

## Key Findings from the Official Statistical Release, P0211

The labour market is little changed from a year ago. There has been no real change in either employment or narrow employment, with the narrow unemployment rate virtually unchanged at 25.0 percent. The only significant change has been the massive expansion in the number of discouraged workseekers, who now number 2.2 million, almost one-fifth more than a year ago. The expanded unemployment rate increased by 1.1 percentage points over the year, reaching 36.5 percent in 2011Q1.

Table 1: Key Labour Market Aggregates

	2011 Q1		Q-on-Q Change		Y-o-Y Change	
	'000s	'000s	Percent	'000s	Percent	
<b>Aggregates</b>						
Labour Force	17 482	213	1.2	11	0.1	
Employment	13 118	-14	-0.1	42	0.3	
Narrow Unemployment	4 364	227	5.5	-31	-0.7	
Discouraged Workseekers	2 223	73	3.4	353	18.9	
<b>Rates</b>						
Narrow Unemployment Rate	25.0		1.0 p.p.		-0.2 p.p.	
Labour Force Participation	54.1		0.5 p.p.		-0.8 p.p.	

- **Employment grew marginally year-on-year to 13.1 million**, mainly due to growth in the non-agricultural informal sector of 125 000 jobs. Formal non-agricultural employment was marginally higher (+22 000), but agriculture and private households combined shed just over 100 000 jobs.
- **Unemployment declined marginally by 31 000, or 0.7 percent, year-on-year.** The unemployment rate, though, was virtually unchanged from 2010Q1, declining 0.2 percentage points to 25.0 percent in 2011Q1. The continued rise in discouragement, observed since the recession, has seen the expanded unemployment rate rise further to 36.5 percent in 2011Q1. Expanded unemployment rates have risen most rapidly in KwaZulu-Natal (+7.7 percent), the Northern Cape (+7.4 percent) and the North West (+6.8 percent), while the Eastern Cape was the only province to see a fall in the expanded rate of unemployment, from 43.0 percent to 41.0 percent.
- **The narrow labour force participation rate (LFPR) remains in decline year-on-year, falling 0.8 percentage points to 54.1 percent in 2011Q1, although it is 0.5 percentage points up from 2010Q4.** This decline in the LFPR is observed for both men and women, for all races except Asians, and all provinces except the Northern Cape, Free State and Mpumalanga. Participation in the expanded labour force is 0.3 percentage points higher at 63.9 percent.
- **Men and women had contrasting employment experiences**, with employment amongst women declining marginally while that of males increased slightly. Total employment of women was forced downwards by contracting employment in agriculture and private households and,

although the same was true of men, the latter saw gains in employment in non-agricultural employment, particularly in the informal sector.

- **Discouragement remains on an upward trend.** The number of discouraged workseekers grew by 353 000 year-on-year, 52 percent of whom are women.
- **Employment expansion was evident in community and social services (+133 000, at a rate of 4.9 percent year-on-year) and trade (+80 000 or 2.8 percent).** Men benefited disproportionately from employment growth in both of these industries. In contrast, employment declined in a number of industries, including transport (-70 000 or -8.8 percent year-on-year), agriculture (-55 000 or -8.4 percent) and finance (-50 000 or -3.0 percent). Women saw employment gains in manufacturing (+63 000) and community and social services (+52 000), while gains for men were almost exclusively in trade (+85 000) and community and social services (+81 000).
- **The majority of employment creation occurred in the Eastern Cape, Gauteng and Limpopo.** Between them, these three provinces saw employment grow by 155 000, almost four times the net increase in employment nationally. In contrast, KwaZulu-Natal and the Western Cape saw the largest net job losses, with estimated job losses of 59 000 and 53 000 jobs respectively.
- **High-skilled workers saw the largest increases in employment.** The employment of managers and professionals rose by 136 000 and 55 000 jobs respectively – a continuation of the trend observed previously – while clerks saw employment decline by 136 000. Job losses amongst clerks affected women most, although more than half of the increase in the employment of managers accrued to women. Men's employment grew in the service and sales, manager and professional occupational categories.
- **In line with this trend, net job losses are concentrated amongst those with completed primary schooling or less (-178 000 jobs).** In contrast, employment of tertiary educated individuals rose by 150 000, with a rise of similar magnitude observed amongst those with incomplete secondary education.
- **Of the 4.4 million unemployed in 2011Q1, 1.9 million were new labour market entrants while 1.3 million were job losers.** The remainder comprised job leavers (6.2 percent), re-entrants (3.9 percent) and others (15.7 percent). New entrants have grown by 81 000 individuals year-on-year, while there are 107 000 fewer job losers in 2011Q1 than a year earlier.
- **Two-thirds of the unemployed have been unemployed for a year or more, with the number having increased by 181 000 or 6.5 percent year-on-year.** In contrast, short-term unemployment has declined by 213 000 or by 13.3 percent year-on-year.
- **Elementary workers constitute the largest occupational category (29.2 percent) within the group of unemployed individuals who have worked within the past five years.** They are followed by craft and related trade workers (17.5 percent), service and sales workers (14.8 percent) and clerks (11.9 percent). In terms of industry, most of the formerly-employed unemployed were previously employed in trade (23.2 percent), construction (16.2 percent) and manufacturing (14.0 percent), all three of which have been hard hit by the economic slowdown.
- **Employment growth between 2010Q1 and 2011Q1 has been almost entirely limited to the 35 to 44 year age-group, with job losses occurring amongst 15 to 34 year olds.** Somewhat surprising is the decline in the number of unemployed individuals amongst the 15 to 24 year age-group, although the rise in the number of economically inactive individuals within this age-group (+192 000) points to growth in discouragement being particularly prevalent amongst young labour force participants.