



Quarterly Labour Force Survey (QLFS) Q4:2020

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#StatsSA





COVID-19 Impact on Data Collection

Restrictions necessary to combat COVID-19 created an obstacle to normal data collection approaches and operations, exactly when there was a massive increase in the demand for information.

Stats SA changed the mode of collection for QLFS data to **Computer Assisted Telephone Interviewing (CATI)**. To facilitate CATI, the sample that was used for QLFS Q1:2020 was also used in Q2, Q3 and Q4, 2020.

Not all dwelling units on the sample had contact numbers resulting in data being collected from part of the sample where contact numbers were available for QLFS Q4:2020.

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



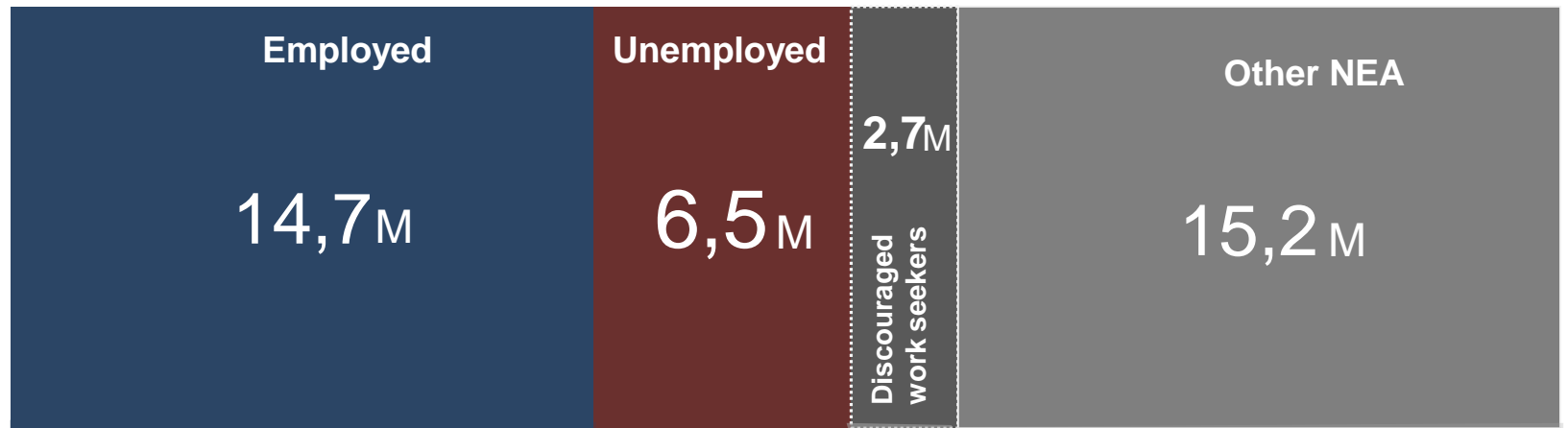
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Not Economically Active (NEA)

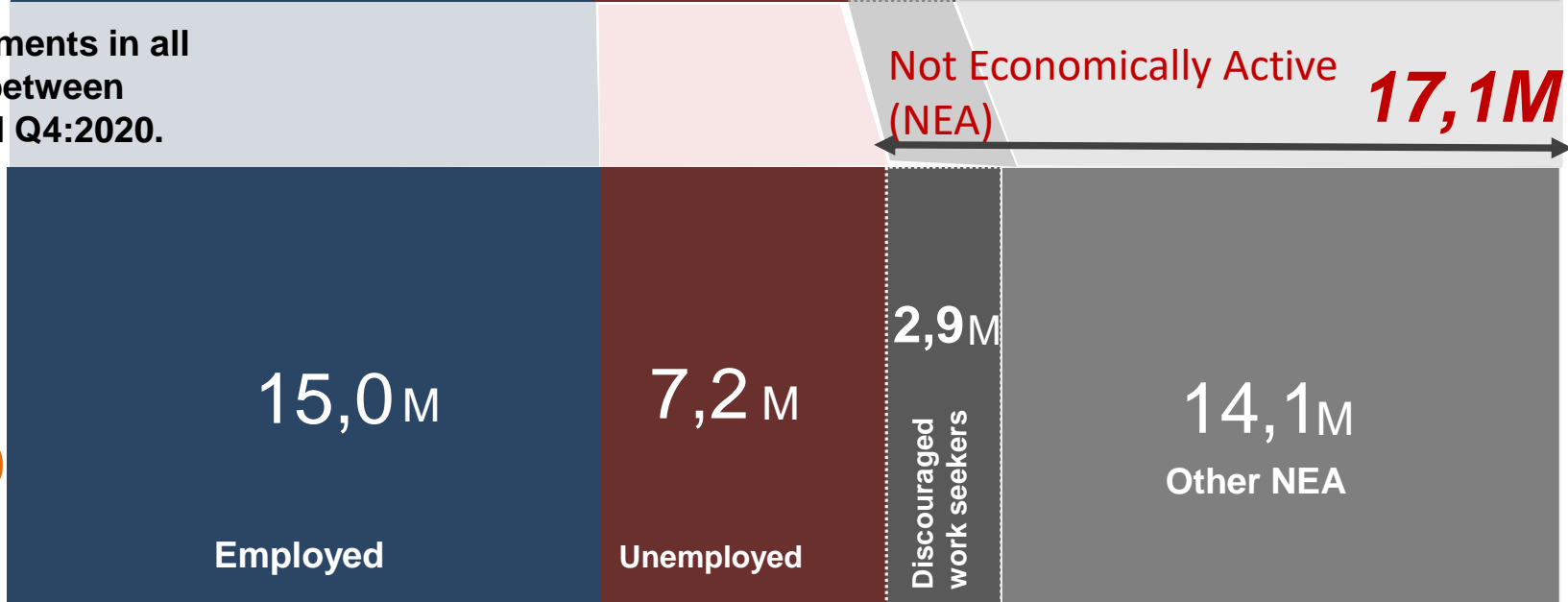
Q3:2020



Large movements in all categories between Q3:2020 and Q4:2020.

Not Economically Active (NEA) **17,1M**

Q4:2020



About 333 thousand more Employed between Q3 and Q4 2020

701 thousand More Unemployed between Q3 and Q4 2020

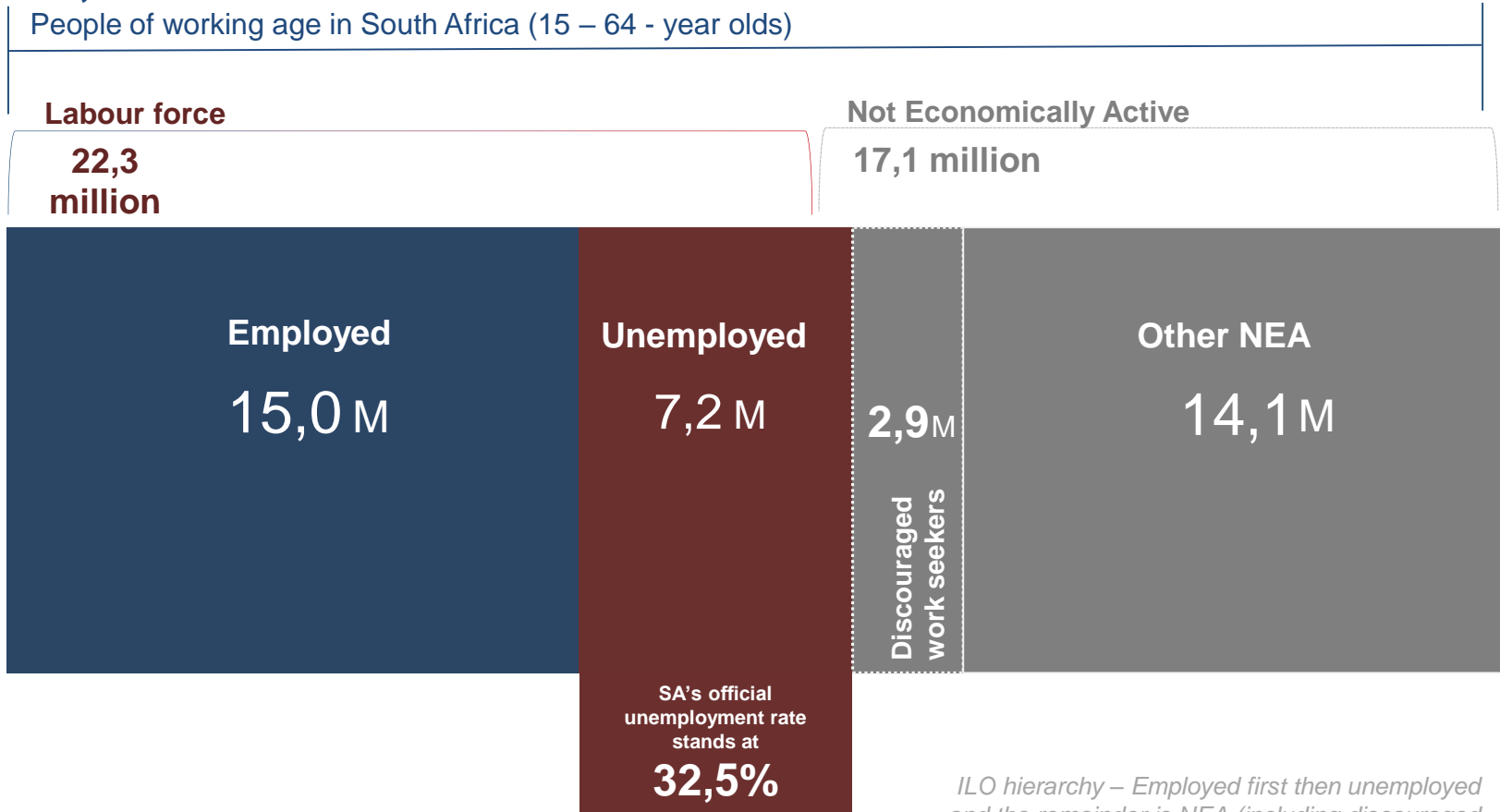
890 thousand Fewer *Not Economically Active* between Q3 & Q4 2020

There were about 333 thousand more people employed in Q4:2020 than Q3:2020



39,3 million

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



Increased by 1,7 percentage points between Q3:2020 and Q4:2020

ILO hierarchy – Employed first then unemployed and the remainder is NEA (including discouraged job-seekers). 3 mutually exclusive groups. Cannot be in two groups at the same time.

Due to rounding numbers may not add up



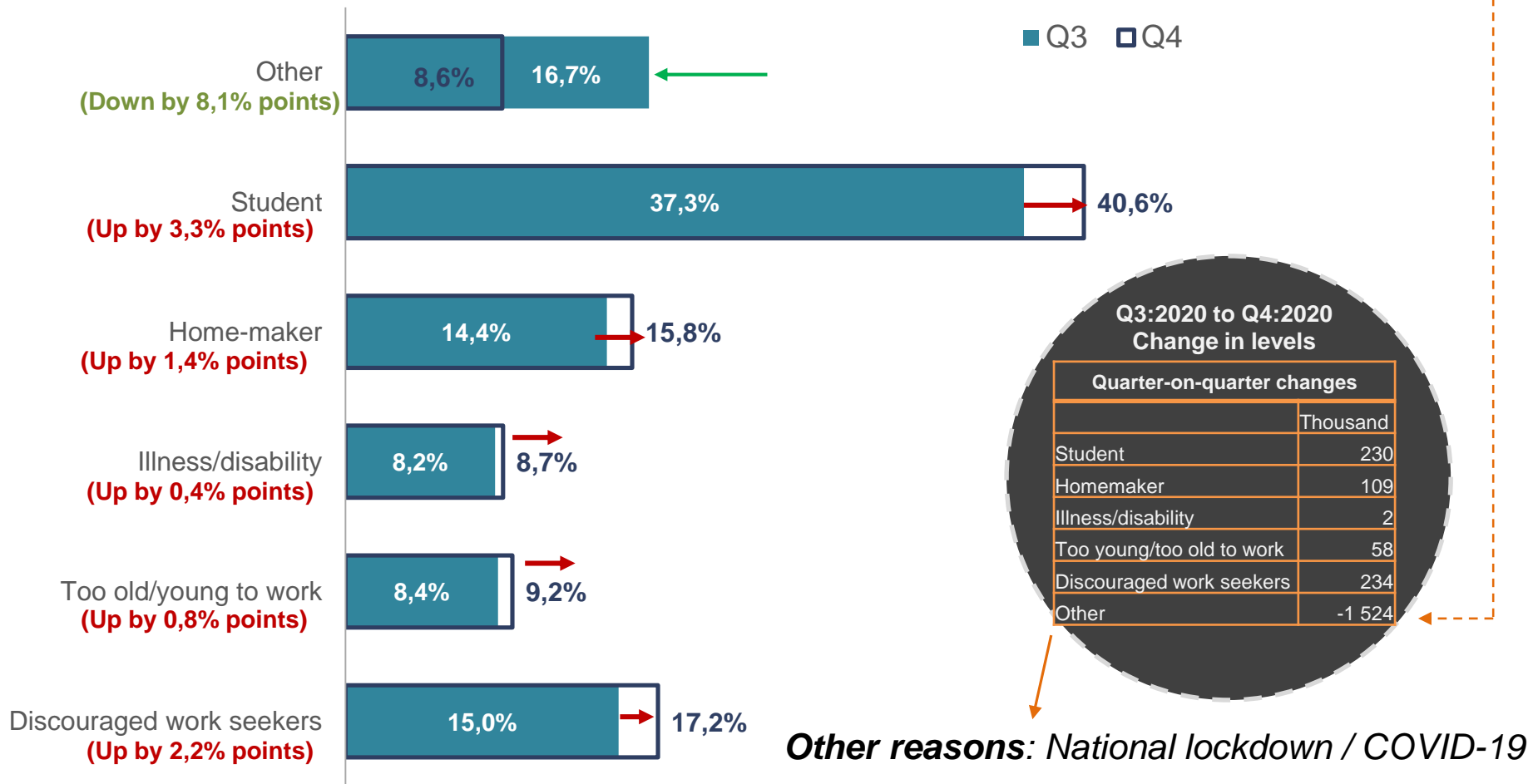
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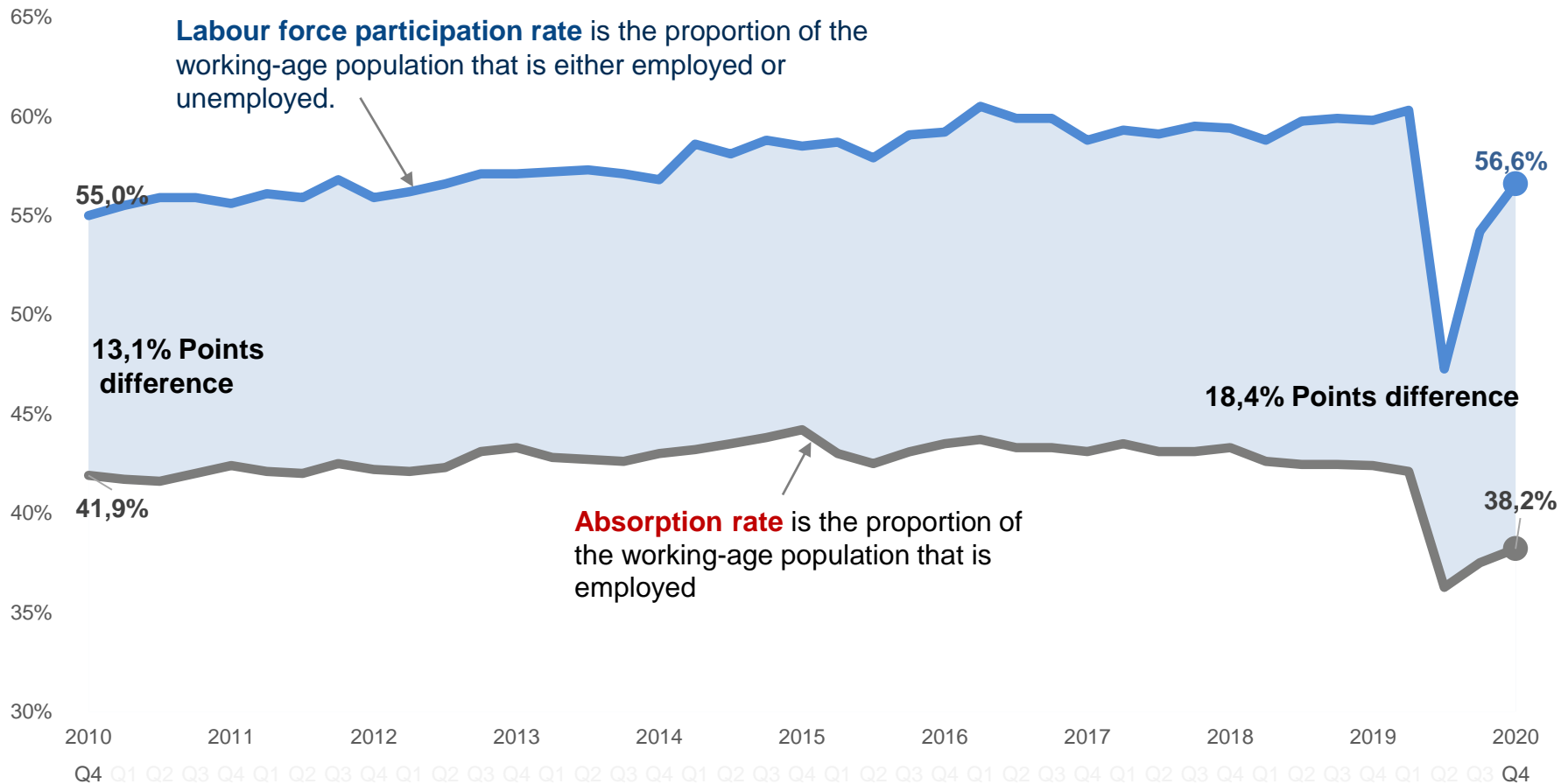
More than 1,1 million people moved out of “Other Not Economically Active” status in Q4:2020.

Characteristics of the not economically active, Q3:2020 vs Q4:2020



The Labour force participation rate **increased by 1,6 percentage points** from 55,0% in Q3:2020 to 56,6% in Q4:2020

Labour force participation and absorption rate, Q4:2010-Q4:2020



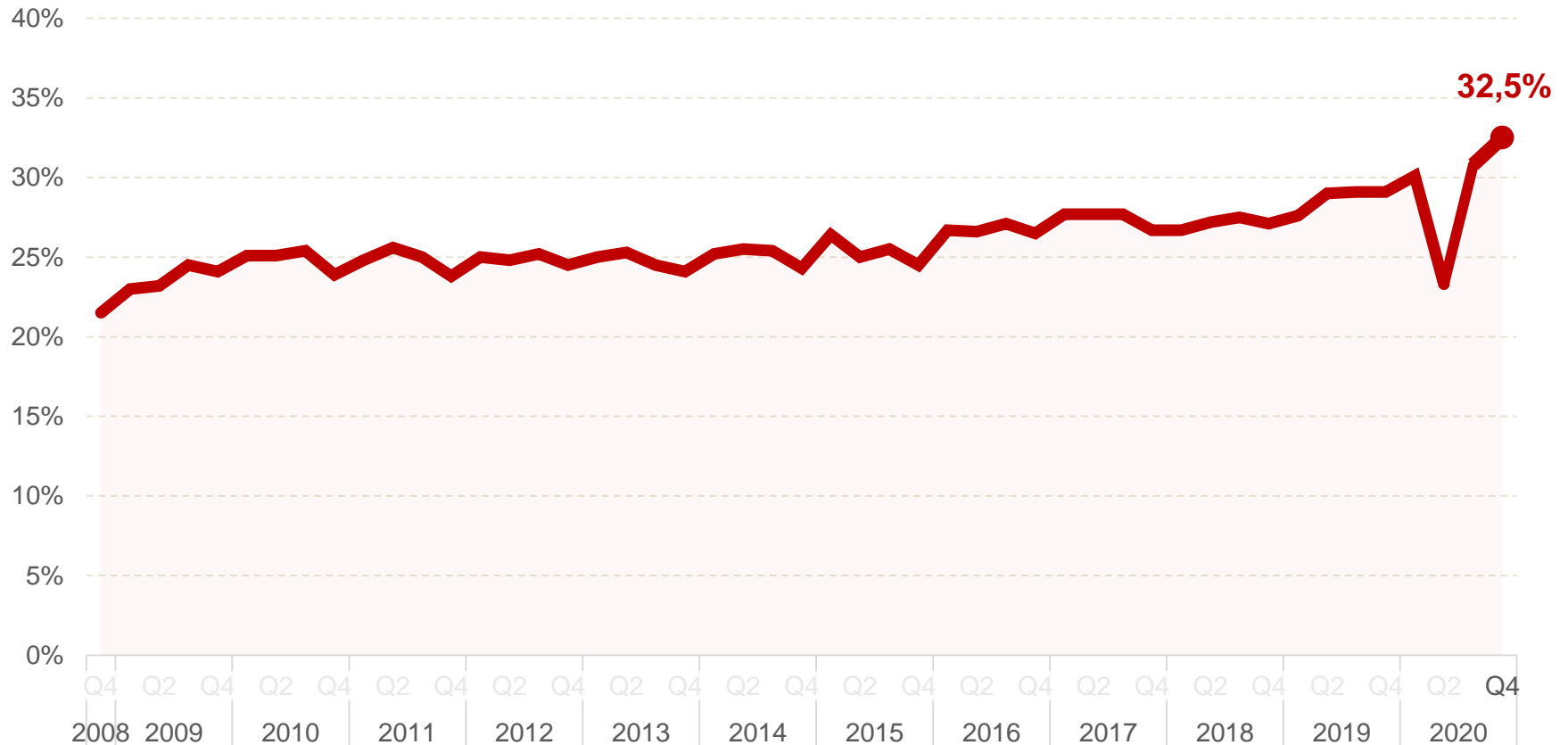
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South Africa's unemployment rate **increased by 1,7** percentage points to **32,5%** in Q4:2020 compared to Q3:2020.

Unemployment rate from Q4:2008 to Q4:2020

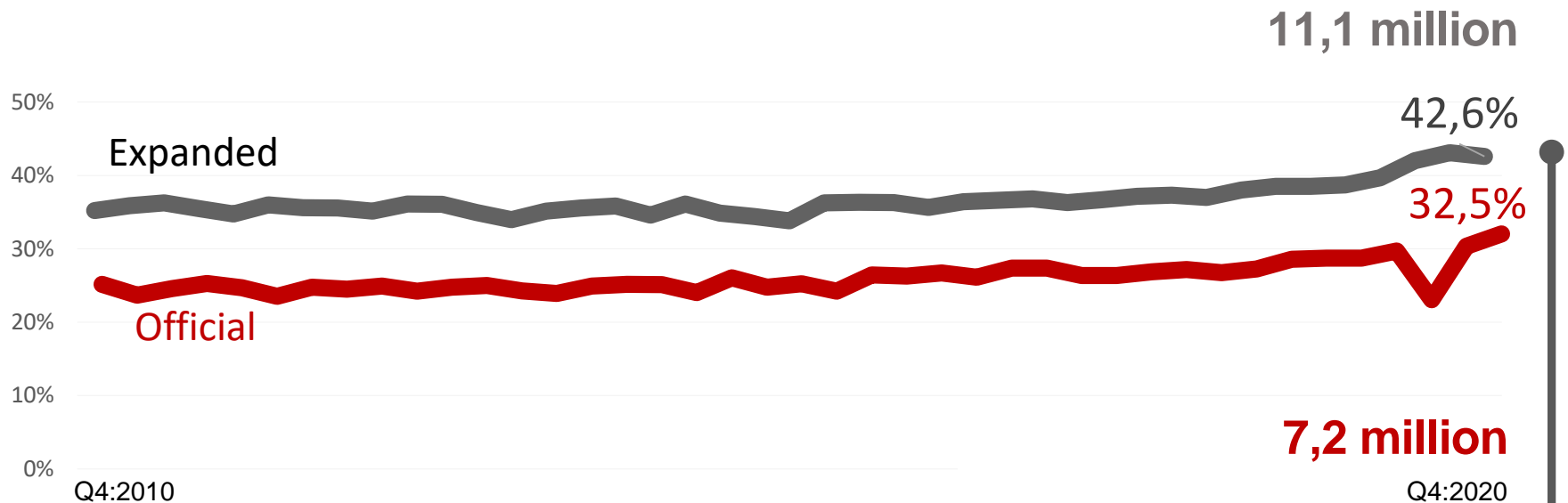


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The Expanded definition which **includes those discouraged and those having other reasons for not searching (e.g. Lockdown)** showed a **0,5 of a percentage point decrease to 42,6% in Q4:2020** compared to Q3:2020.



Expanded Definition includes the following	
- Official unemployment (searched and available)	7,2 M
- Available to work but are/or	
• Discouraged work-seekers	2,9 M
• Have other reasons for not searching	1,0 M



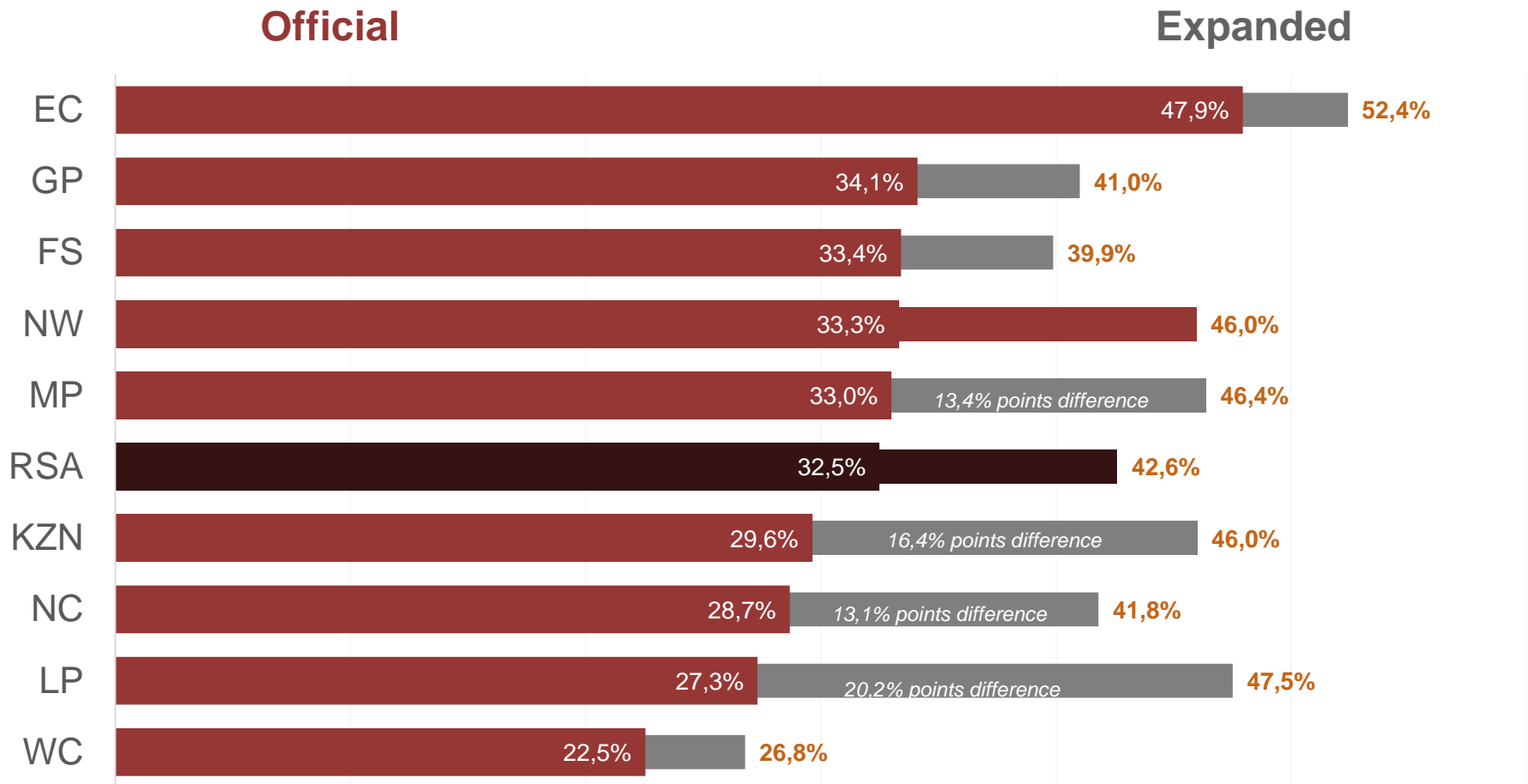
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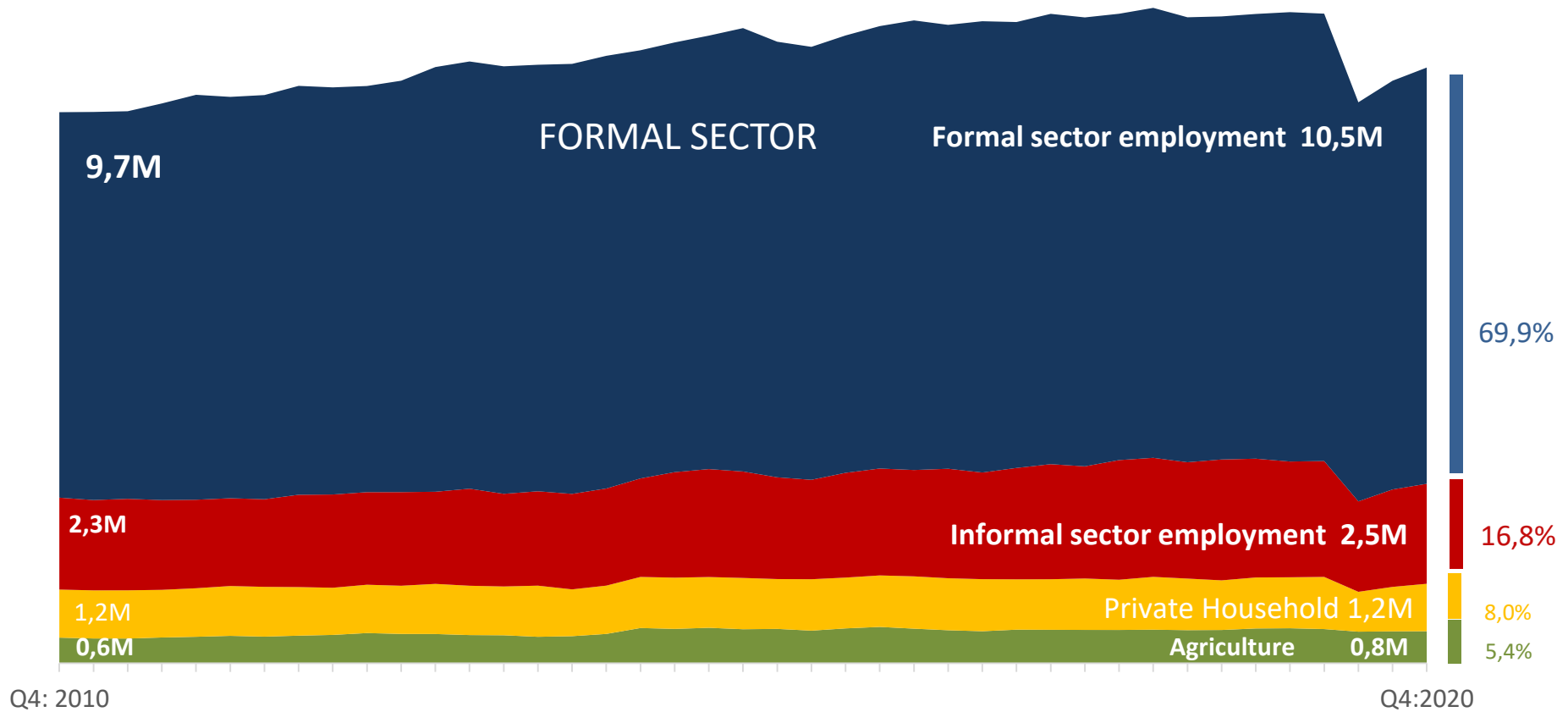
EC recorded the highest official and expanded unemployment rates. NC, MP, KZN and LP provinces have more than 13,0 percentage points difference between their expanded and official unemployment rates.

Provincial unemployment rate: Official vs Expanded Q4:2020



The **formal sector** in South Africa accounts for **69,9%** of total employment.

Employment share by sector, Q4:2010 to Q4:2020



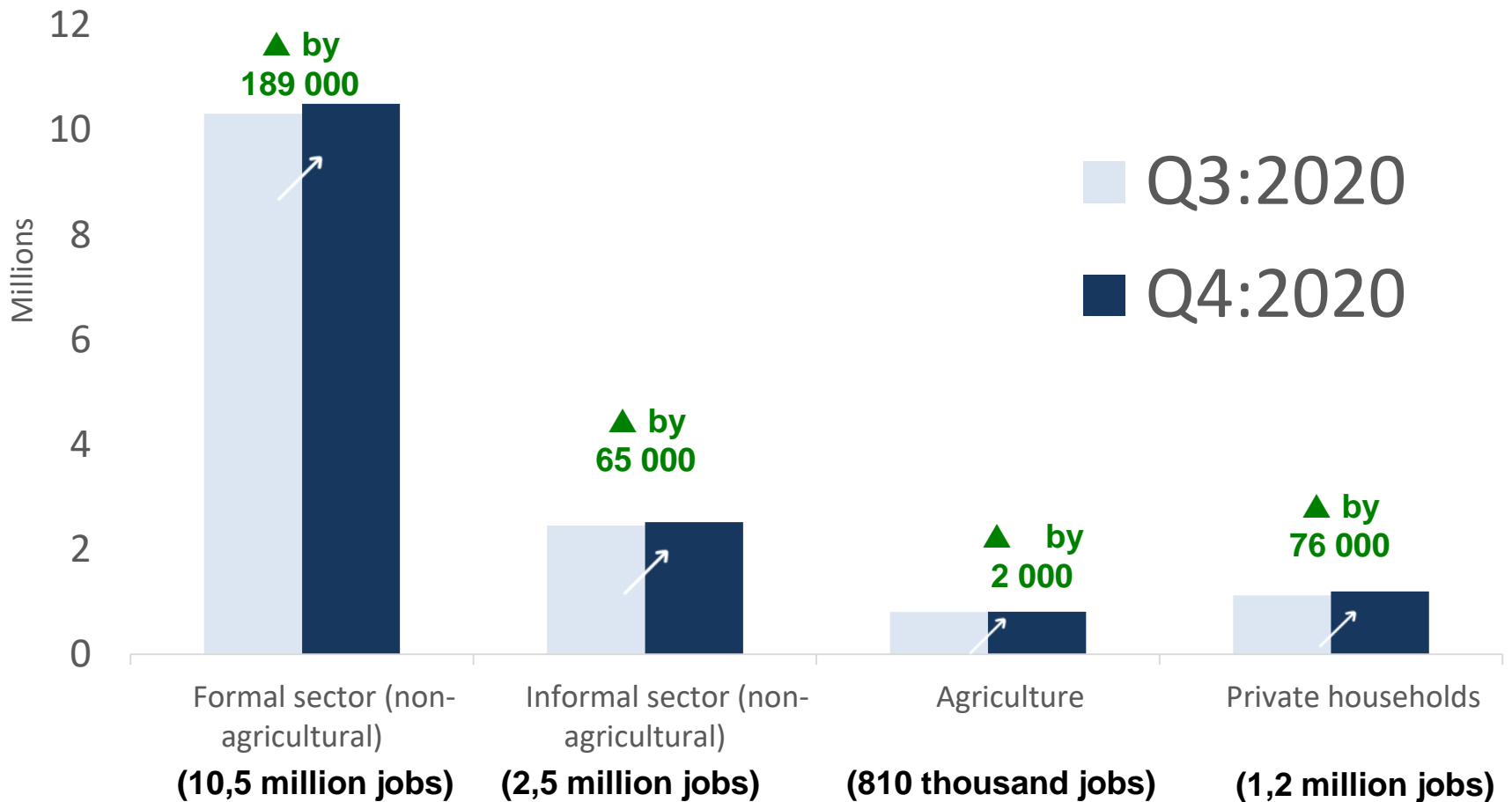
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Formal sector employment increased by 189 thousand jobs between Q3:2020 and Q4:2020

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



Employment gains were observed across all industries with the exception of Mining and Finance.

Employment changes by industry

Quarter-on-quarter change ('000)

Percentage change

Community and social services

170

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

Construction

86

5,0%

Private households

76

8,0%

Transport

65

6,8%

Trade

55

7,4%

Manufacturing

31

1,8%

Utilities

9

2,1%

Agriculture

2

9,6%

Mining

-35

0,3%

Finance

-123

-8,4%

-5,0%



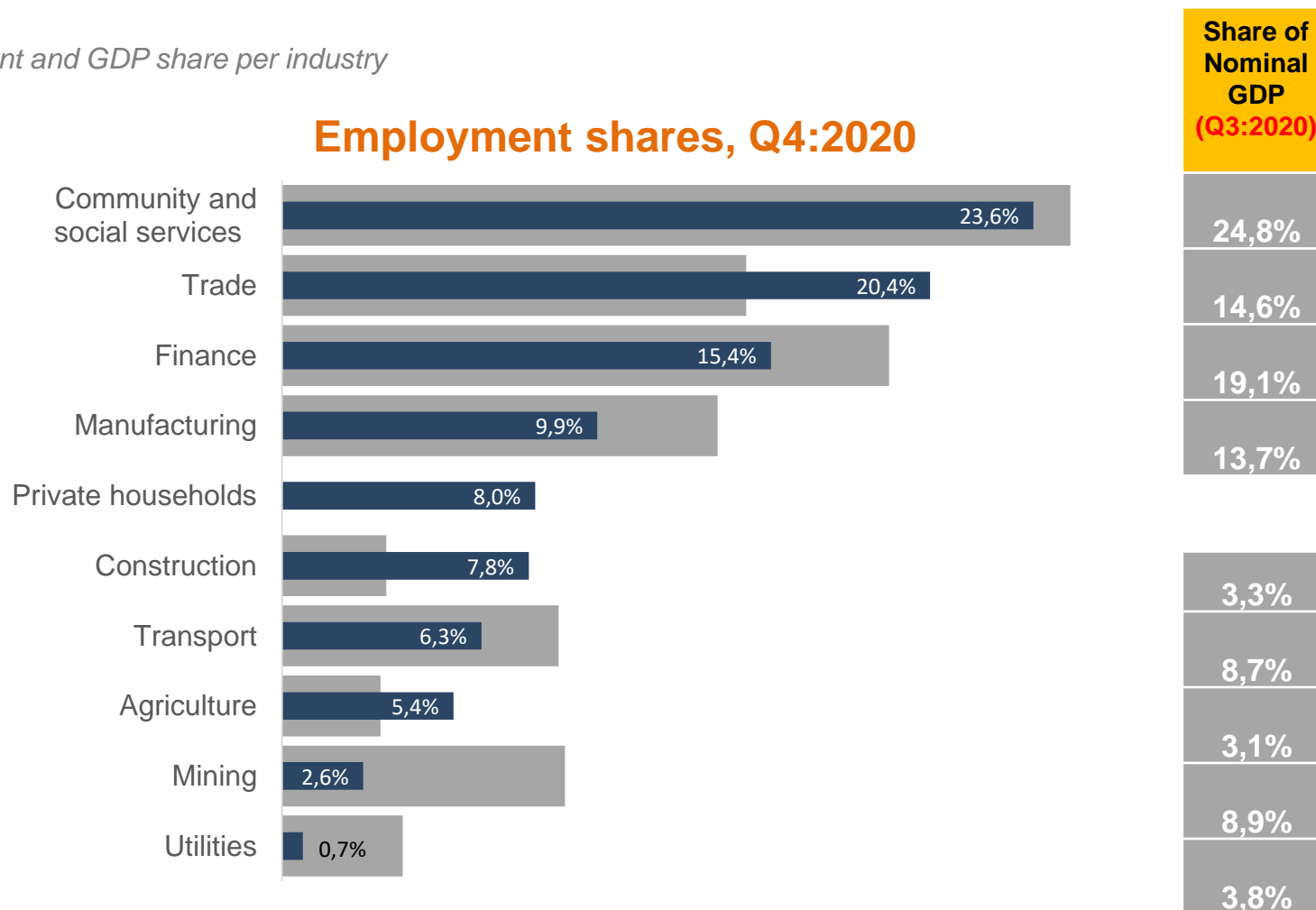
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Trade, construction and agriculture have higher employment shares relative to their GDP contribution.

Employment and GDP share per industry



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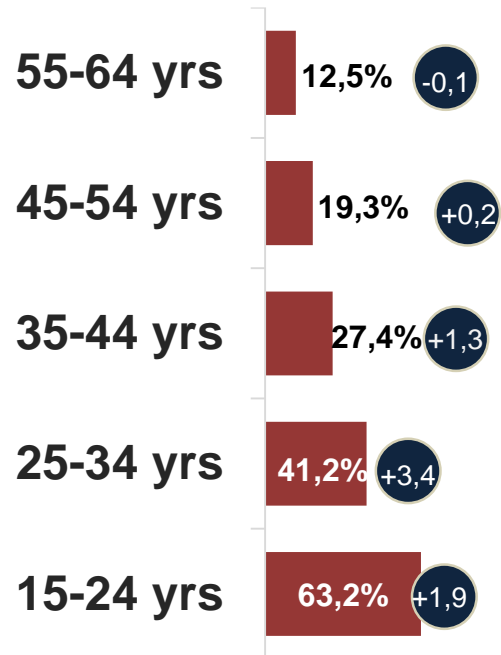


Youth aged 15-24 years and 25-34 years recorded the highest unemployment rates of 63,2% and 41,2% respectively

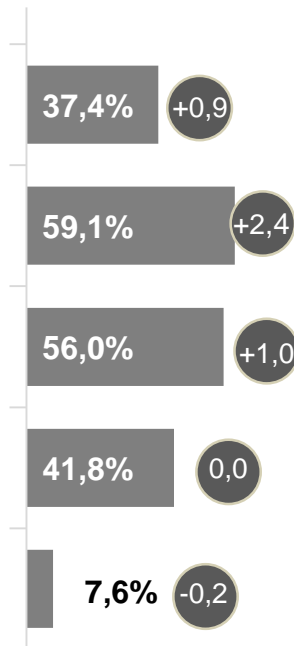
Labour market rates by age group, Q4:2020

Change: Percentage points
Q3:2020 to Q4:2020

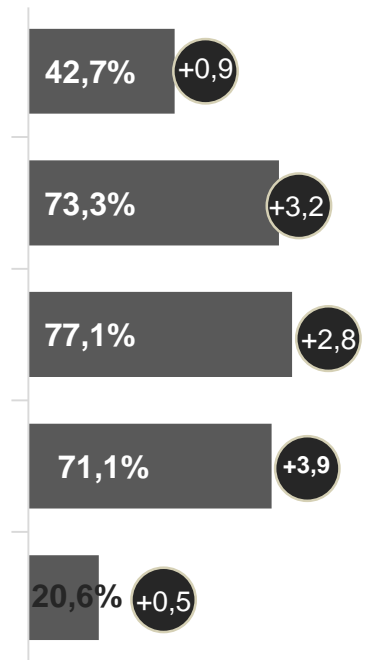
Unemployment rate



Absorption rate

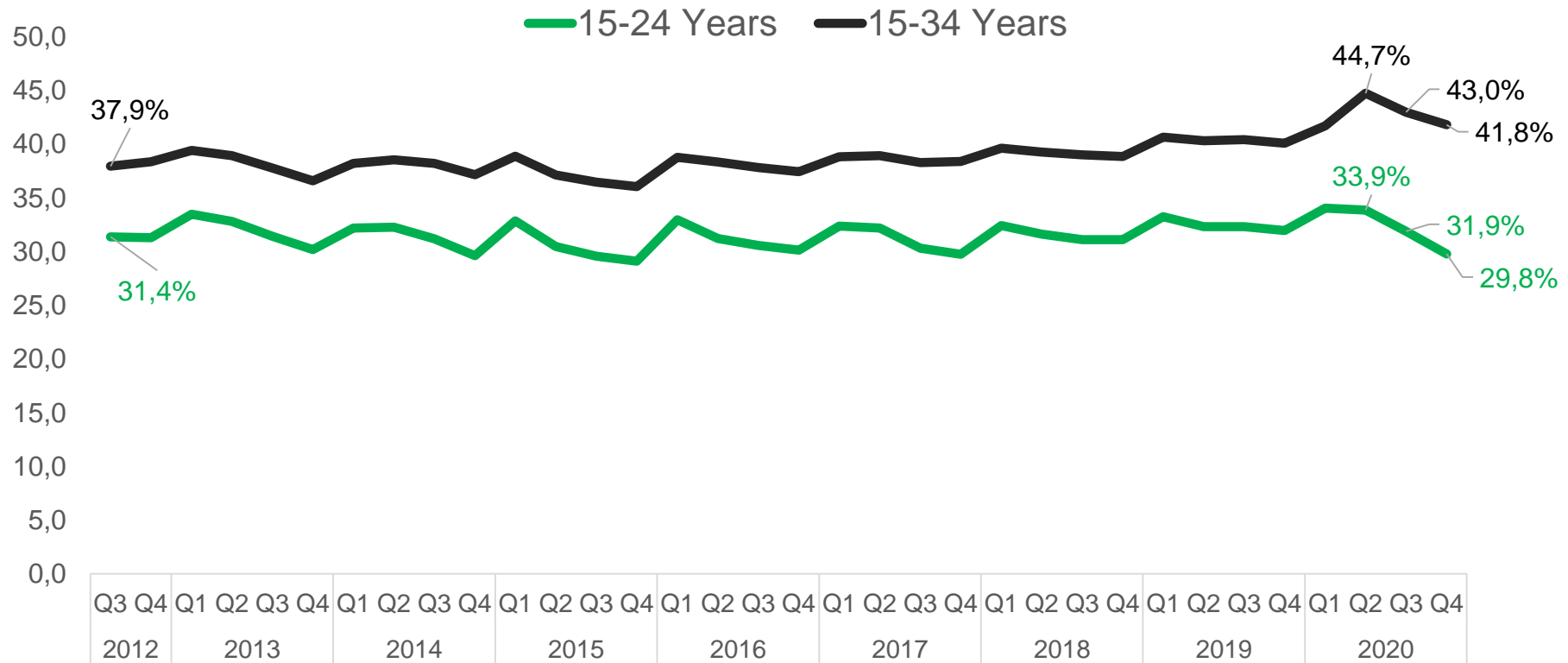


Participation rate



Approximately **3,1 million (29,8%)** out of 10,3 million young people aged 15-24 years were not in employment, education or training (**NEET**). The overall NEET rate declined by 2,2 percentage points in Q4:2020 compared to Q4:2019.

NEET rate ages 15-24 & 15-34, 2012-2020



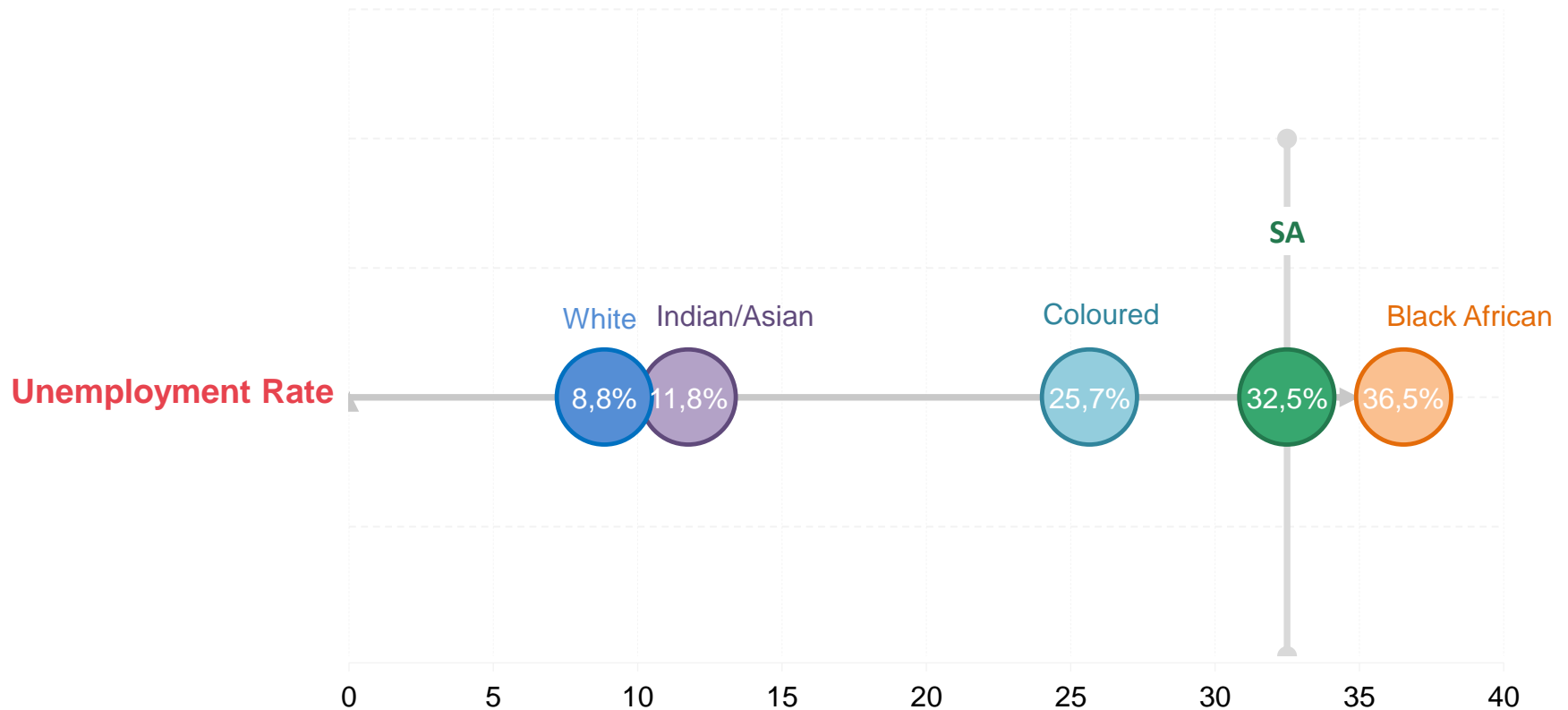
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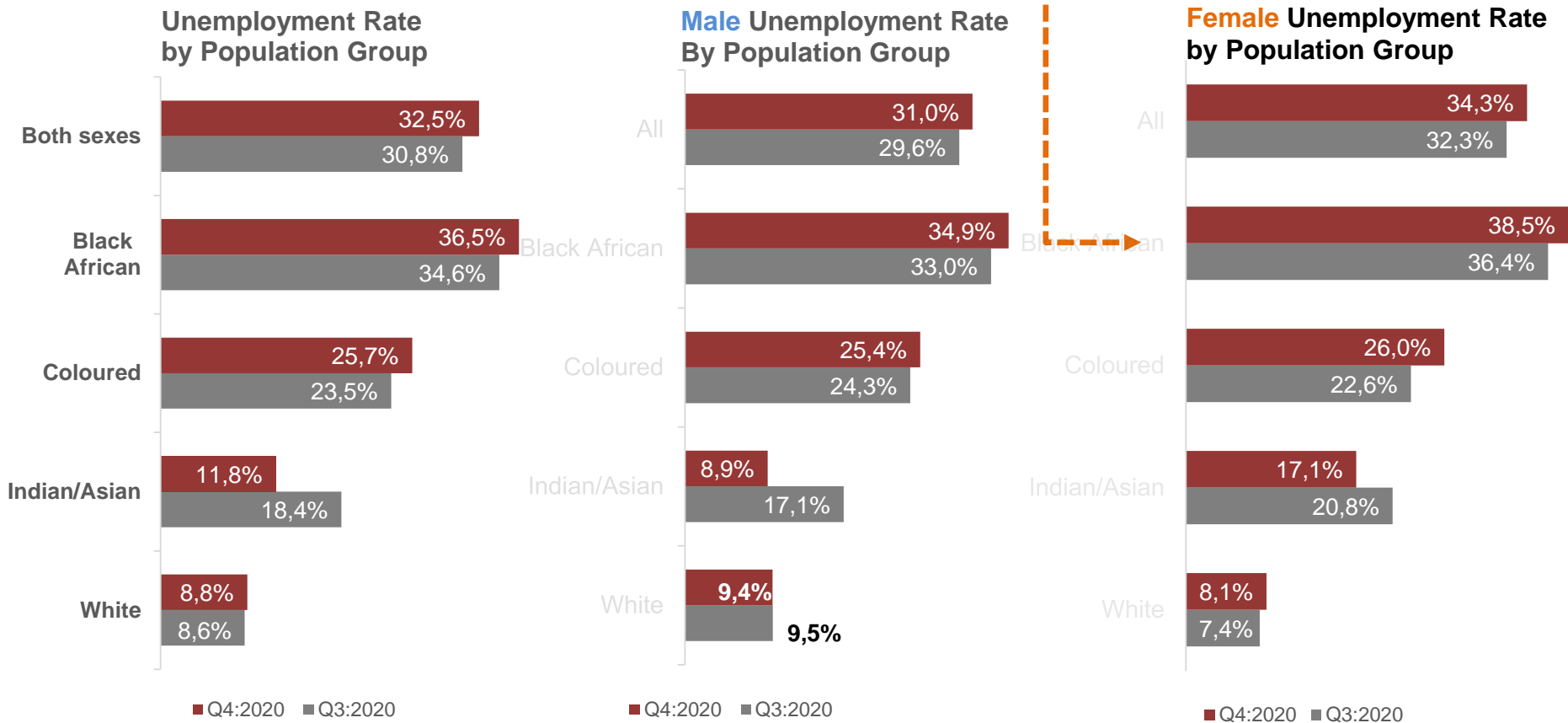
The unemployment rate among the **black African (36,5%)** population group remains **higher** than the national average and other population groups.

OFFICIAL unemployment rate by population group, Q4:2020



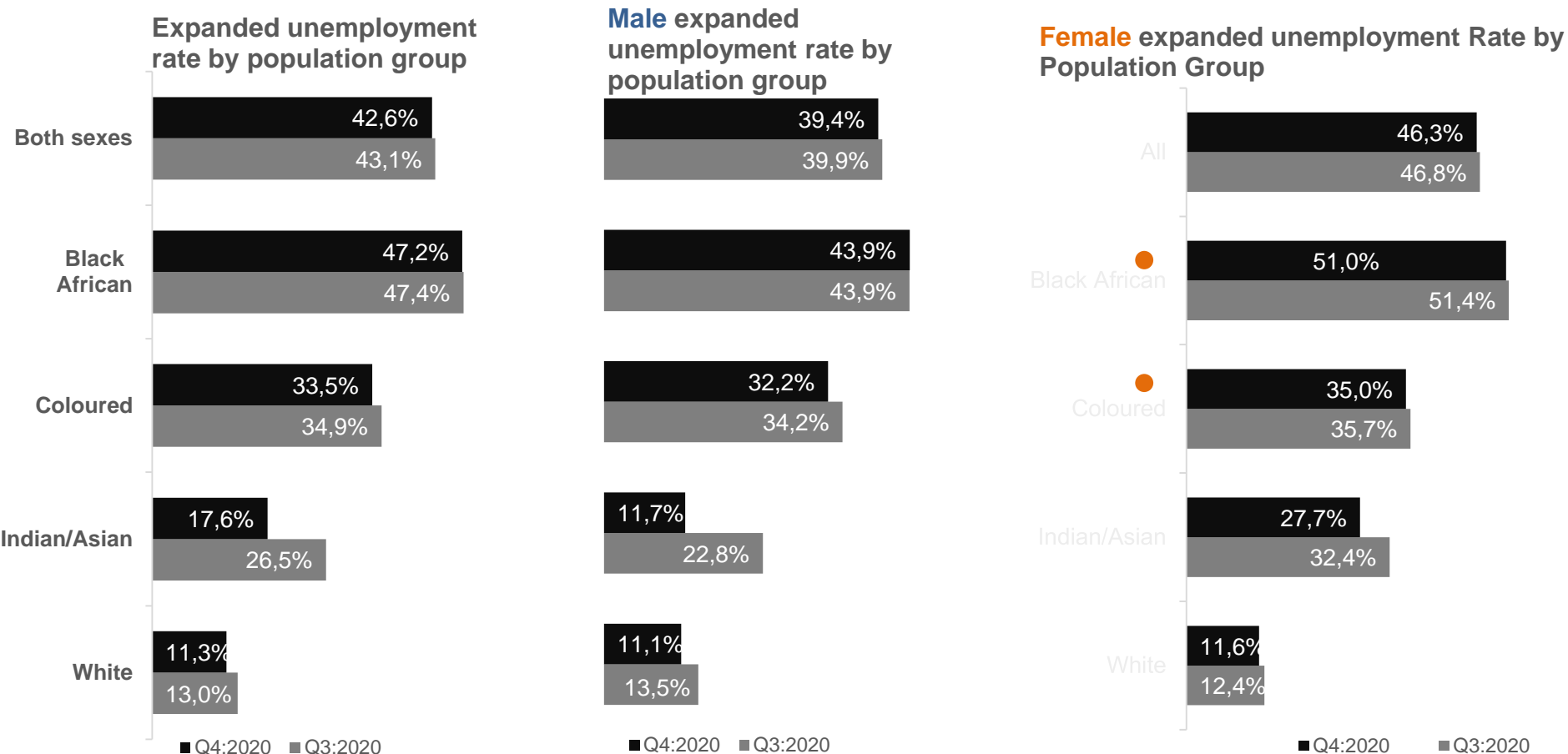
Black African women are the most vulnerable with an unemployment rate of 38,5%.

OFFICIAL unemployment rate by population group and sex



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

EXPANDED unemployment rate by population group and sex



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Additional analysis on employment in relation to COVID-19

This section of the presentation focuses on indicators derived from the additional questions that were only asked of those who were employed.

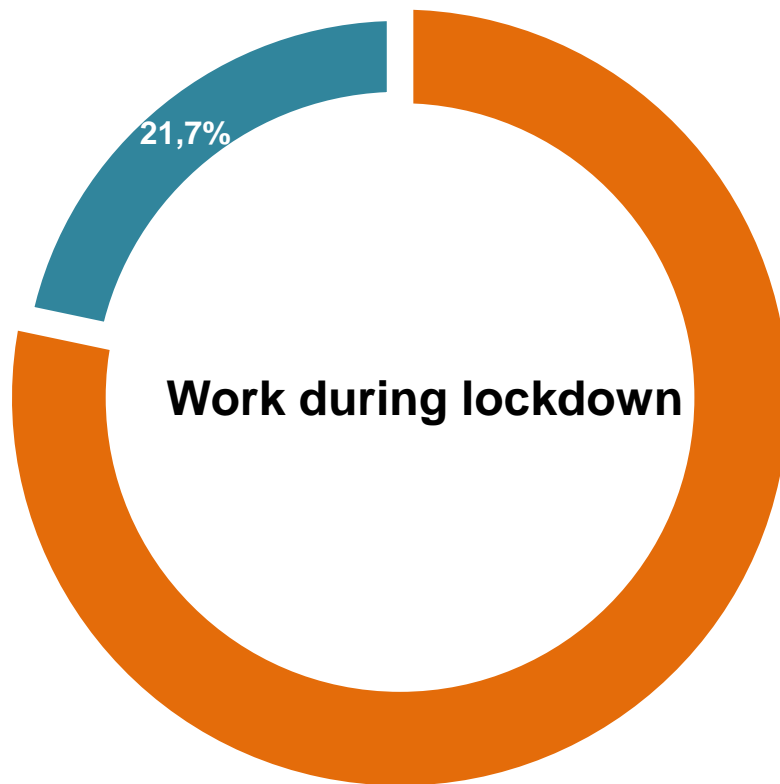


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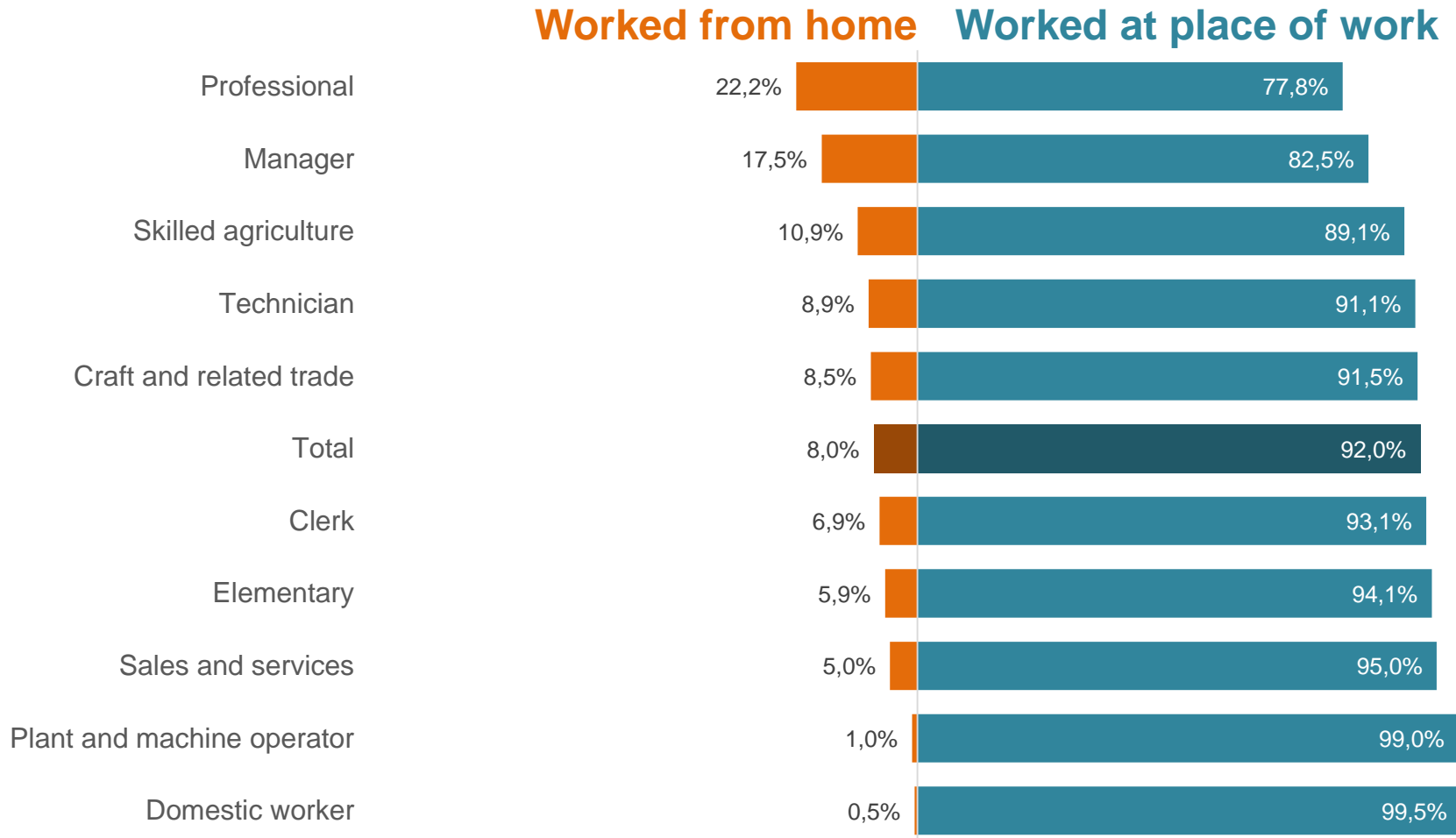
Of the 15,0 million persons who were employed in Q4: 2020, almost **8 in ten (78,3%)** were expected to **work during the national lockdown** by the companies/organisations they work for.



78,3% were expected to work

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

Place of work for persons who did any work by occupation, Q4: 2020



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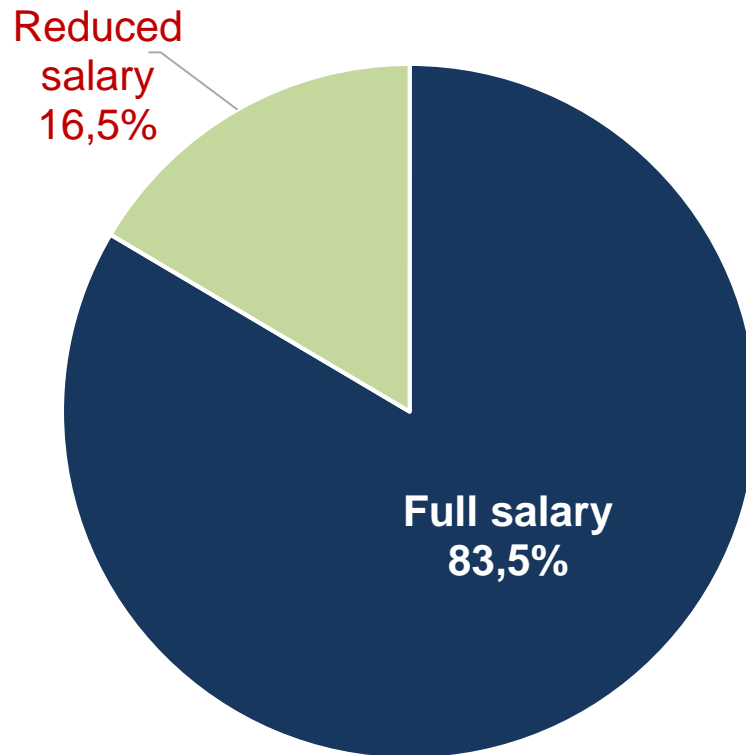
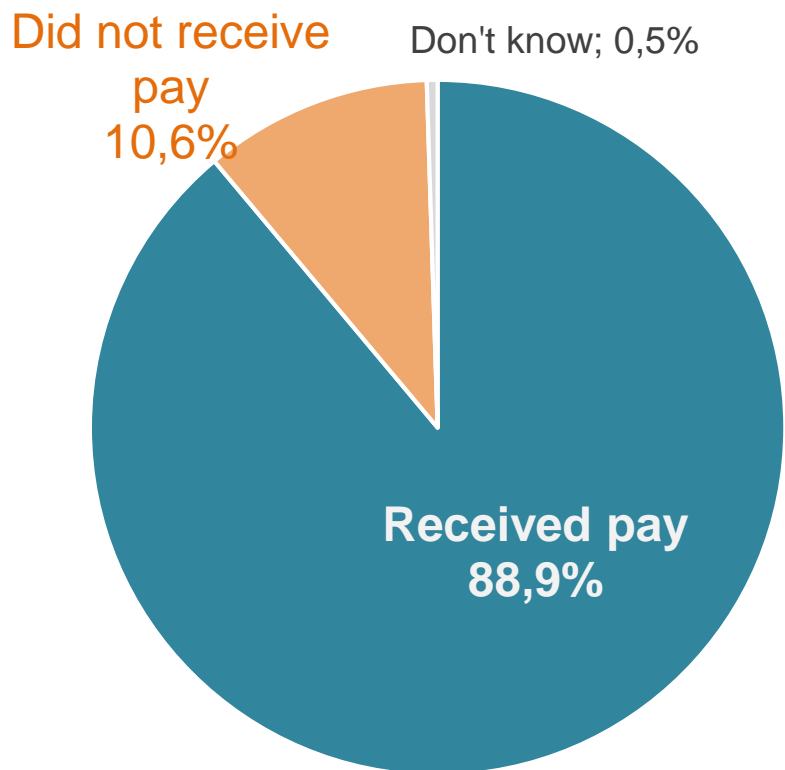
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88,9% of the **employed** continued to receive pay during lockdown in Q4:2020

16,5% of those who received pay during lockdown were paid reduced salaries in Q4:2020.

Q4:2020



Q3:2020 : Received pay 87,3%
:Did not receive pay 12%

Q3:2020 : Full Salary 81,2%
: Reduced Salary 18,9%



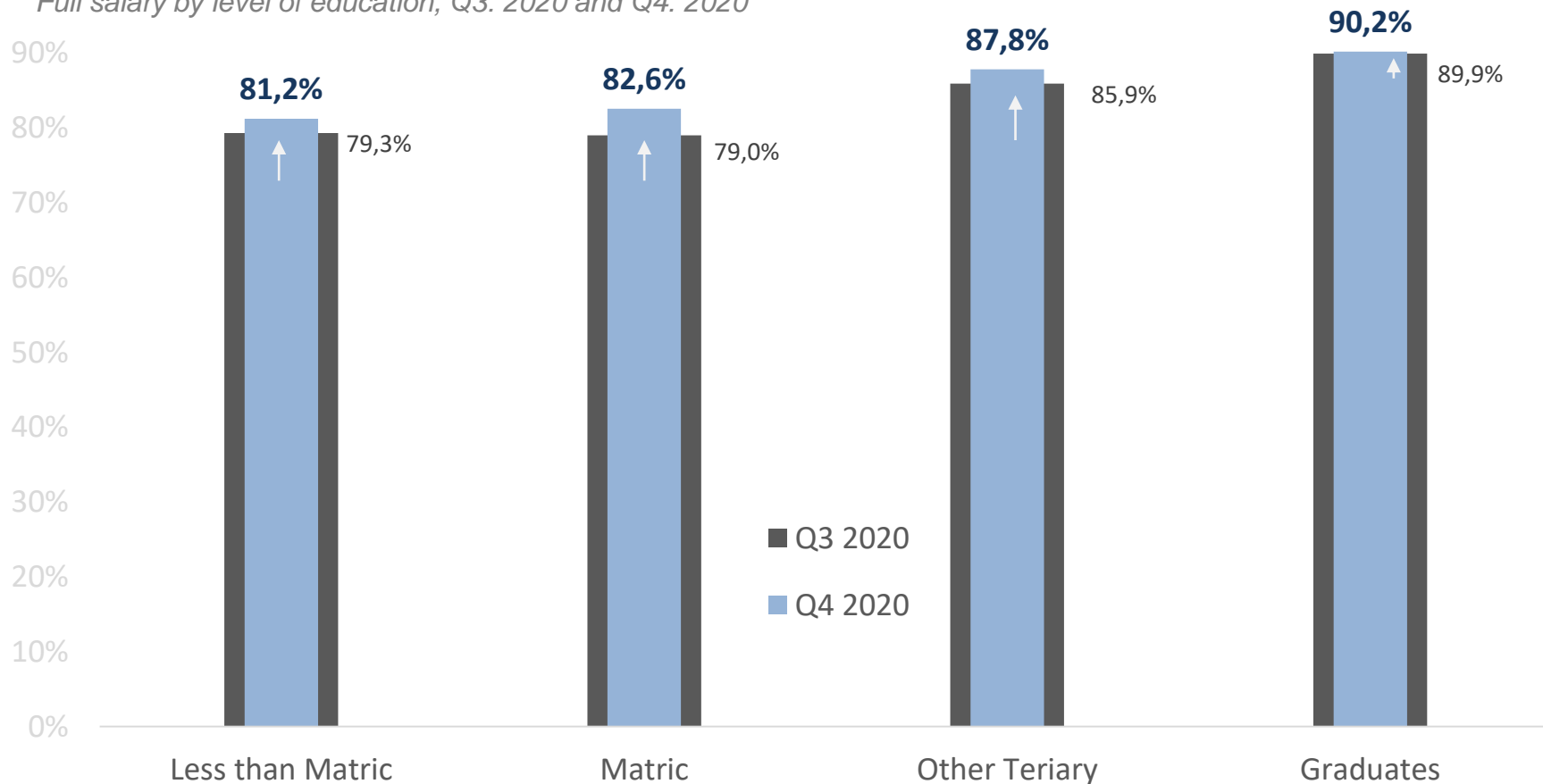
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About 9 in 10 graduates received their full salary in Q4:2020. The share of those receiving full salary **increased** irrespective of level of education between Q3:2020 and Q4:2020. *18,8% of those with less than matric received reduced pay.*

Full salary by level of education, Q3: 2020 and Q4: 2020



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Recap QLFS Q4:2020



Unemployment rate



Unemployment rate (32,5%) increased by 1,7 percentage points.

Absorption rate (38,2) and labour force participation rate (56,6) increased by 0,7 and 2,4 percentage points respectively.

Employment gains



Community and social services (**170 000**), Construction (**86 000**) and private households (**76 000**) recorded the largest employment gains.

Not economically active



The number of not economically active **decreased by 890 thousand** in Q4:2020 compared to Q3:2020

QLFS

Q4:2020

Ndzi hela kwala!



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