

# Quarterly Employment Statistics, Q2:2020

Risenga Maluleke  
Statistician-General

# QES Background

01

QES is an enterprise-based sample survey

02

QES collects information on employing businesses registered for VAT with annual turnover greater than R300 000

R300 000

03

Samples are drawn from private non-agricultural businesses e.g. factories, offices, stores as well as national, provincial and local government entities

04

Sample size of approximately 20 000 was selected

# QES Coverage

## INCLUDES



## EXCLUDES



\* Administrative data from DMR



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# QES Variables

*Estimates are published on a quarter lag (SDDS)*

*Number of employees*

as at the **last month** of the  
reference quarter



*Average monthly  
earnings*

for **the middle month** of the  
reference quarter

*Gross earnings*

for the **three months** of the  
reference quarter




# COVID-19 Impact on Data Collection

Stats SA staff generally collect QES survey data by email and telephone. During the collection period, Stats SA offices were partially closed and data had to be collected remotely (data collectors worked from home).

The inability to reach some respondents during the lockdown period resulted in the response rate for the survey being 82,9 percent, which was about 3 percentage points lower than average.

Although the response rate was adversely affected by pandemic-related issues, QES was still able to obtain estimates that met our standards for accuracy and reliability.

In anticipation of issues due to COVID-19, QES carefully reviewed estimation and methodological procedures, which included the review of collected data and estimation processes.



# Impact on the QES June 2020 employment and earnings estimates

In the QES survey, persons who are paid by their employer for all or any part of the pay period are counted as employed, even if they were not actually at their jobs.

Persons who are temporarily or permanently absent from their jobs and who are not being paid (i.e. do not receive salary/wages) are not counted as employed.

**According to ILO guidelines**, 'employed' persons include those who, in their present job, were 'not at work' for a short duration but maintained a job attachment during their absence (ILO, 2013 and 2020). Job attachment is determined on the basis of the continued receipt of remuneration, and/or the total duration of the absence.

In practice, formal or continued job attachment is established when :

- workers continue to receive remuneration from their employer, including partial pay, even if they also receive support from other sources, including government schemes.

- In turn persons are classified as '**not employed**' if:

People in this condition **do not receive any part of their remuneration** from their employer.

# Results for Q2:2020



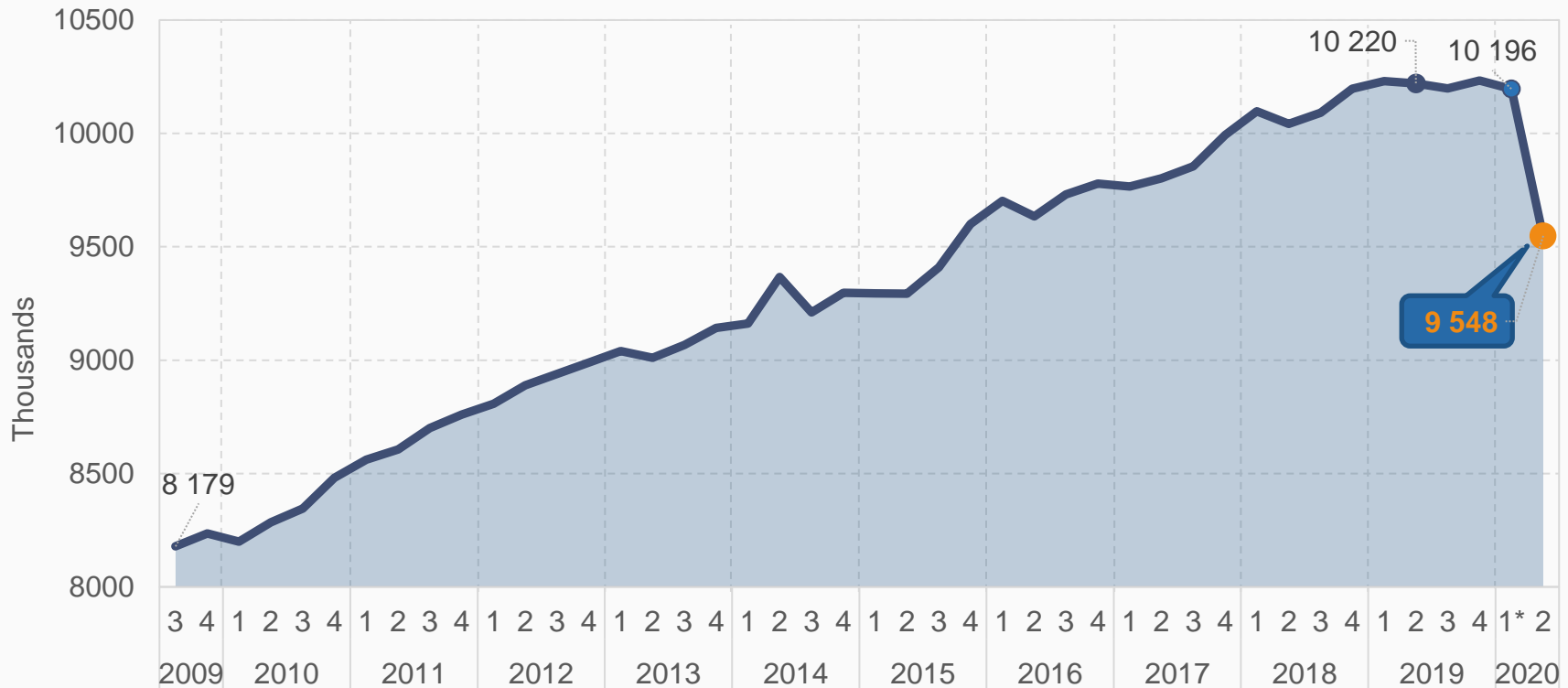
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# The total number of persons employed decreased from 10 196 000 in Q1:2020 to 9 548 000 in Q2:2020

Number of employees time-series from Q3:2009 to Q2:2020



\* Revised estimates



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# EMPLOYMENT RESULTS

9 548 000



Q/Q



There was a quarterly **decrease** of **648 000** jobs (**or -6,4%**) in the Q2:2020 compared with Q1:2020.

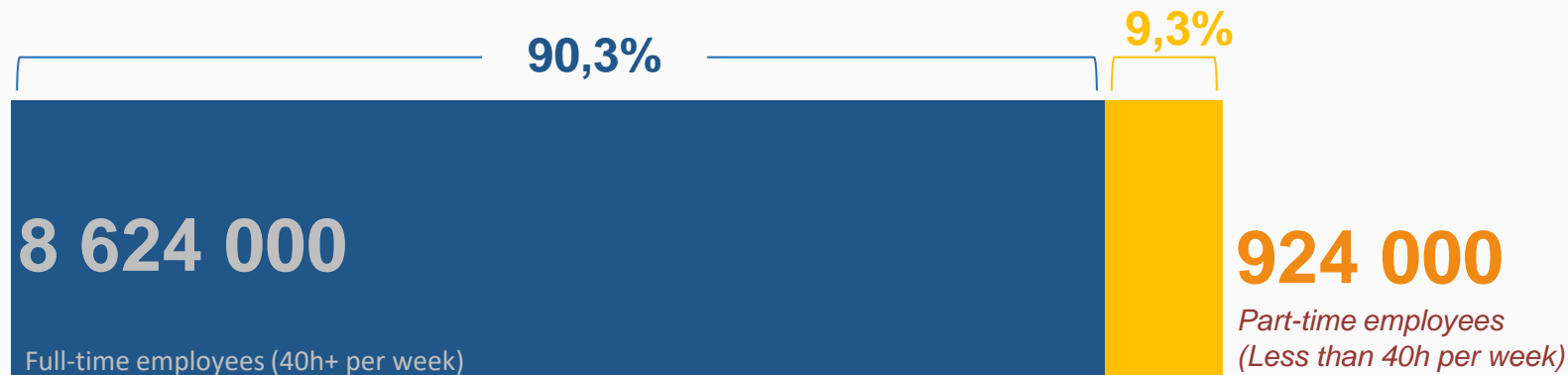


Y/Y



Jobs **decreased** by **671 000** (**or -6,6%**) in the reference quarter compared with the same quarter of 2019 (Q2:2019).

# The was a decrease in full time employees and part time employees



There was a quarterly **decrease** of **541 000** full-time jobs in the Q2:2020 compared with Q1:2020.

There was a quarterly **decrease** of **107 000** part-time jobs in the Q2:2020 compared with Q1:2020.

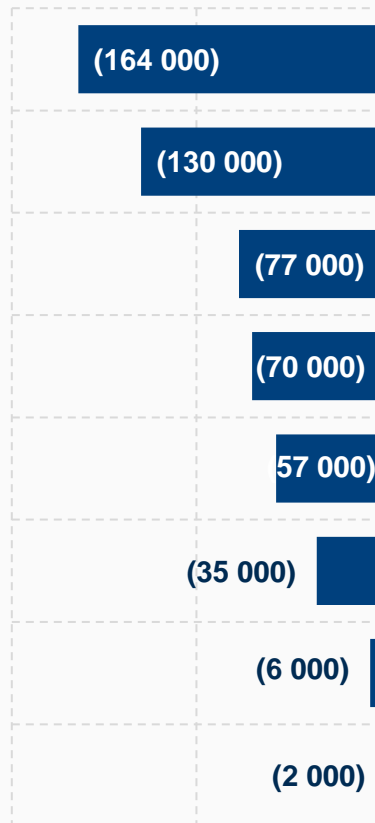
*Full-time jobs decreased year-on-year by 568 000 in the reference quarter compared with the same quarter of 2019 (i.e. Q2:2019).*

*Part-time jobs decreased year-on-year by 103 000 in the reference quarter compared with the same quarter of 2019 (Q2:2019).*

All industries reported **total job losses of 648 000** quarter-on-quarter. Most job losses were reported in full-time employment with a total loss of 541 000 and part-time jobs losing 107 000.

Quarter-on-quarter employment change

Full Time: **-541 000**



Trade (-192 000)

Business Services (-147 000)

Manufacturing (-85 000)

Construction (-74 000)

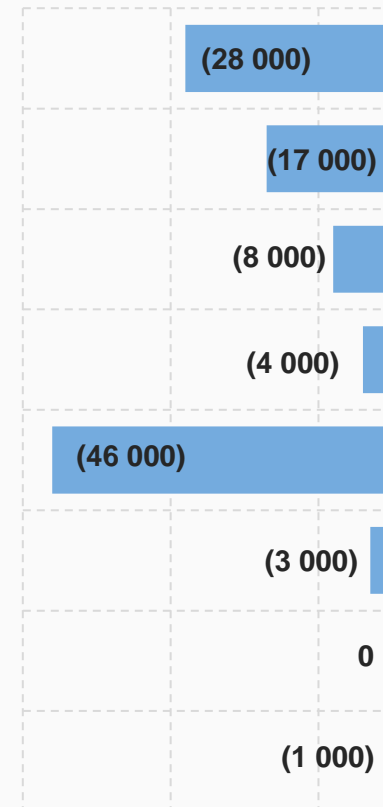
Community Services (-103 000)

Transport (-38 000)

Mining\* (-6 000)

Electricity (-3 000)

Part Time: **-107 000**

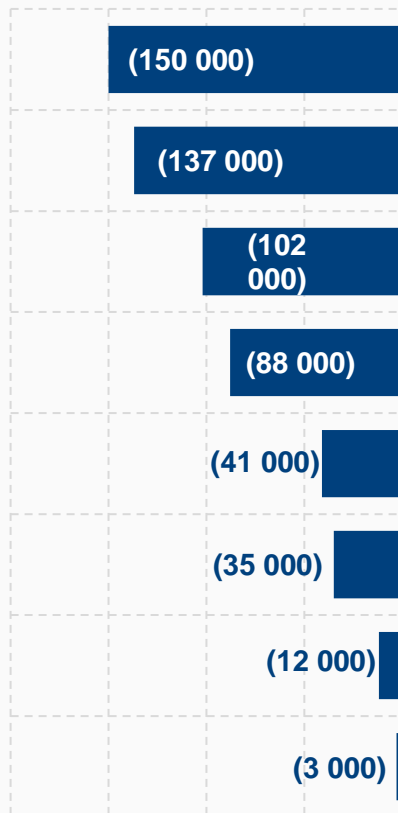


\*Data for mining industry is not available separately for part-time

All industries recorded losses in employment year-on-year. Trade, Business services, Construction and Manufacturing industries **lost jobs of over 100 000 jobs** each in Q2:2020 compared with Q2:2019.

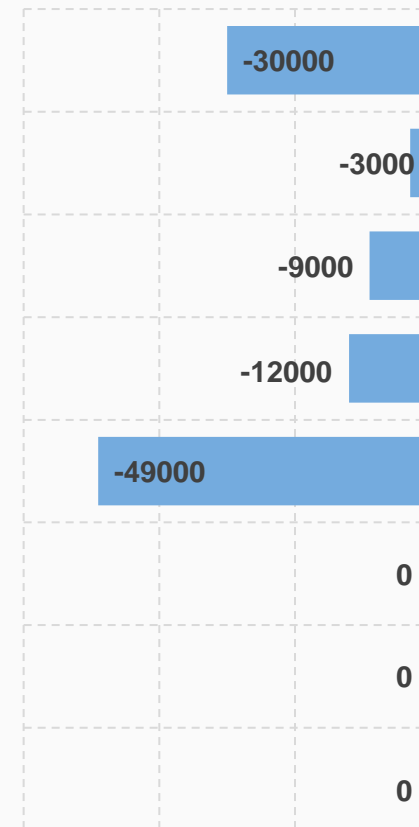
Year-on-year employment change

Full Time: **-568 000**



Trade (-180 000)  
 Business Services (-140 000)  
 Construction (-111 000)  
 Manufacturing (-100 000)  
 Community Services (-90 000)  
 Transport (-35 000)  
 Mining\* (-12 000)  
 Electricity (-3 000)

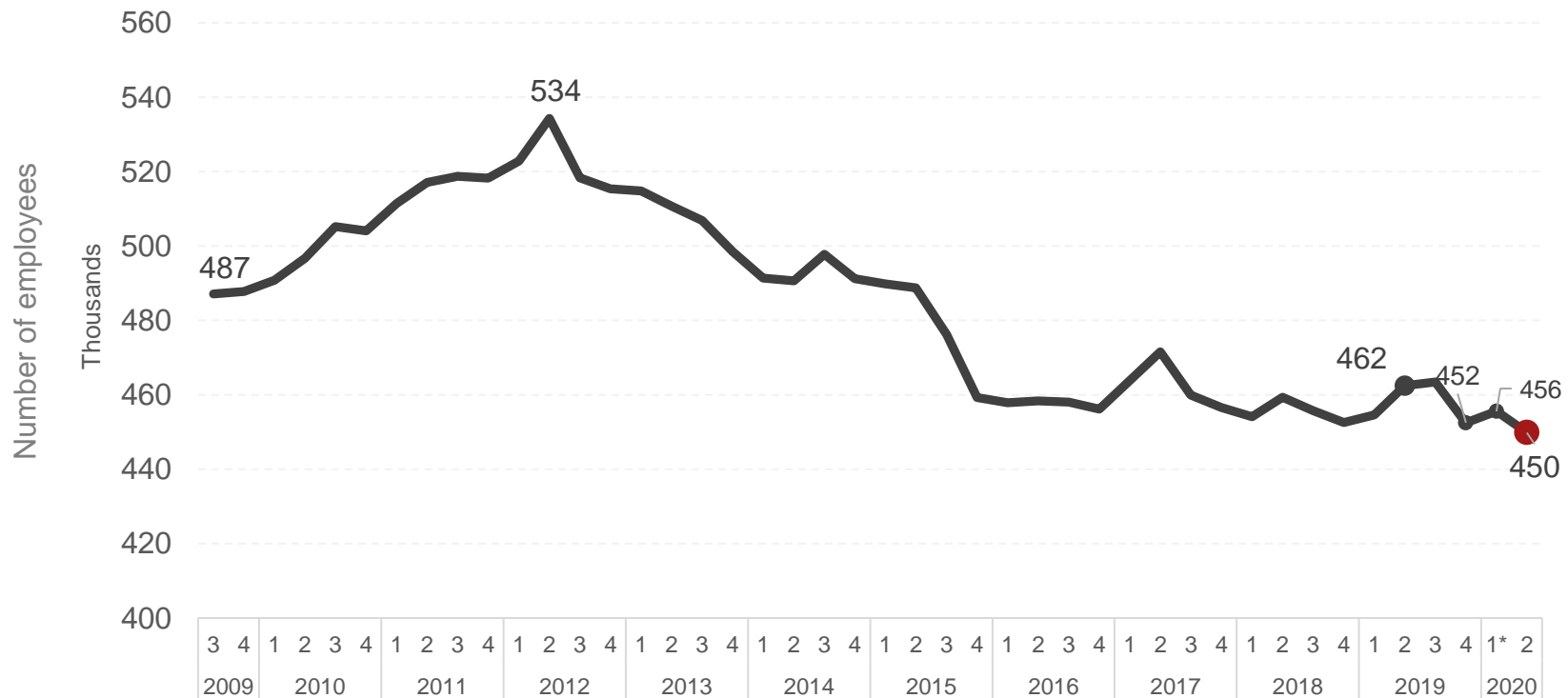
Part Time: **-103 000**



\*Data for mining industry is not available separately for part-time

The mining industry reported net **decrease** of 6 000 in employment in second quarter of 2020. There was an annual decrease of 12 000 jobs from 462 000 in Q2:2019 to 450 000 in Q2:2020.

Mining and quarrying industry, Q3:2009 to Q2:2020



\* Revised estimates



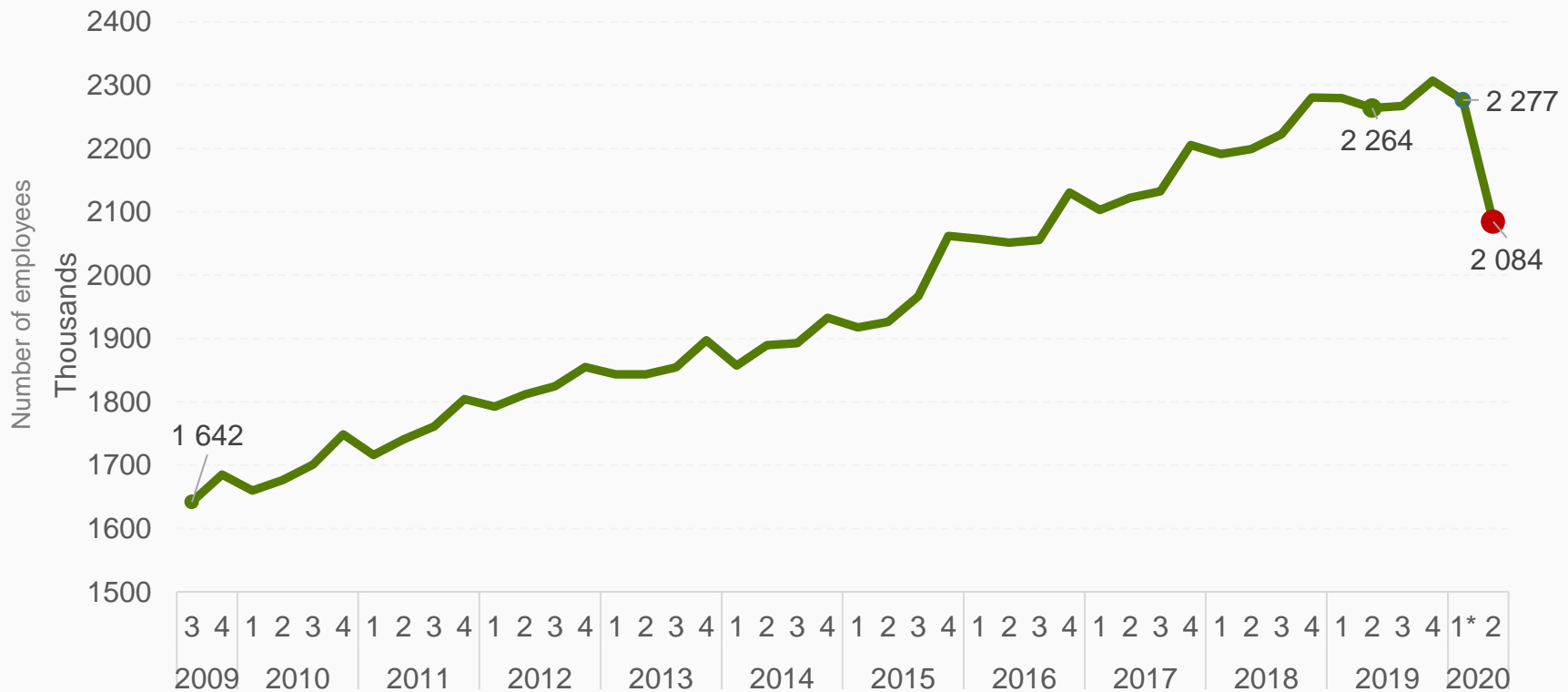
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The trade industry **lost 192 000 jobs** in the 2nd quarter of 2020 compared to Q1:2020. Year-on-year the industry lost 180 000 jobs compared with same quarter of 2019.

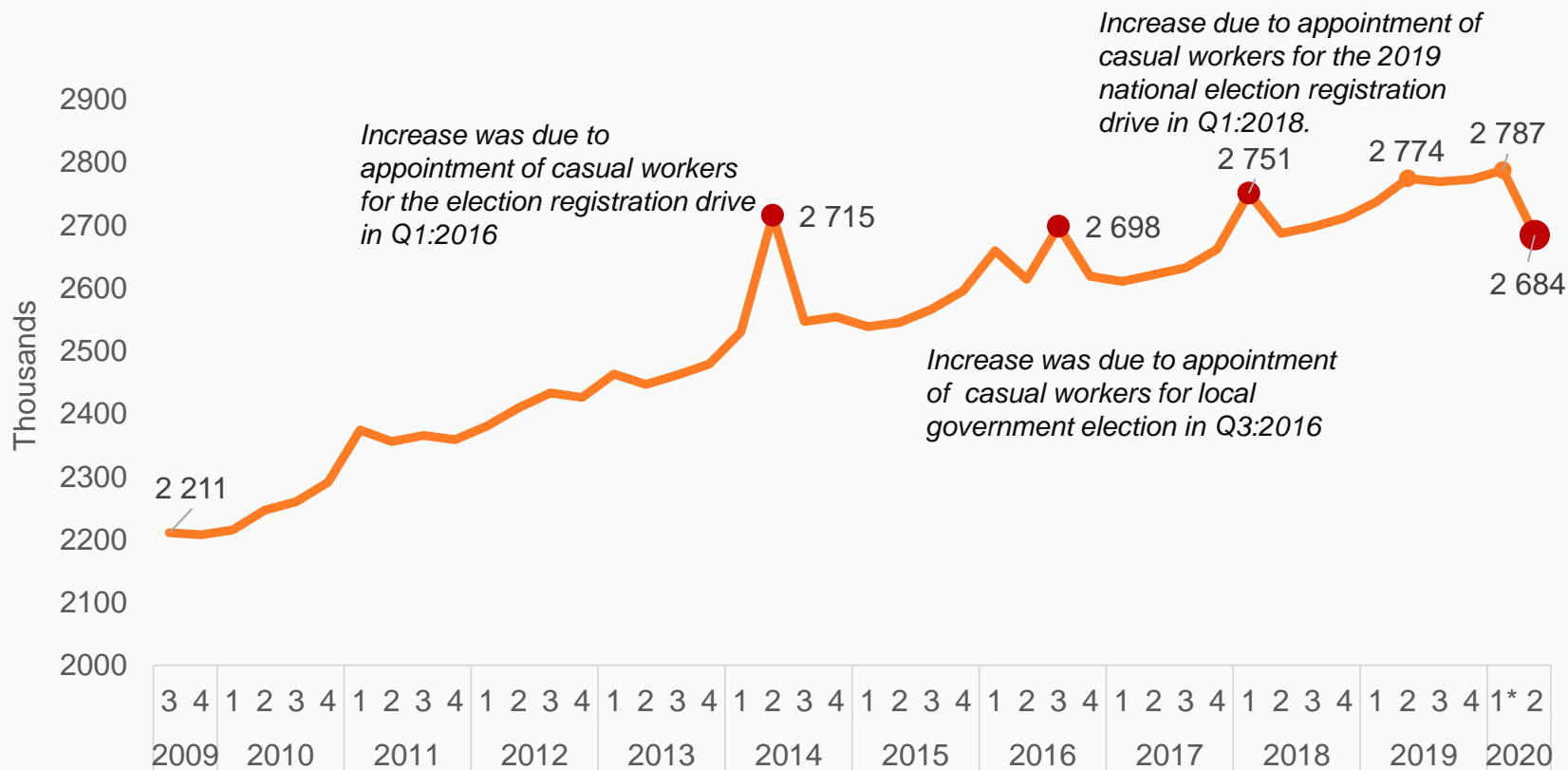
Trade industry, Q3:2009 to Q2:2020



\* Revised estimates

The community services industry reported a **loss of 103 000 jobs in the second quarter compared to Q1:2020**. Year-on-year the industry decreased by 90 000 jobs compared with same quarter of the previous year (i.e. Q2:2019).

Community Services Industry, Q3:2009 to Q2:2020



\* Revised estimates



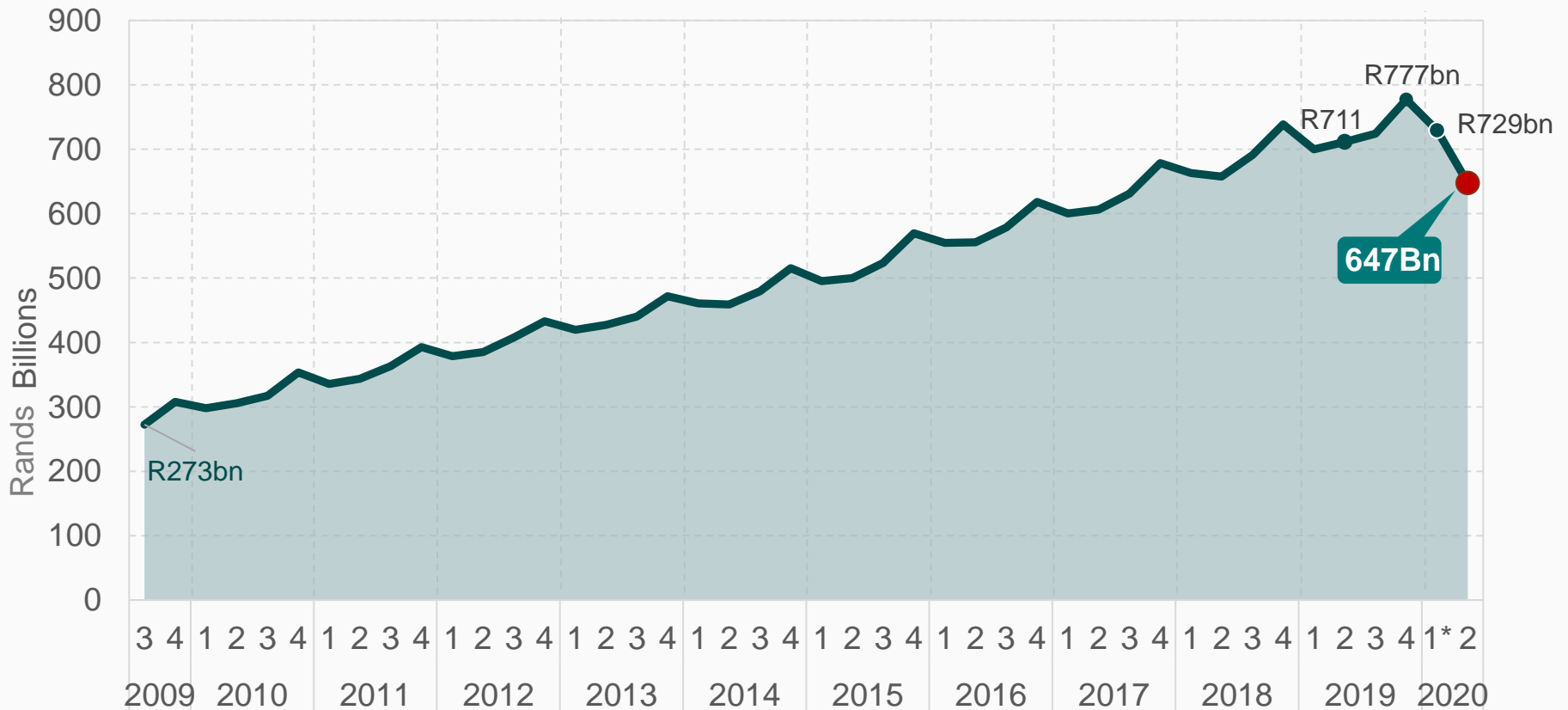
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**Gross earnings paid for the quarter ended June 2020 decreased by R82 billion (-11,3%) when compared to the previous quarter. (R647 billion, down from R729 billion in the previous quarter)**

Gross Earnings, Q3:2009 to Q2:2020



\* Revised estimates



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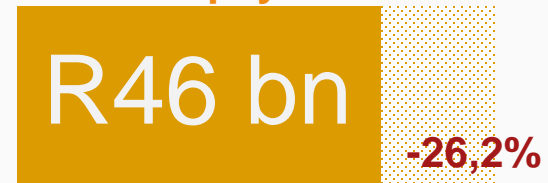
# Gross Earnings composition declined by R82bn to R647bn

Basic salary/wages



**-R65,8 bn**

Bonus and overtime payments



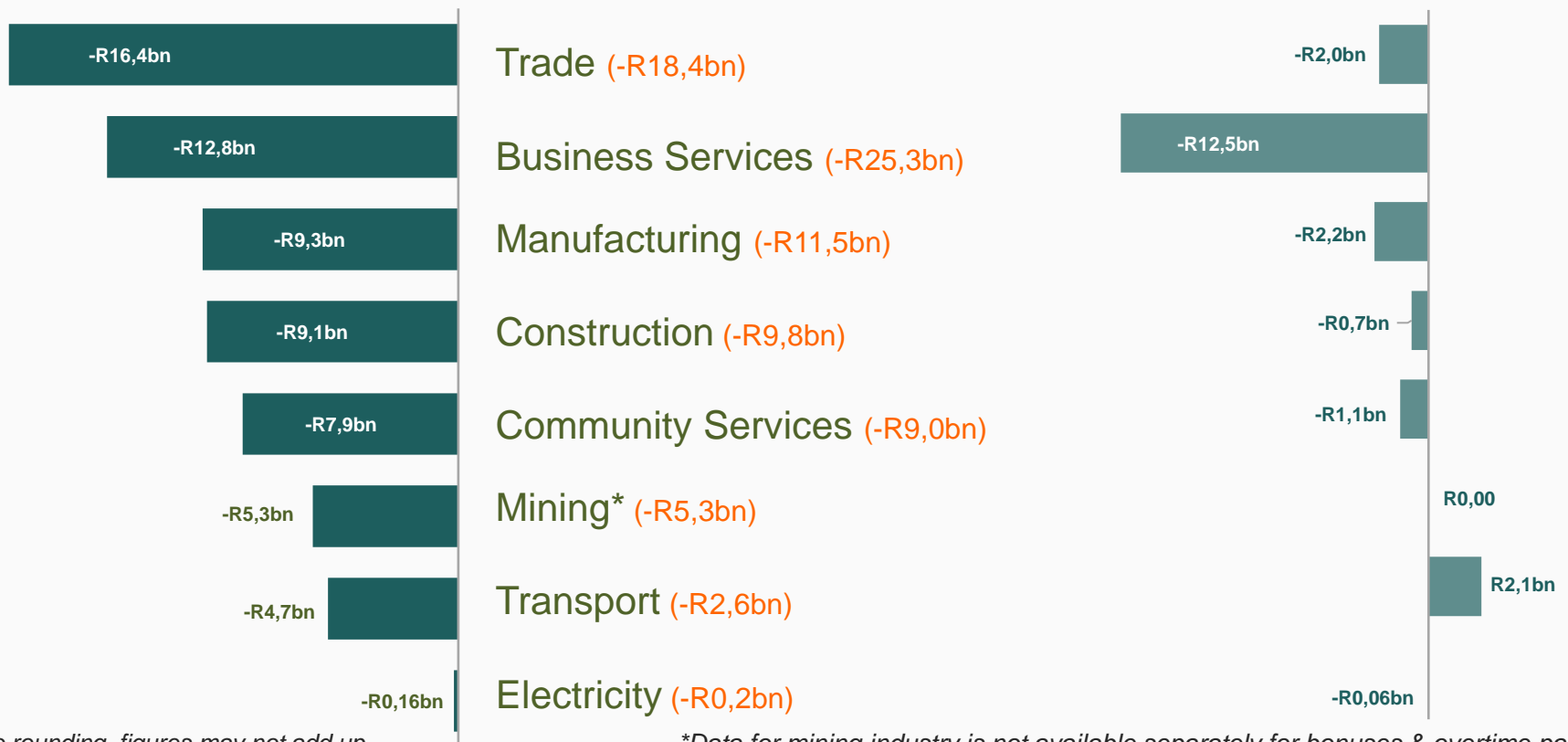
**-R16,4 bn**

Gross earnings **decreased by R82bn** in the second quarter of 2020 compared to Q1:2020. Decreases in gross earnings were due to declines in both basic salaries/wages and bonuses and overtime payments by R66 billion and R16 billion respectively.

**Quarter-on-quarter** changes in gross earnings

Basic salary/wages: **-R65,8bn**

Bonus & Overtime payments: **-R16,4bn**



\*Due to rounding, figures may not add up.

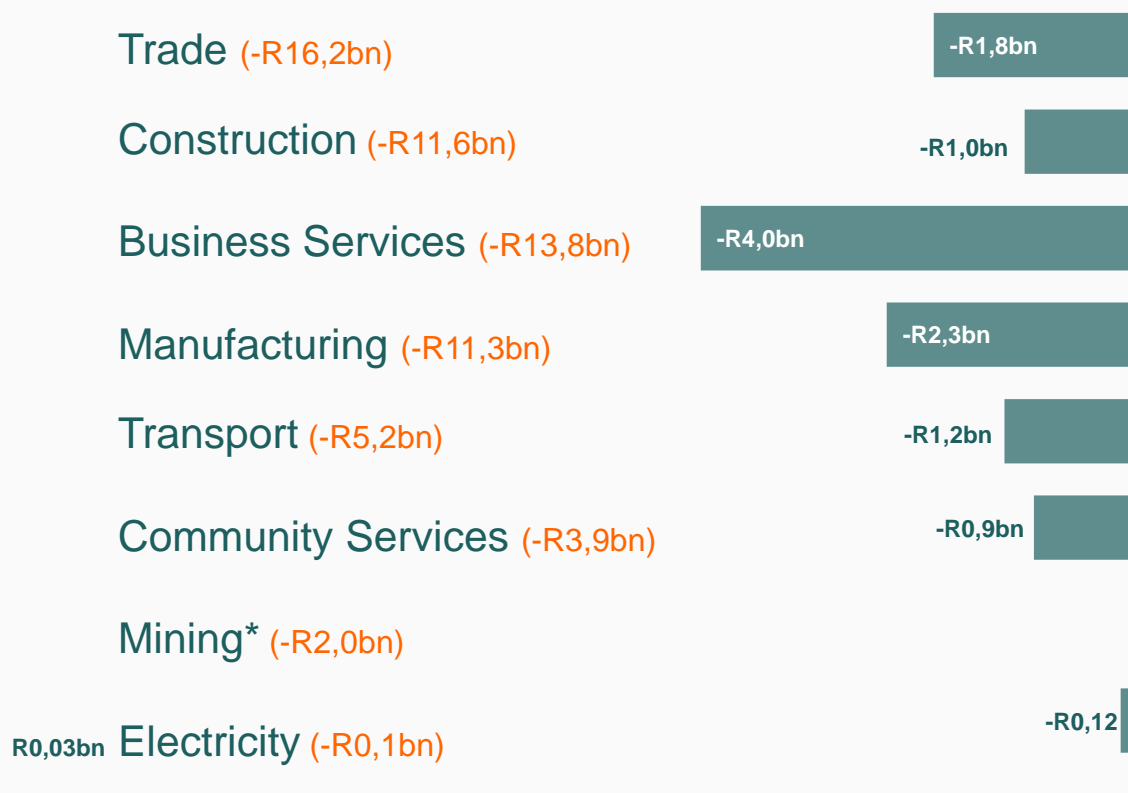
\*Data for mining industry is not available separately for bonuses & overtime payments

Year-on-year gross earnings decreased by R64 billion. Decreases were due to basic salary payments made by R53 billion and bonus and overtime payments by R11 billion.

Year-on-year changes in Gross Earnings

Basic salary/wages: **-R52,9bn**

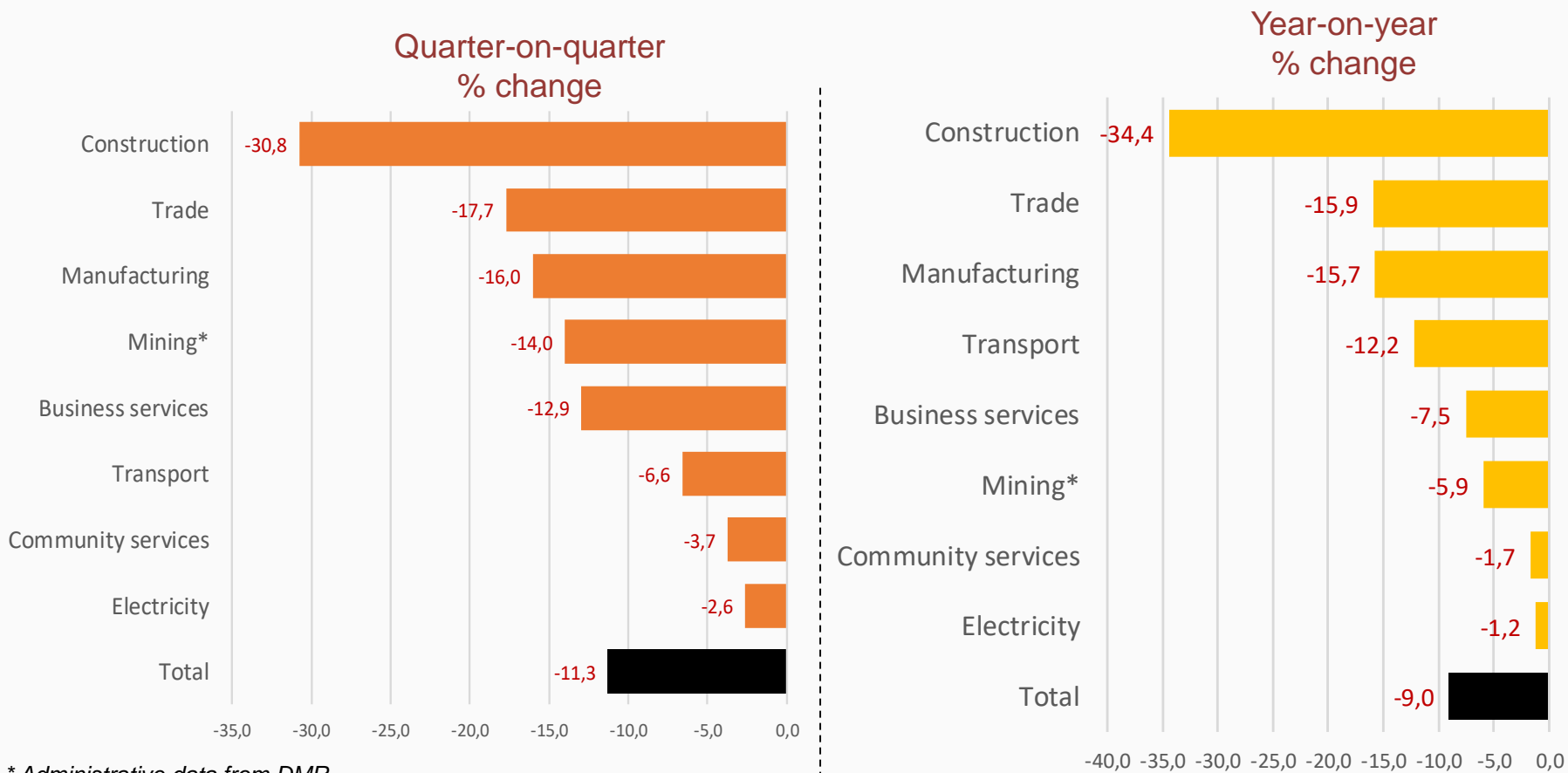
Bonus & Overtime payments: **-R11,2bn**



\*Data for mining industry is not available separately for bonuses & overtime payments

# There was a year-on-year decrease of 9,0% in earnings in the current quarter compared with June 2019, amounting to R64 billion.

Quarterly and annual percentage change in gross earnings paid in the second quarter of 2020.



\* Administrative data from DMR



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# Average Monthly Earnings (AME) May 2020



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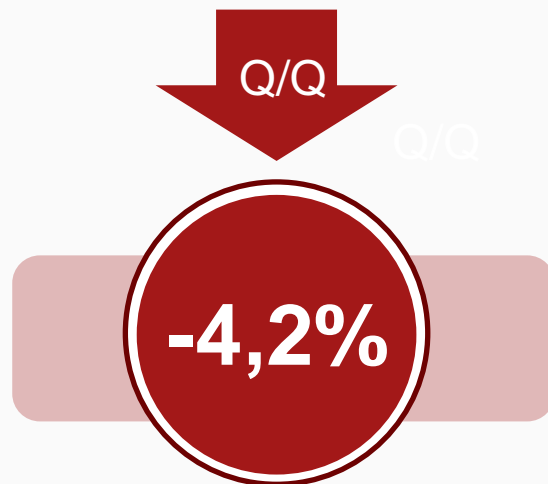


AME including bonuses and overtime payments **decreased** in May 2020 to R21 455. This is a 4,2% decrease from R22 395 in February 2020.

Average monthly earnings (AME)

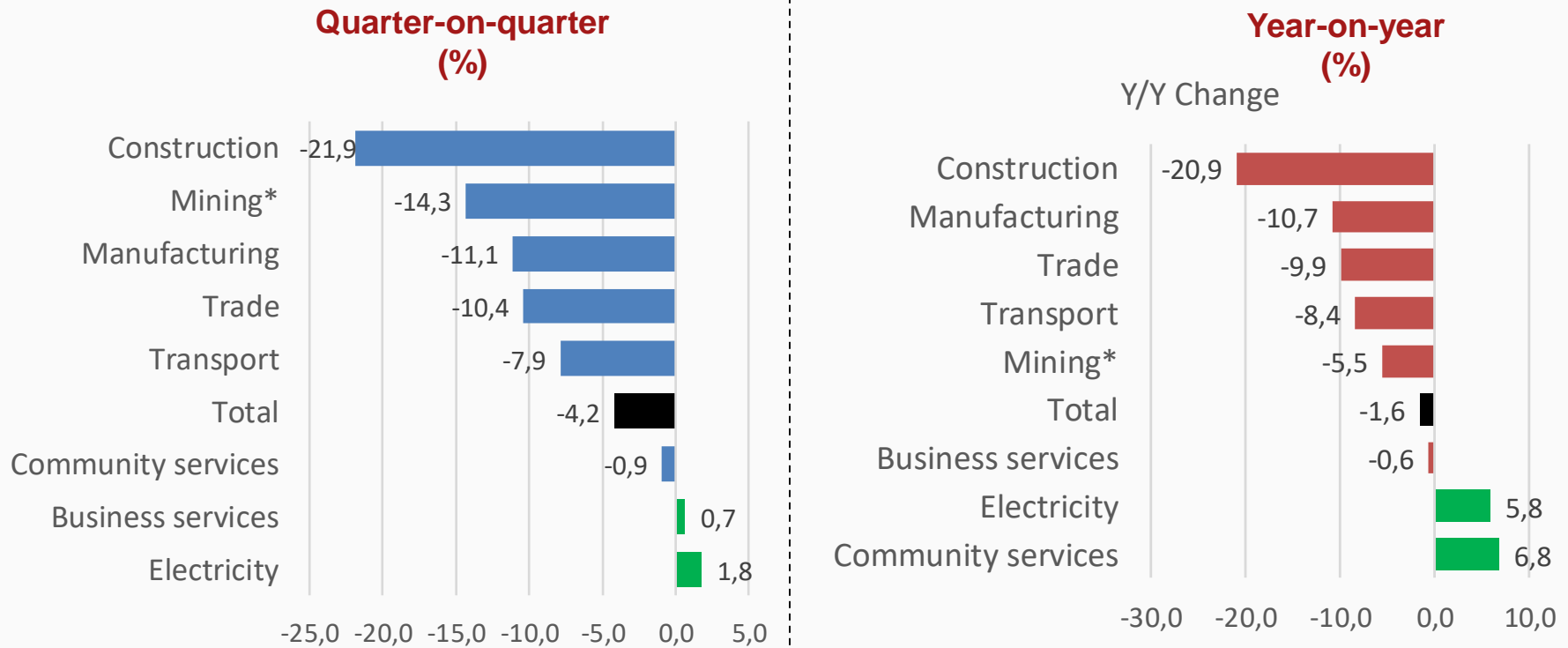
**R21 455**

Quarter-on-quarter and year-on-year AME decreased by **4,2%** and **1,6%** respectively.



The Construction industry reported major **decreases** in average monthly earnings in the second quarter compared with the first quarter of 2020. Year-on-year the construction industry reported **20.9% decrease** in AME. Seven of the eight industries declined in May 2020 compared to February 2020.

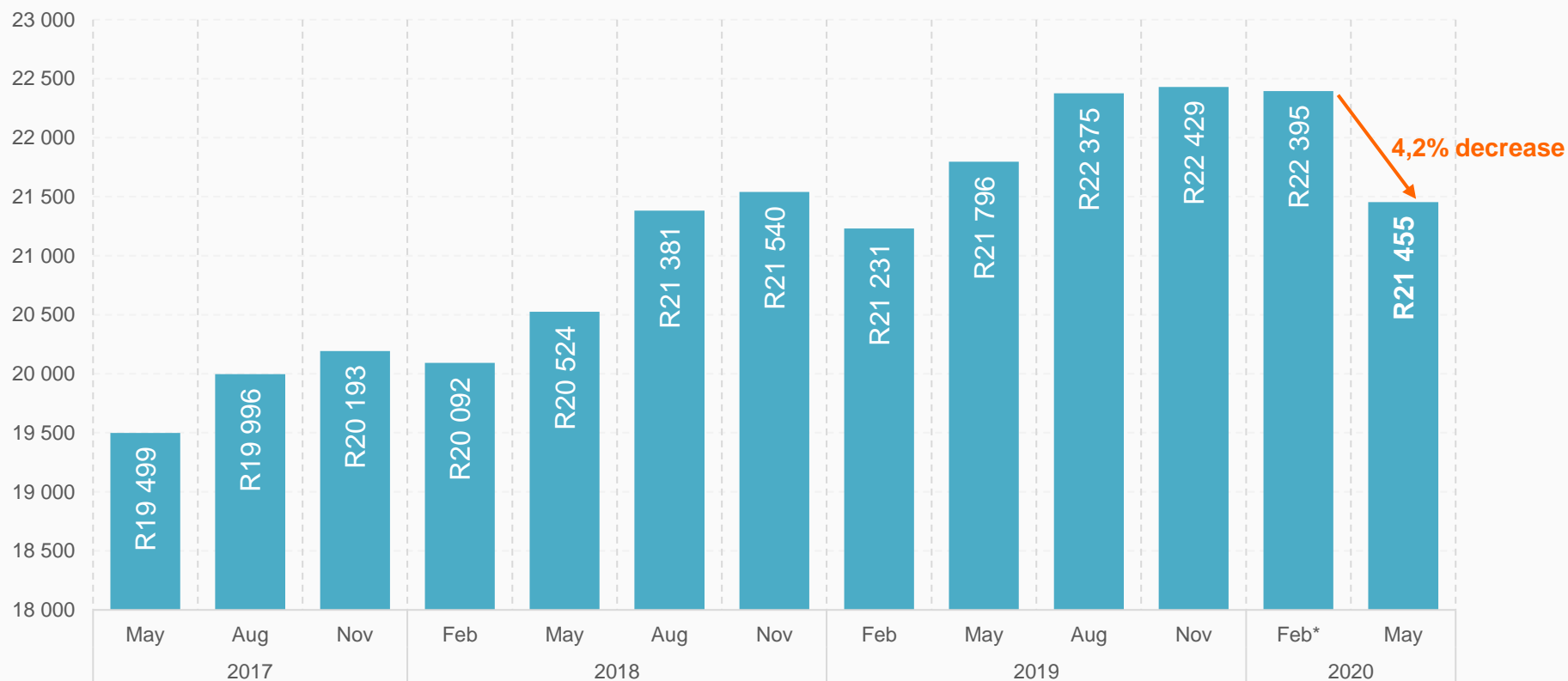
Average monthly earnings (AME)



\* Administrative data from DMR

**Average monthly earnings were measured at R21 455 in the formal non-agricultural sector of the economy in May 2020.** This is a 4,2% decrease when compared to February 2020, and an annual decrease of 1,6%.

Average Monthly Earnings, Q2:2017 to Q2:2020



\* Revised estimates



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# Recap

QES  
Q2:2020

QES  
Q2:2020

## Number of employees



Number of employees **declined** by **648 000** Q/Q & **decreased** by **671 000** Y/Y

## Full time jobs



Full-time jobs **declined** by **541 000** Q/Q & **decreased** by **568 000** Y/Y

## Part time jobs



Part-time jobs **declined** by **107 000** Q/Q & **lost 103 000** Y/Y

## Gross earnings



Gross earnings **declined** by **R82 billion** Q/Q & **decreased** by **R64 billion** Y/Y

## Bonus and overtime



Bonus and overtime payments **decreased** by **R16 billion** Q/Q & **decreased** by **R11 billion** Y/Y

## Average monthly earnings



Average monthly earnings **decreased** by **4,2%** Q/Q & **decreased** by **1,6%** Y/Y

# Ndzi Hela Kwala



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