

Unemployment increases in second quarter of 2018

South Africa's unemployment rate jumped to 27.2% in the second quarter of 2018, Statistics South Africa (Stats SA) announced.



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Announcing the results of the Quarterly Labour Force Survey (QLFS) report at a media briefing in Pretoria on Tuesday, Statistician General Risenga Maluleke said the country's unemployment figures rose from 26.7% in the first quarter to 27.2% in the second quarter.

The 0.5% increase in the unemployment rate means that the number of unemployed people has risen from 4.4 million in the first quarter to 6 million in the second quarter.

According to the data, there were 37.8 million people of working age (15 to 64 years) in the country.

The increase in the unemployment rate is a result of a decline of 90,000 in the number of people in employment and an increase of 102,000 in the number of people who became unemployed between the first and second quarters of 2018.

The report which is a household based sample survey that collects data on the labour market activities of individuals aged 15 to 64 years old, showed that there was an increase of 154,000 people of working age in the country between the two quarters.

The survey showed that labour market rates varied significantly depending on educational level.

“We see that the younger the people are at 15 to 24 [years, the] unemployment rate is sitting at 53.7% and that has increased by 1.3% and when we contrast that with those aged 55 to 64 years we are seeing that those ones are sitting at 9.7% with a decrease of 0.8%,” said Maluleke.

The data also looked at the unemployment rate for the youth and adults by level of education. While unemployment for the youth was sitting at 38.8% it was at 17.9% for adults.

“Irrespective of their level of education, it remains significantly higher than the other age groups,” he said.

According to the data, the unemployment rate among the youth (aged 15 to 24) for graduates was at 30.6% which is a decrease of 2.9% in the second quarter. Those with less than matric had an unemployment rate 56.9%. Those with only a matric certificate experienced an unemployment rate of 53.6%.

“So generally young people aged 15 to 24 regardless of their level of education still experience higher levels of unemployment.”

In the second quarter, approximately 3.3 million (31.6%) out of 10.3 million young people aged 15 to 24 years, were not in employment, education or training (NEET).

In terms of provinces, the North West had the highest rate of young people aged 15 to 24 who were in NEET at 38.7% while Limpopo had the lowest NEET at 26.7%.

Employment

Quarter-on-quarter there was a 35,000 decrease in formal sector jobs (non-agricultural) to 11.3 million jobs. In the informal sector jobs decreased by 73,000 quarter-on-quarter to 2.8 million while in agriculture there was a decrease of 3000 jobs quarter-on-quarter to 843,000 jobs.

Meanwhile, private households saw an increase of 22,000 jobs to 1.3 million.

The industry that recorded the most job losses was manufacturing which accounted for 105,000 jobs. Employment increases were recorded transport (54,000), construction (45,000) and mining (38,000), among others.

Close to a third (29.3%) of all people employed in the second quarter were employed in elementary and domestic work occupations at 23.2% and 6.1%, respectively.

In terms of unemployment, black women were the most vulnerable with an unemployment rate of over 30%.

“Black women are the most vulnerable when it comes to unemployment. In the second quarter of 2018 we are sitting at 33.2% of black African females coming out of 32.6% in the first quarter of 2018. Generally black Africans do struggle with unemployment followed by the coloureds and lastly the whites sitting at 8%.”

For the provinces, the Free State had the highest unemployment rate at 34.4% followed by the Eastern Cape.

South Africa's unemployment rate has fluctuated between the 20% and 30% band for the last 10 years.