The South Africa I know, the home I understand

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## Unemployment decreases in the second quarter of 2015

The *Quarterly labour force survey* (QLFS) results for the second quarter of 2015 show that South Africa's working-age population was 36,0 million people – 15,7 million employed, 5,2 million unemployed and 15,1 million 'not economically active'. According to the report the number of employed persons increased by 198 000, while unemployment declined by 305 000, on a quarterly basis.

The unemployment rate decreased by 1,4 percentage points to 25,0% between the first and second quarters of 2015. The absorption rate increased from 43,2% in the first quarter to 43,5% in the second quarter of 2015, while the labour force participation rate declined to 58,1% from 58,6% over the same period.

The formal sector accounted for the largest share of employment at 69,2% while agriculture accounted for the lowest share (5,6%). Employment growth was largely supported by a rise of 177 000 jobs in the informal sector, on a quarterly basis. Employment in the formal sector of the economy increased by 39 000.

Large quarterly gains were observed in the 'community and social services' (98 000), 'construction' (79 000) and 'trade' (73 000) industries. Job losses were recorded in the 'finance', 'manufacturing' and 'agriculture' industries (31 000, 23 000 and 22 000 respectively).

Compared to the same period last year, employment increased by 563 000 in the second quarter of 2015. The largest annual increases were observed in the 'construction' (219 000), 'agriculture' (200 000) and 'finance' (153 000) industries. The 'trade' and 'transport' industries recorded decreases of 60 000 and 25 000 respectively.

Around 16% of the 'not economically active' population was accounted for by discouraged work-seekers, while more than 80% were due to other reasons (i.e. student, home-maker, etc.). The results for the second quarter of 2015 reflect an increase in the not economically active population and a decrease in the economically active population.

The expanded unemployment rate, which relaxes the requirement for job-seekers to be classified as unemployed, decreased by 1,2 percentage points to 34,9% in the second quarter of 2015.

## Note:

The Q1: 2015 (January – March 2015) and Q2: 2015 (April – June 2015) estimates presented in this report are based on a new master sample (designed in 2013), while the previous quarters are based on the old master sample. The quarter-to-quarter and year-on-year changes are influenced by the change in the updated sample. Stats SA will monitor estimates produced by the new master sample over the next quarters until they have stabilised.

**Ends** 

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