

# Employment increases in fourth quarter

The number of employed people in South Africa rose by 235,000 people to reach 16.1 million people being employed in the fourth quarter of 2016, Statistics South Africa (Stats SA) said on Tuesday, 14 February 2017.



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According to the Quarterly Labour Force Survey (QLFS), released by Statistician General Pali Lehohla, 16.1 million people aged 15 to 64 years were employed in the fourth quarter. The report notes that there are 36.9 million people of working age in South Africa.

The QLFS collects data on the labour market activities of individuals aged 15 years and above.

Growth in employment was driven by the services sector which grew by 73,000, followed by transport and manufacturing which grew by 46,000 and 44,000, respectively. Other industries reported employment growth quarter-to-quarter except for the mining and construction that declined by 17,000 and 9,000, respectively.

The QLFS also states that despite the rise in the number of employed people, the absorption rate has not recovered to pre-recession level of 45.8% in 2008.

The Statistician General said when looking at the labour market rate by age, young people between the ages of 15 to 24 remained vulnerable in the labour market.

“If you are a graduate you have 7% unemployment [in the fourth quarter]. If it’s other tertiary [institutions] that is your TVET institutions you will have 15% unemployment and matric will have 27.1% and less than matric 31.2%. This is a very important statistic and it relates to what we invest for what outcome. It doesn’t mean that TVETs are not useful but why are they having people who qualify from there with such,” said Lehohla.

When coming to the labour market rates for youth aged 15 to 34, Lehohla said there is high unemployment among black graduates.

“The numbers suggest that there is something that is discriminating in the education system. Either employers look at you and say you are black and you will not be employed or you come from an institution that does not shape you well for employment. There is an interaction of the kind of qualification you get especially when you are black compared to other race groups. This needs serious attention.”

The QLFS showed that black Africans had an unemployment rate of 40.8%, coloured 29.2%, Indian/Asian 16.4% and whites 10.5% for those aged 15 to 34.

## **Unemployment eases slightly**

When coming to unemployment, this decreased by 0.6% quarter-on-quarter with 5.8 million being unemployed in the fourth quarter of 2016.

The unemployment rate declined in four of the nine provinces with North West registering the biggest decline of 4%.

According to the survey, the unemployment rate among women decreased by 0.4% quarter-on-quarter, while the unemployment rate among men decreased by 0.7% quarter-on-quarter.

When coming to expanded unemployment, the survey showed that 8.9 million people were unemployed in the fourth quarter.

“Part of the decrease might be driven by discouragement. Women have 0.4% discouragement compared to men. Women tend to be a lot more discouraged than men,” said Lehohla.

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