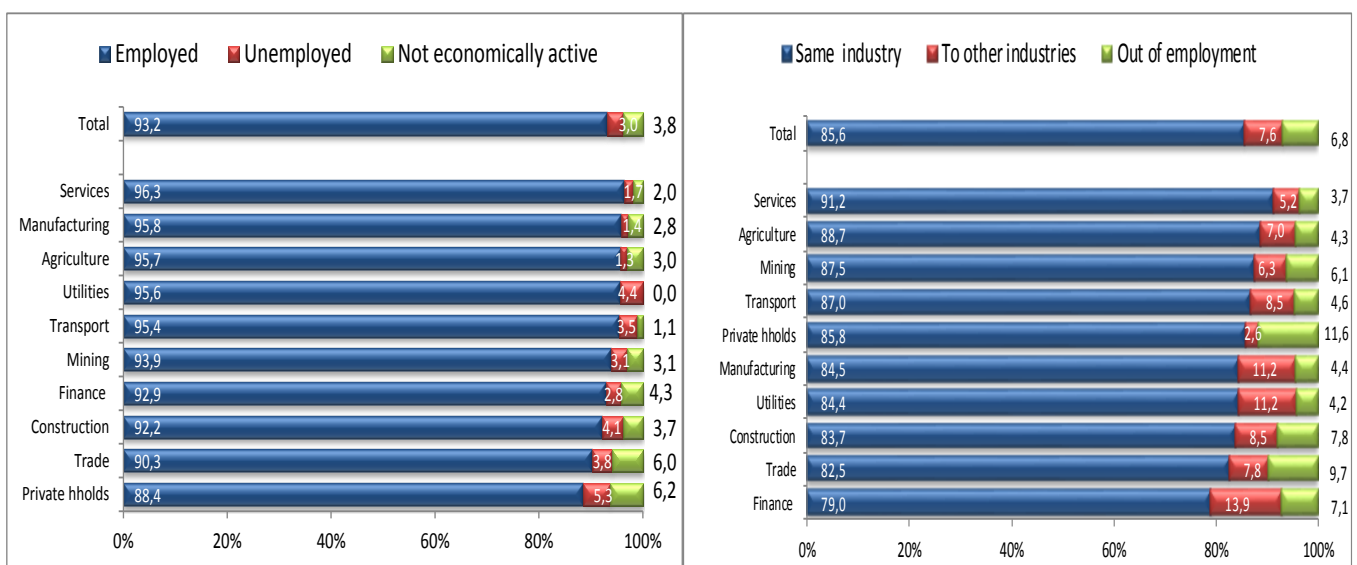


Figure 5a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same industry. Figure 5 complements Figure 5a since it identifies those who remained in the same industry and those who moved to other industries.

Figure 5a indicates that all industries have employment retention rates higher than 90% except Private households (88,4%), resulting in this industry having the highest transition rates into not economically active (6,2%) and unemployment (5,3%) compared to other industries. Between Q3:2012 and Q4:2012 (Figure 5), nine out of ten industry retention rates were above 80% with the exception of Finance (79,0%).

Private households had the highest rates of transition out of employment (11,6%), followed by Trade (9,7%), while Community and social services reflected the lowest transition rate out of employment (3,7%). Figure 5 further reveals that persons working in Manufacturing (11,2%) and Utilities (11,2%) are more likely to move to another industry as compared to persons working in other industries.

Figure 6a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same occupation. Figure 6 complements Figure 6a since it identifies those who remained in the same occupation and those who moved to other occupations.

Figure 6a: Retention and transition rates by labour market status and occupation

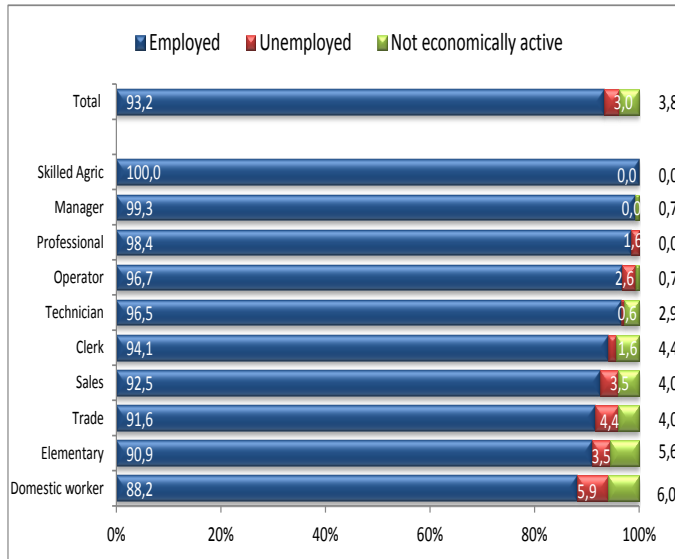
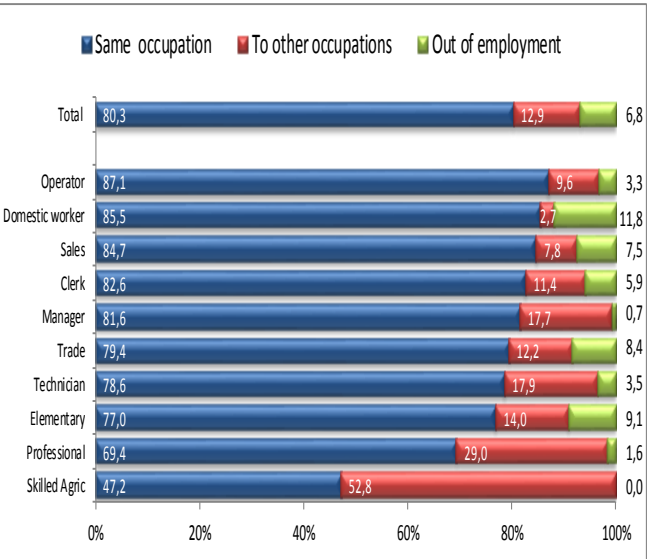


Figure 6: Occupation retention and transition rates



Note: Small sample size in Skilled agriculture

Movements between labour market statuses by occupation highlights that all persons employed in Skilled agriculture remained in this occupation between Q3: 2012 and Q4: 2012, while close to a 100% remained in the Managerial occupational category (99,3%). In contrast, only 88,2% of Domestic workers remained employed in this occupation between the two quarters and were also more likely to move into unemployment (5,9%), and inactivity (6,0%). The largest movements to another occupation occurred for Skilled agriculture; 52,8% of persons employed in Skilled agriculture moved to another occupation, followed by Professionals (29,0%). Domestic workers (11,8%) were most likely to move out of employment and least likely to move to another occupation (2,7%) (Figure 6). Operators recorded the highest occupational retention rate (87,1%), followed by Domestic workers (85,5%), while the lowest occupation retention rate was observed in Skilled agriculture (47,2%).

Figure 7: Employment retention and transition rates by sector

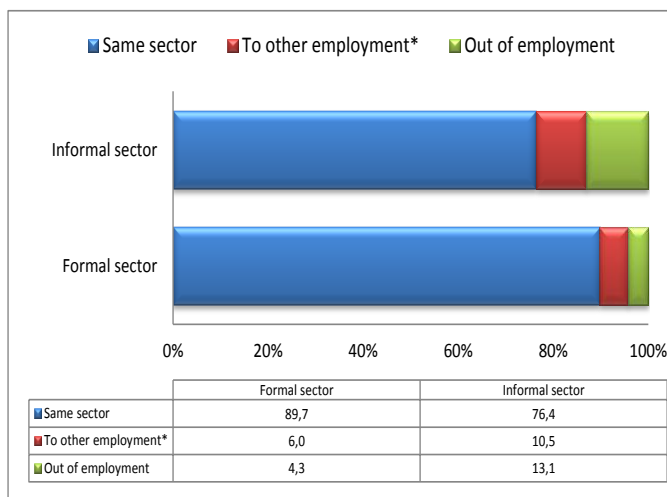
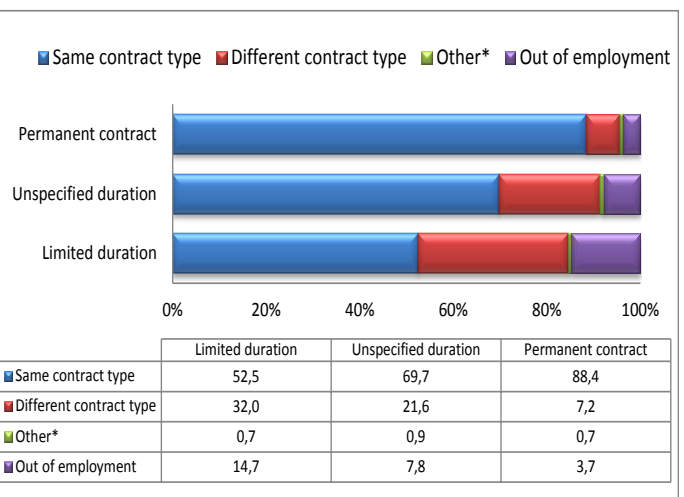


Figure 8: Employment retention and transition rates by contract type



Note: In Figure 8 "Other" includes Agriculture, Private households and the formal or informal sector.

Persons working in the formal sector are more likely to remain in the formal sector (89,7%) compared to those in the informal sector (76,4%). In addition, informal sector employees are three times more likely to move out of employment compared to those in the formal sector (Figure 7). Figure 8 shows that employees on a permanent contract (88,4%) have the highest retention rate, while only 7,2% moved to a different contract type and 3,7% moved out of employment. Close to seven in ten employees on contract of unspecified duration remained on such a contract while 21,6% moved onto a different contract type. Those on a limited duration contract are most vulnerable to exit employment; 14,7% of those of a limited duration contract moved out of employment on a quarterly basis.

Distribution of those who found employment

This section focuses on the various distributions of those who were not in employment in Q3:2012 (the unemployed and inactive) and who found employment in Q4:2012. Please note the distributions analysed in this section are based on a relatively small sample (Table 1) and thus results should be interpreted with caution.

Figure 9: Distribution of those who found employment by status in employment

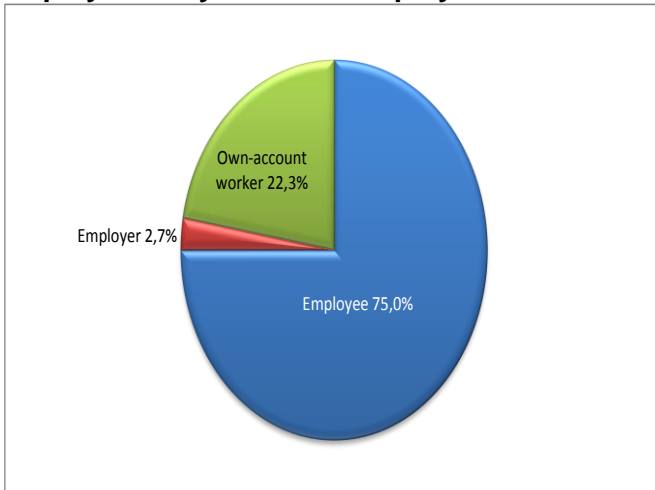


Figure 10: Distribution of those who found employment by size of firm

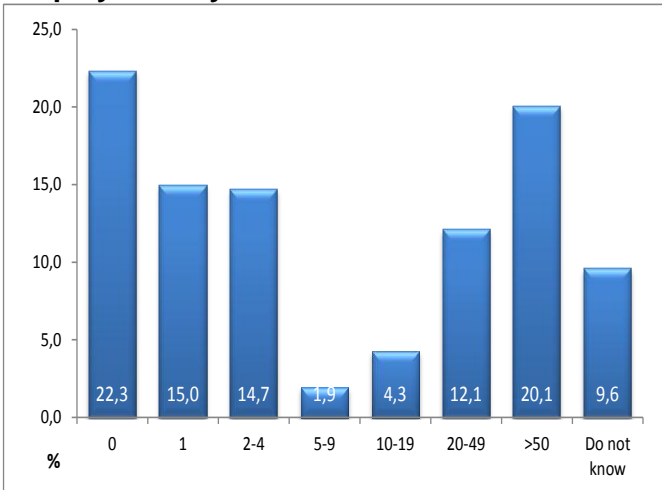


Figure 9 shows that 75,0% of those who did not have a job in Q3: 2012 found employment as an employee in Q4: 2012, compared to 22,3% who became own-account workers and 2,7% who were employers. In Mpumalanga, small firms create jobs, a finding consistent with the national picture; 53,9% of those who found employment found a job in a firm with less than ten employees. Large firms with more than 50 employees accounted for 20,1% of jobs created over the quarter (Figure 10).

Figure 11: Distribution of those who found employment by industry

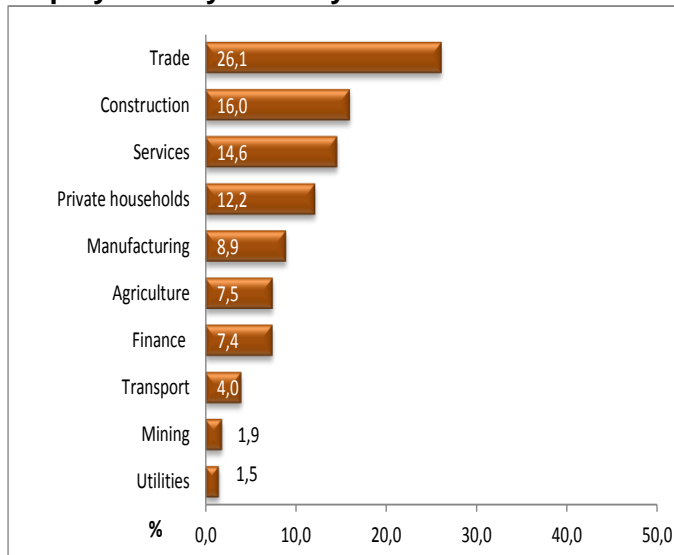
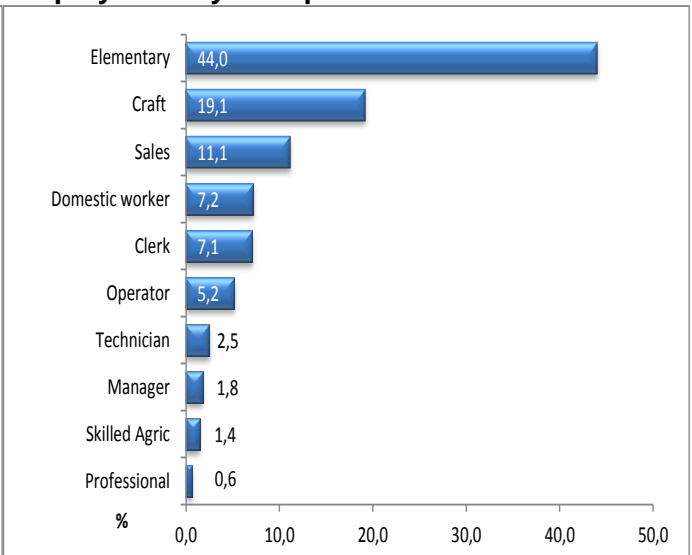


Figure 12: Distribution of those who found employment by occupation



Note: Caution is required when making conclusions based on the industrial profile of employed persons since the clustered nature of the Mining industry means that it might not have been adequately captured by the QLFS sample. For more robust mining estimates, please use the Quarterly Employment Statistics (QES).

Of those who found employment, 26,1% found a job in the Trade industry, followed by Construction (16,0%), while only 1,5% found a job in Utilities (Figure11). Figure 12 shows that Elementary occupations accounted for 44,0% of jobs found, followed by Craft (19,1%), while 0,6% found employment in Professional occupations.

Figure 13: Distribution of those who found employment by sector

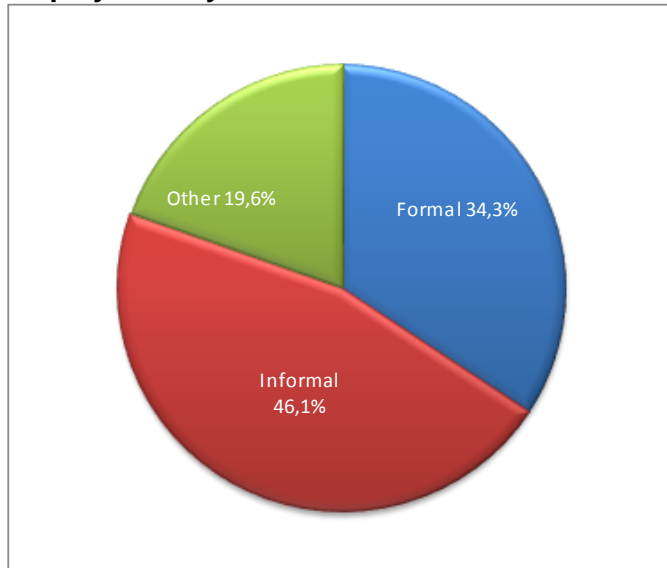
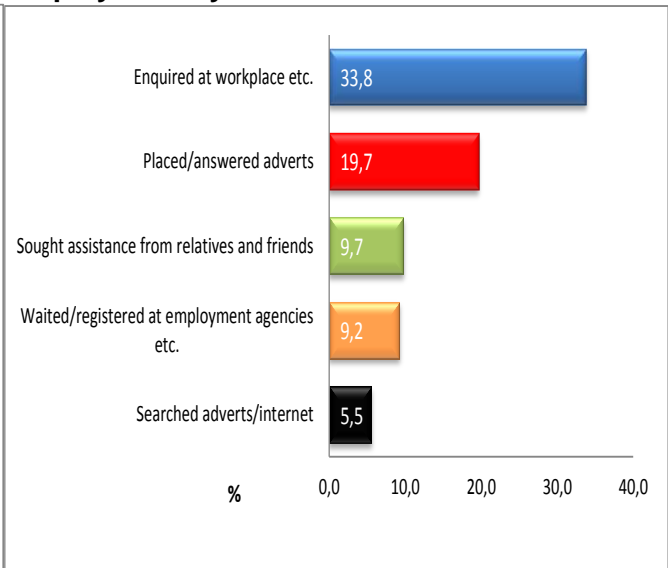


Figure 14: Distribution of those who found employment by search method



Note: In Figure 13 "Other" includes Agriculture and Private households. In Figure 14 an individual may have engaged in multiple search methods.

The distribution of those who found employment by sector shows that the informal sector accounted for 46,1% of all jobs found between Q3: 2012 and Q4: 2012, followed by the formal sector (34,3%) and other sectors (19,6%). This is in contrast to the national findings, where the formal sector accounted for close to half of all jobs. Figure 14 shows that there are different methods which can be used to search for employment. Thirty-three percent of those who found employment "Enquired at workplaces", making it the most frequently used employment searching method, followed by "Placed or answered adverts" (19,7%), while the least utilised method was found to be "Searched adverts/internet" (5,5%).

Hard facts

- Employment retention rate in Mpumalanga was high at 93,2% and of similar magnitude to the national employment retention rates, however, unemployment retention rates at 68,5% was 1,7 percentage points higher than the national average.
- Previous work experience plays an important role in finding employment, those with experience in Mpumalanga were close to four times more likely to find employment compared with those who had never worked before.
- Adults in Mpumalanga are more likely to transition into employment compared to the youth, while men also have higher rates of transition into employment. The better educated also face higher transition rates; a person with a tertiary level of education is nearly twice as likely to find employment on a quarterly basis relative to a person who has a primary and below level of education.
- The short term unemployed are more than three times more likely to enter employment relative to the long term unemployed in Mpumalanga, while experience also plays an important role moving into employment (17,2% vs. 4,7%).
- Industry retention rates are the highest in Services (91,2%) and the lowest in Finance (79,0%), while those employed in Private households are more likely to move out of employment (11,6%). Occupational retention rates were high for Operators (87,1%) while those employed in Skilled agriculture reflected the largest movements to another occupation (52,8%) and occupational retention rate at (47,2%).
- The employment retention rate in the formal sector (89,7%) for Mpumalanga is the third lowest amongst all provinces, while for the informal sector (76,4%) it is the second highest.
- Those employed on a permanent contract (88,4%) are likely to remain on such a contract, while those on a limited and unspecified duration contracts are more likely to move onto another employment contract (32,0% and 21,6% respectively) or out of employment (14,7% and 7,8% respectively).
- A finding consistent with the national picture highlights that three quarters of those who found employment on a quarterly basis found a job as an employee. In addition, 53,9% of all jobs were found in small enterprises with less than ten employees.
- Trade and elementary occupations created the most jobs, while enquiring at places of work was the most widely used job search method in the province.

Limpopo labour market dynamics

Q3: 2012–Q4: 2012

Limpopo labour market dynamics

For the first time Statistics South Africa (Stats SA) undertook a panel analysis based on the QLFS data at national level and published this in the Labour Market Dynamics report in 2012. Panel analysis involves tracking movements of individuals into and out of the labour market states. This report focuses on Limpopo and provides an understanding of the factors that contribute to the movement of individuals into and out of the three labour market states in this province.

Retention rates

A retention rate is calculated as the percentage of individuals who remained in the same labour market status between successive quarters. Due to rounding, the totals may sometimes differ from the sum on the categories presented for various distributions.

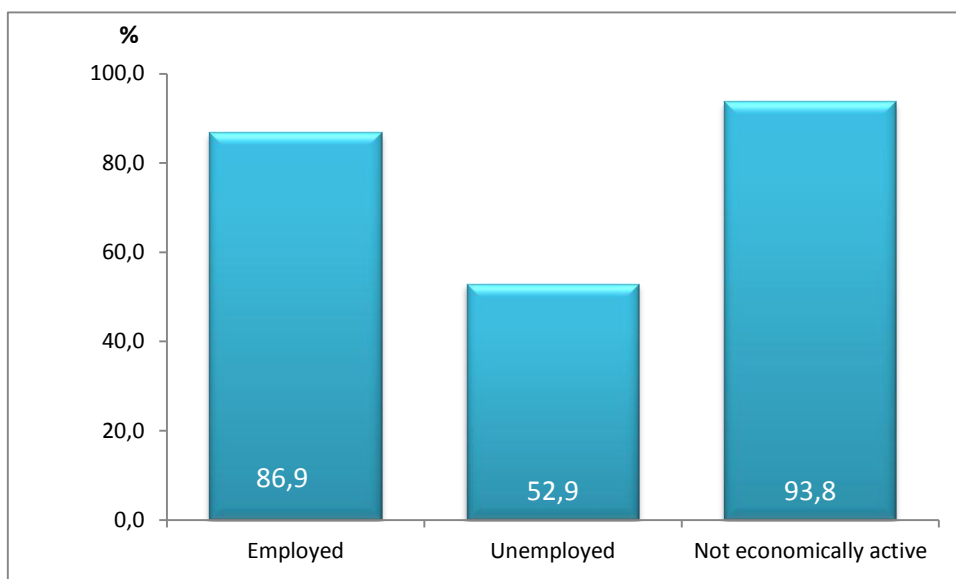
Table 1: Retention and transition rates by labour market status Q3: 2012 to Q4: 2012

	Employed	Unemployed	Not economically active	Total
Labour market status in Q3:2012	Labour market status in Q4:2012			
	Thousand			
Employed	978	38	109	1 125
Unemployed	51	164	95	311
Not economically active	54	67	1 829	1 950
Working age population	1 084	270	2 033	3 386
	Retention and transition rates by labour market status in Q4:2012			
Employed	86,9	3,4	9,7	100
Unemployed	16,5	52,9	30,5	100
Not economically active	2,8	3,5	93,8	100

Table 1 and Figure 1 show that the employment retention rate was 86,9%, i.e. eight out of every ten people who had jobs in Q3: 2012 were still in employment in Q4: 2012. The transition rates from employment into unemployment and inactivity were 3,4% and 9,7% respectively.

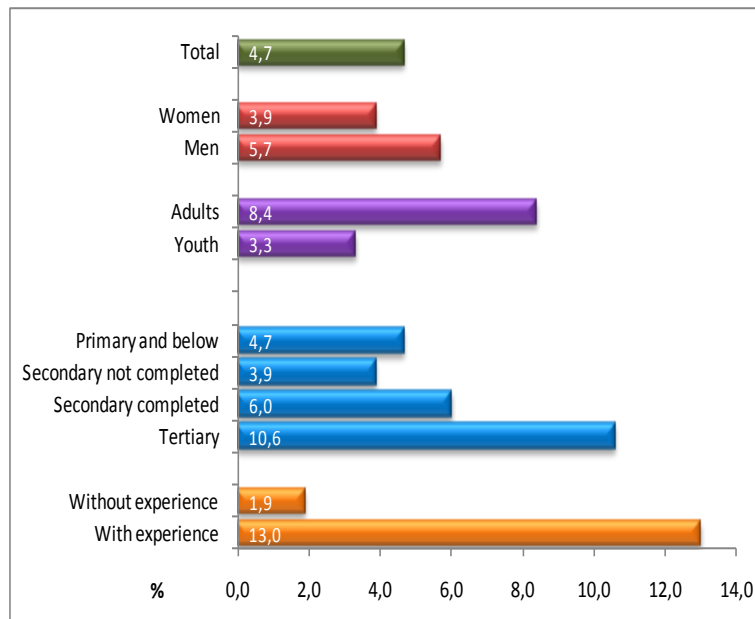
Just over half (52,9%) of those who were looking for work in Q3: 2012 remained without jobs in Q4: 2012; 16,5% found jobs, while 30,5% stopped looking for work (moved out of the labour force). Among those who were not economically active in Q3: 2012, 93,8% remained in that labour market state while 2,8% moved into employment and 3,5% were looking for work in Q4: 2012.

Figure 1: Retention rates by labour market status



Note: Q3: 2012 to Q4: 2012

Figure 2: Transition into employment by various groups



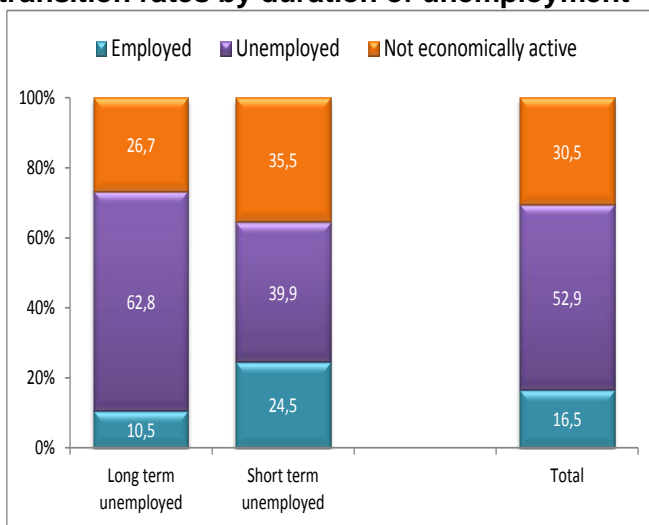
Note: Q3: 2012 to Q4: 2012

Among those who did not have jobs in Limpopo in Q3: 2012 (the unemployed and the not economically active), 4,7% found employment in the subsequent quarter. The transition rate was higher among men than among women (5,7% compared to 3,9%). Adults who did not have jobs in Q3: 2012 were more likely to transition into employment than the youth. Those with tertiary education had a higher transition rate into employment than those with lower levels of education. Experience played a major role in people finding jobs in Limpopo as those who had worked before were 6,8 times more likely to find employment than those without work experience.

Changes in labour market status among those who looked for work

Understanding the nature of unemployment is critical for the adequate formulation of labour market policies. This section provides insight into two aspects of the transition into employment of those who were unemployed and looked for work. In this regard, the analysis first focuses on the duration of unemployment and then on the role of work experience in gaining employment. Both of these are known to have an impact on the chances of finding employment.

Figure 3: Unemployment retention and transition rates by duration of unemployment



Note: Q3: 2012 to Q4: 2012

Figure 4: Unemployment retention and transition rates by work experience

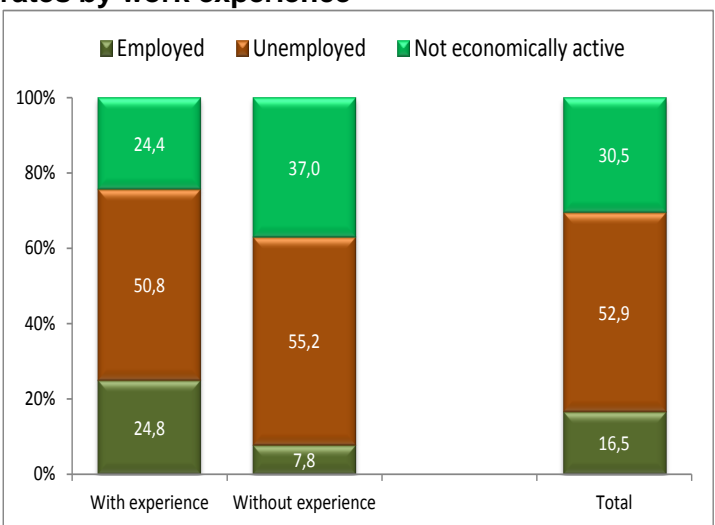


Figure 3 shows that 52,9% of those who were unemployed in Q3: 2012 remained unemployed in Q4: 2012. However, the rate was higher among those in long-term unemployment (62,8%) compared to those in

short-term unemployment (39,9%). The transition rate into employment among people in short-term unemployment (24,5%) was more than twice that of those in long-term unemployment (10,5%). Figure 4 shows that although unemployment retention for individuals with experience was only 4,4 percentage points lower than those without experience, the chances of finding employment among those with experience (24,8%) were three times more than among those who had not worked before (7,8%).

Selected retention and transition rates

Figure 5a: Industry retention and transition rates by labour market status

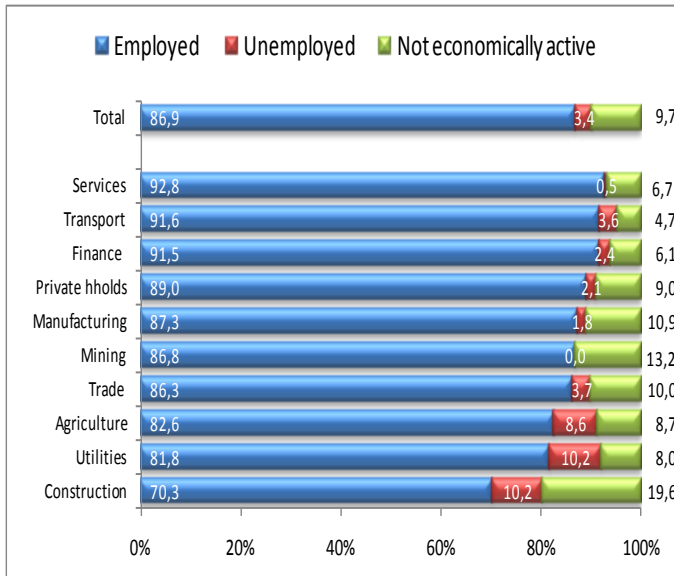
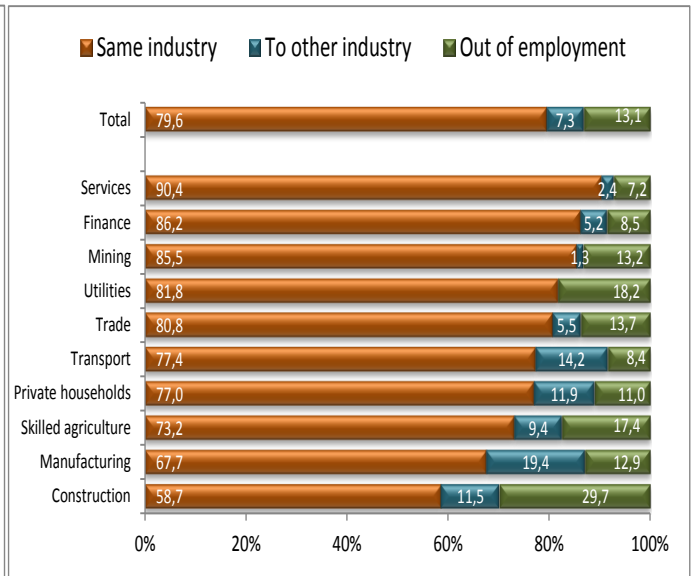


Figure 5: Industry retention and transition rates



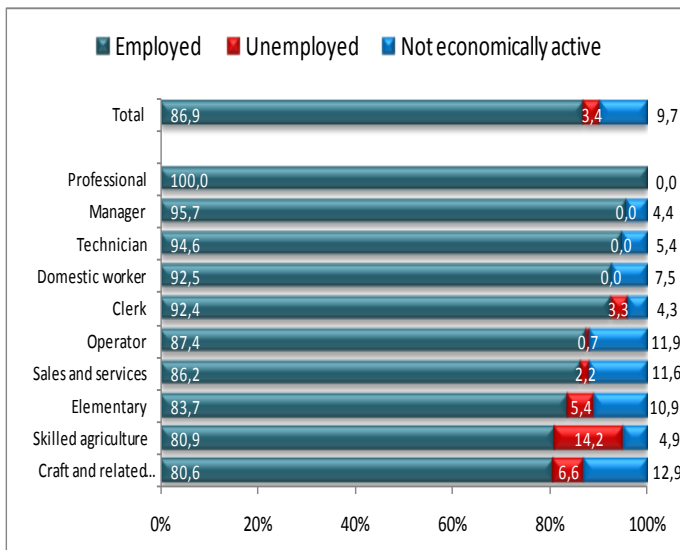
Note: Q3: 2012 to Q4: 2012

Figure 5a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same industry. Figure 5 complements Figure 5a since it identifies those who remained in the same industry and those who moved to other industries.

Figure 5a shows that 86,9% of those who were employed in Q3: 2012, remained employed in Q4:2012, while 3,4% became unemployed and 9,7% moved out of the labour force. Over 90,0% of people who were employed in Community and social services, Transport and Finance and other business services in Q3: 2012 remained employed in Q4: 2012 compared to only 70,3% of those employed in Construction.

Figure 5 shows that out of the 86,9% who were employed in Q3: 2012, 79,6 % remained employed in Q4:2012, 7,3% moved to other industries while 13,1% were out of jobs. Community and social services, Finance and other business services and Mining were the top three industries that retained people between the two quarters in which those who worked in Q3: 2012 remained in employment in Q4: 2012. Those who were employed in Construction were more likely to move out of employment than those employed in other industries – 29,7% moved out of employment in Q4:2012.

Figure 6a: Occupation retention and transition rates by labour market status



Note: Q3: 2012 to Q4: 2012

Figure 6: Occupation retention and transition rates

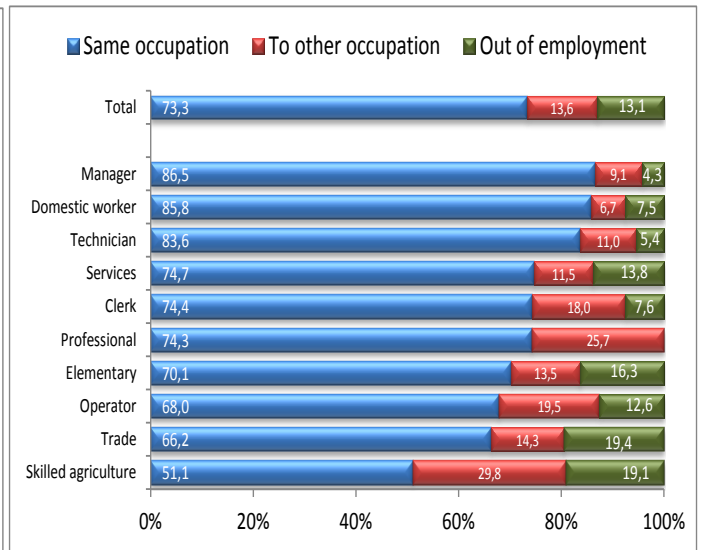
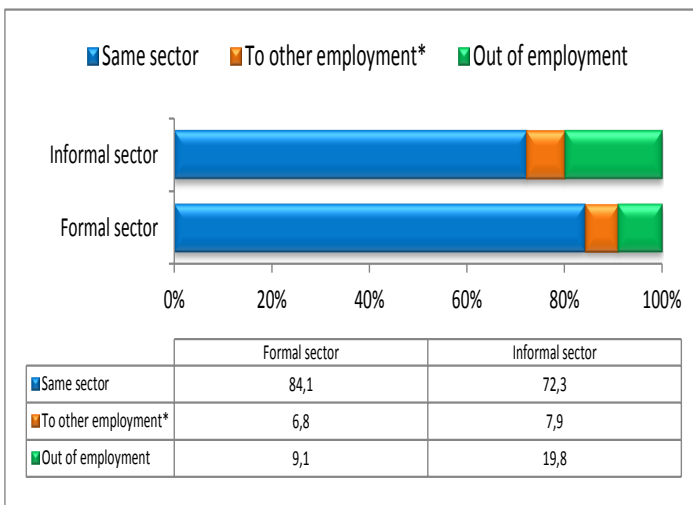


Figure 6a shows the proportion of people who remained in employment, regardless of whether they continued to work in the same occupation. Figure 6 complements Figure 6a since it identifies those who remained in the same occupation and those who moved to other occupations.

Figure 6a shows that over 86,9% of those who were employed in Q3: 2012 remained employed in Q4: 2012, irrespective of occupation. Among those who were in Skilled agriculture occupations, 14,2% became unemployed in Q4: 2012. The largest transition rate from employment to inactivity was observed among those who were employed in Crafts (12,9%), Elementary (10,9%), Operator (11,9%) and Domestic worker (7,5%) occupations. As depicted in Figure 6, of those who were employed in Q3: 2012, 73,3% remained in the same occupation in Q4: 2012 and 13,6% changed occupations. The highest retention rates were observed among Manager occupations (86,5%) and the lowest among those in Skilled agriculture (51,1%). The highest transition rate out of employment was observed among those in Trade occupations at 19,4%.

Figure 7: Employment retention and transition rates by sector



Note: Q3: 2012 to Q4: 2012

Figure 8: Employment retention and transition rates by contract type

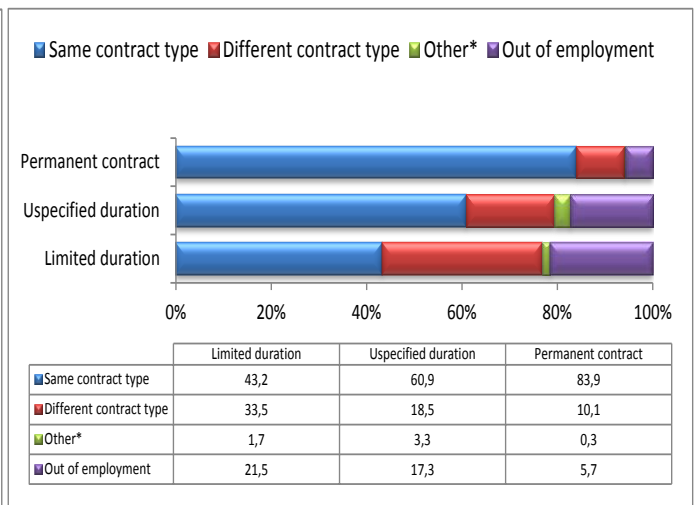


Figure 7 shows that the retention rate among those employed in the formal sector was substantially higher at 84,1% than among those employed in the informal sector (72,3%). The transition rate out of employment

was higher among those who were employed in the informal sector than among those in the formal sector (19,8% compared to 9,1%).

According to Figure 8, the retention rate among those with a permanent contract was substantially higher (83,9%) than among those with contracts of unspecified duration (60,9%) and of a limited duration (43,2%). Among those with a contract of a limited duration in Q3: 2012, 33,5 % moved to a different contract type in Q4: 2012.

Distribution of those who found employment

Figure 9: Distribution of those who found employment by status in employment

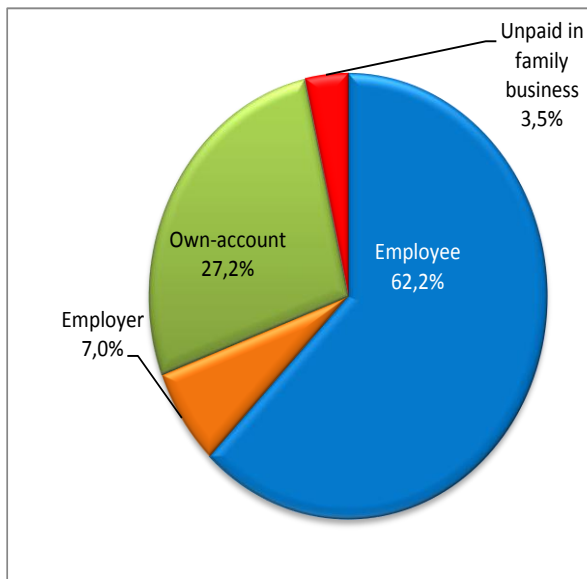
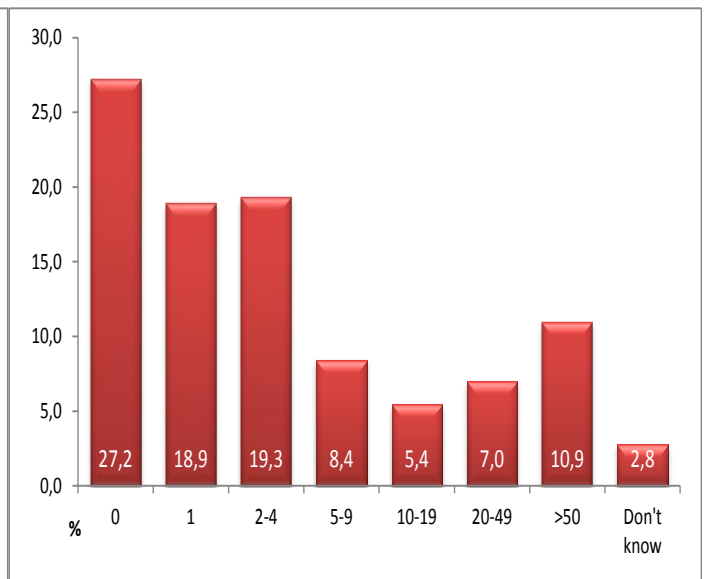


Figure 10: Distribution of those who found employment by size of firm



Note: Q3: 2012 to Q4: 2012

Of those who were not employed in Q3: 2012 and found employment in Q4: 2012, 62,2% found work as employees, 27,2% as own-account workers, 7,0% as employers and 3,5% helped unpaid in a household business. This finding signals the importance of entrepreneurship in making the transition from joblessness into employment in Limpopo, as one in every three people who became employed either worked on their own or became employers. Almost three-quarters (73,8%) of those who found jobs in Limpopo, found them in firms that employed fewer than 10 workers compared to just over half (50,7%) at national level.

Figure 11: Distribution of those who found employment by industry

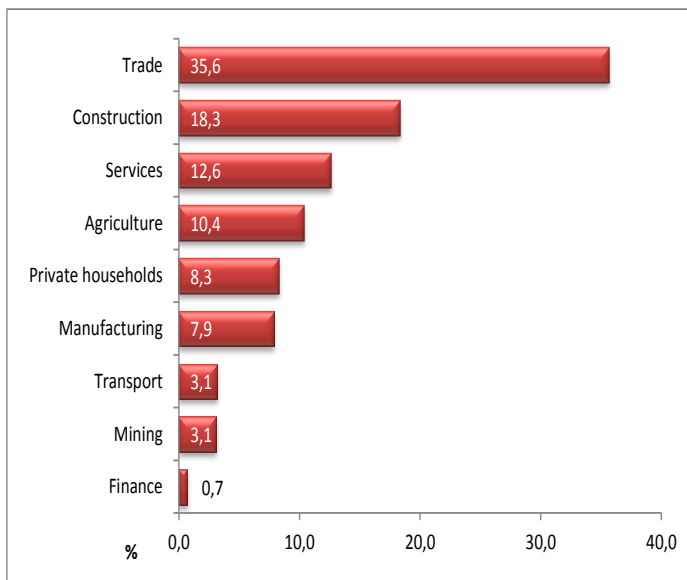
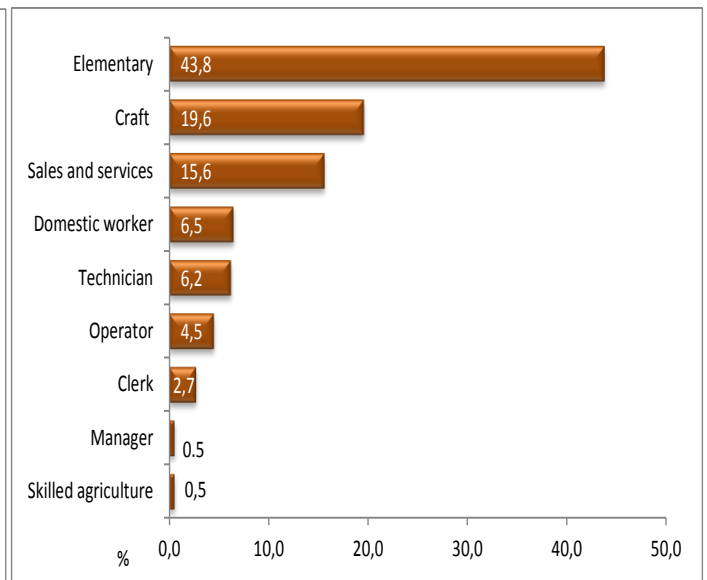


Figure 12: Distribution of those who found employment by occupation



Note: Utilities and professionals were omitted due to their small numbers: Q3: 2012 to Q4: 2012

Figure 11 shows that of those who were without work in Q3: 2013 and found work in Q4: 2013, 35,6% found a job in the Trade industry in Limpopo. This was followed by Construction, Community and social services and Agriculture industries with 18,3%, 12,6% and 10,4% respectively. People were less likely to find work in the Finance and other business services industry (less than 1,0% found work in this industry). Figure 12 shows that people were more likely to find Elementary jobs (43,8%) than to be in other occupations and were less likely to be in Managerial and Skilled agriculture occupations. Almost one in every five people found jobs in Crafts occupations.

Figure 13: Distribution of those who found employment by sector

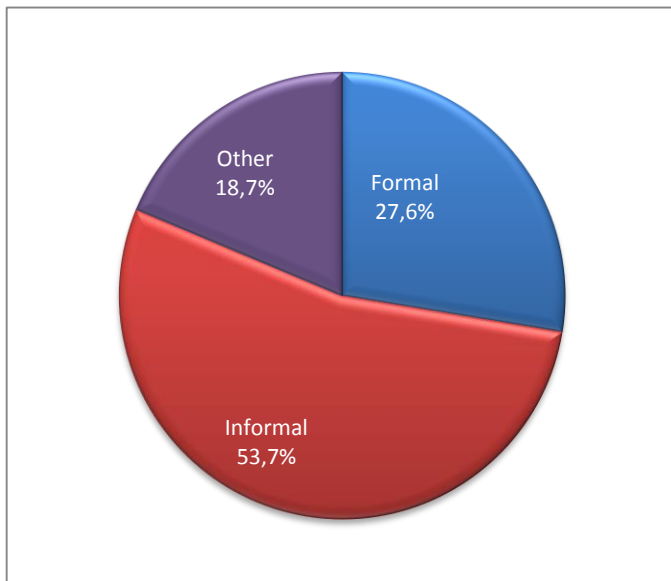
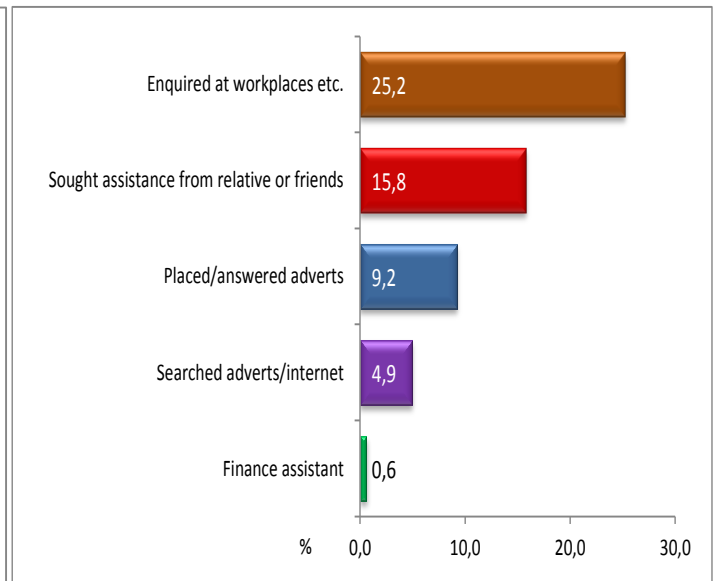


Figure 14: Distribution of those who found employment by search method



Note: "Other" includes Agriculture and Private households. Note: A person could have used more than one job search method.

Figure 13 shows that those who found jobs, found them mainly in the informal sector (53,7%). This is higher than the national average of 31,8%. Conversely, only 27,6% of those who found employment did so in the formal sector compared to 49,1 % at the national level.

As depicted in Figure 14, a quarter (25,2%) of those who found jobs, had enquired at workplaces. The next most utilised job search method was seeking assistance from relatives or friends as 15,8% of those who found jobs had used this job search method.

Hard facts

- The retention rate 93,8% among the not economically active population in Limpopo between Q3: 2012 and Q4: 2012 was higher than that among the employed and the unemployed (86,9% and 52,9% respectively).
- Transition into employment was the highest among those not economically active compared to the employed.
- Those with tertiary education had a higher transition rate into employment than those with lower levels of education.
- Experience played a major role in people finding jobs in Limpopo as those who have worked before were approximately 6 times more likely to find employment than those without work experience.
- The transition rate into employment among people in short-term unemployment (24,5%) was more than twice that of those in long-term unemployment (10,5%).
- Those who did not have jobs were more likely to find Elementary occupations; more likely to be employed in the Trade industry; more likely to work as employees; and find jobs in small establishments (those that employ fewer than 10 employees).