



ecsecc
eastern cape socio economic
consultative council



**LABOUR DYNAMICS IN THE
EASTERN CAPE
Quarter 2 2018**



Definitions

The labour force comprises all persons who are employed plus all persons who are unemployed. The working-age population comprises all persons aged 15–64 years.

Unemployment rate is the proportion of the labour force that is unemployed.

Labour force participation rate is the proportion of the working-age population that is either employed or unemployed

Employment-to-population ratio (labour absorption rate) is the proportion of the working-age population that is employed.

Discouraged work-seeker is a person who was not employed during the reference period, wanted to work, was available to work/start a business but did not take active steps to find work during the last four weeks, provided that the main reason given for not seeking work was any of the following: no jobs available in the area; unable to find work requiring his/her skills; lost hope of finding any kind of work.

Unemployed persons (aged 15–64 years) who:

- a) Were not employed in the reference week; and
- b) Actively looked for work or tried to start a business in the four weeks preceding the survey interview; and
- c) Were available for work, i.e. would have been able to start work or a business in the reference week; or
- d) Had not actively looked for work in the past four weeks but had a job or business to start at a definite date in the future and were available.

Unemployment and Not in employment, education or training (NEET)- Those young people (15-24 years) who are categorised as NEET are considered to be disengaged from both work and education.

Expanded unemployment are is the unemployment rate which includes the discouraged work seekers.

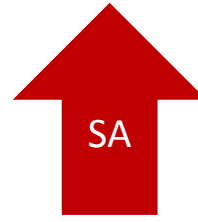
Labour Market Dynamics: April – June (2018Q2)

37 832 000 people form part of the working age population in South Africa.

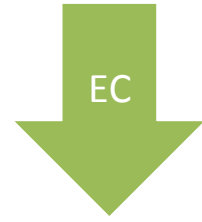


50.5% are women and 11.2% of the people are from the EC.

2018Q2 Unemployment Rates



27.2% from 26.7% in 2018Q1



34.2% from 35.6% in 2018Q1

SOUTH AFRICA: UNEMPLOYMENT RATE Q2 2018

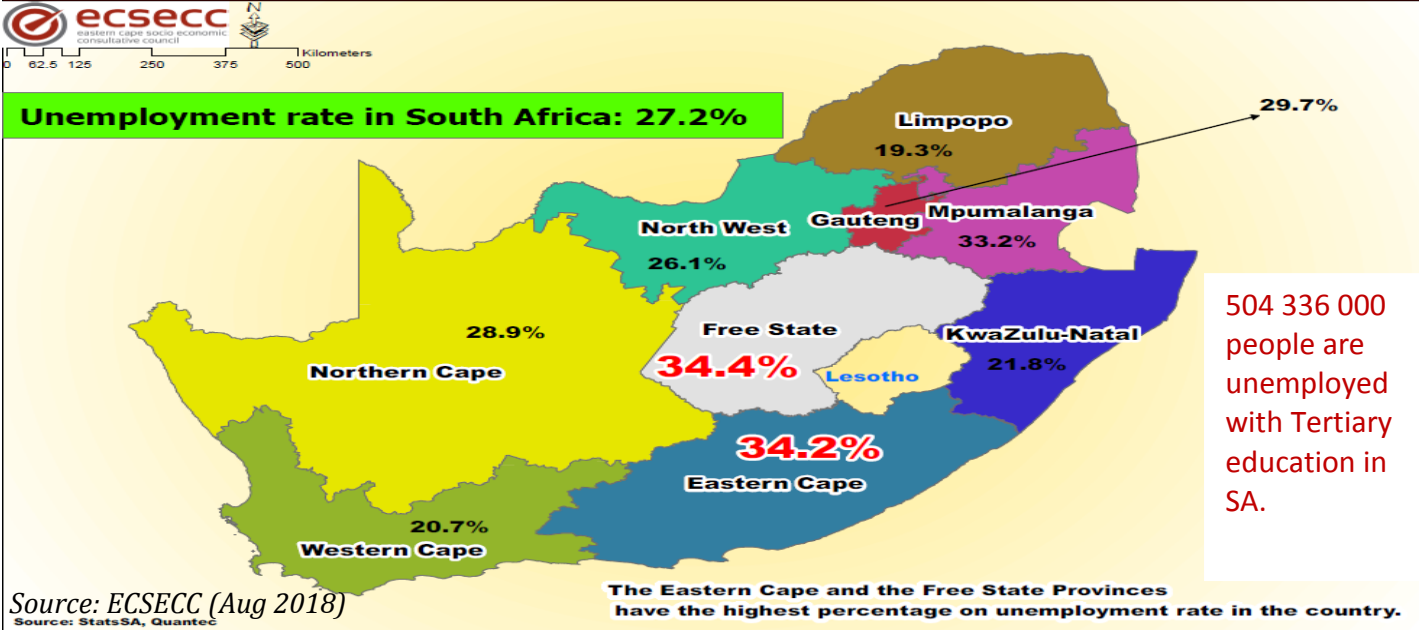
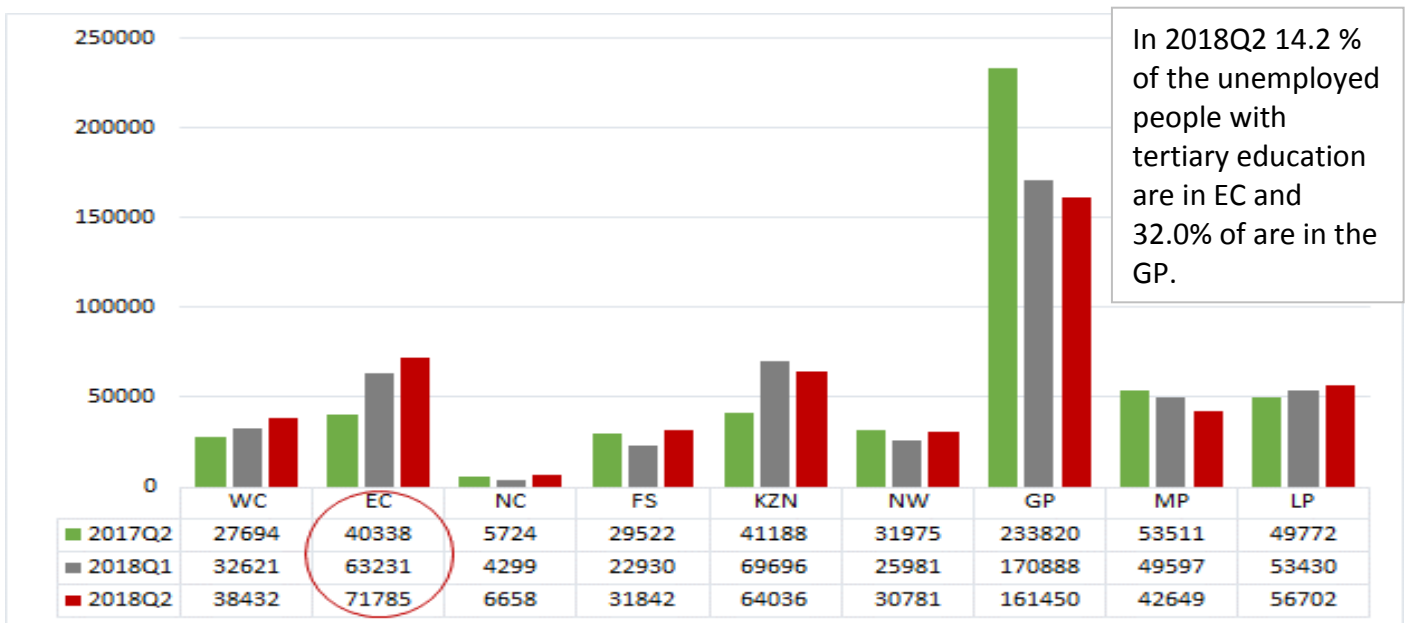


Figure 1: The number of unemployed people with tertiary education has increased in the EC from 63 231 in 2018Q1 to 71 785 in 2018Q2



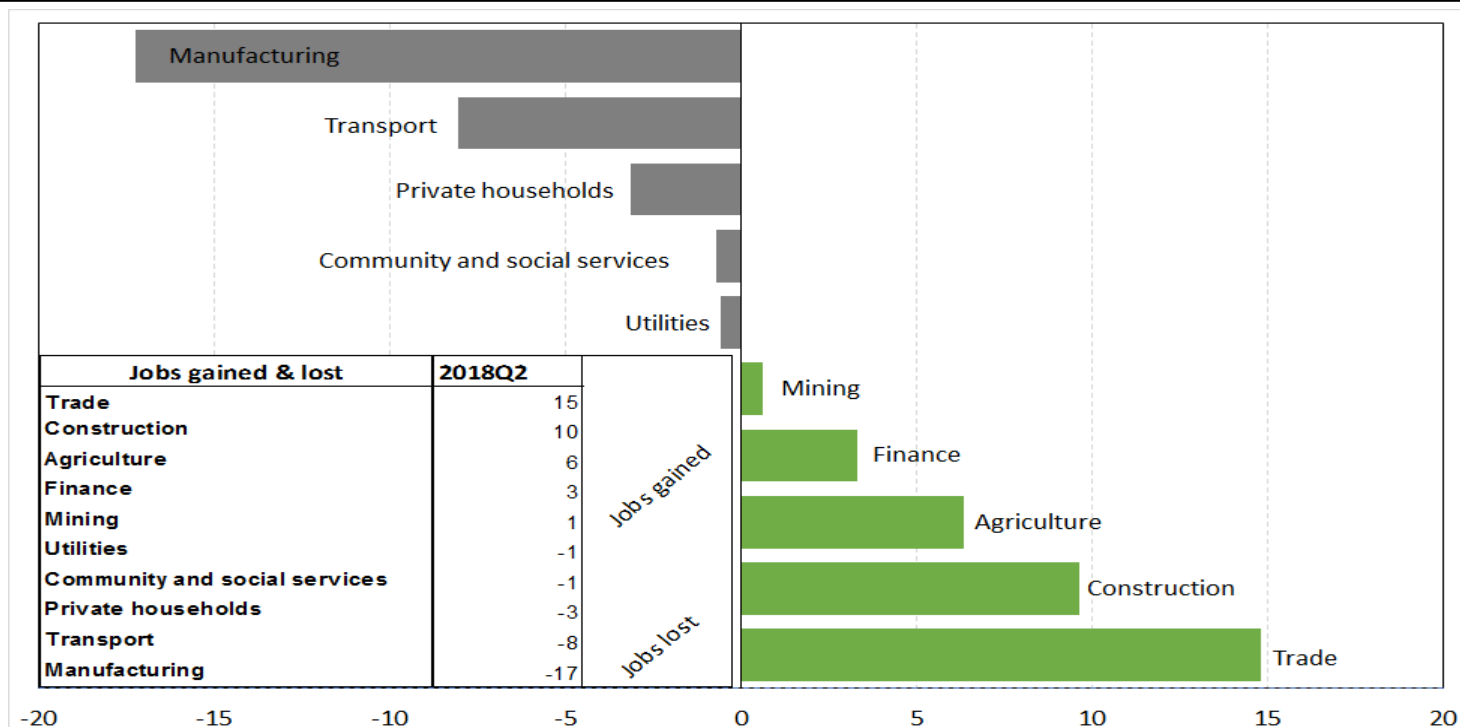
Source: Statistics South Africa, QLFS (Aug 2018)

Table 1: Employment Agriculture increased by 10.3% on a QoQ basis in 2018Q2

| Eastern Cape labour market | Numbers (000) | | | | Percentage (%) | |
|---|------------------|--------|--------------------------|------------|----------------|------------|
| | 2018Q1 | 2018Q2 | QoQ change | YoY change | QoQ change | YoY change |
| Population working age (15-64 yrs) | 4 203 | 4 215 | 12 | 50 | 0.3 | 1.2 |
| Labour force/ EAP | 2 202 | 2 144 | -58 | 123 | -2.6 | 6.1 |
| Total Employment | 1 421 | 1 391 | -30 | -57 | -2.1 | -3.9 |
| Formal (non-agricultural) | 904 | 859 | -45 | -46 | -5.0 | -5.1 |
| Informal (non-agricultural) | 312 | 317 | 5 | -29 | 1.7 | -8.3 |
| Agriculture | 86 | 94 | 9 | 6 | 10.3 | 6.7 |
| Private households | 119 | 120 | 1 | 13 | 0.9 | 11.8 |
| Unemployment | 781 | 754 | -28 | 180 | -3.5 | 31.3 |
| Not economically active | 2 001 | 2 071 | 70 | -73 | 3.5 | -3.4 |
| Discouraged work-seekers | 360 | 326 | -34 | -77 | -9.4 | -19.1 |
| Other (not economically active) | 1 641 | 1 745 | 104 | 4 | 6.3 | 0.2 |
| | Rates (%) | | Percentage points | | | |
| Unemployment rate | 34.4 | 35.5 | 1.1 | 7.3 | | |
| Labour absorption rate | 33.8 | 33.0 | -0.8 | -1.7 | | |
| labour force participation rate | 43.9 | 43.9 | 0.0 | 4.1 | | |

Source: Statistics South Africa, QLFS (Aug 2018)

Figure 2: 2018Q2 changes in employment by industry ('000)



Source: Statistics South Africa, QLFS (Aug 2018)

17 000 jobs were lost in the manufacturing industry.

15 000 jobs were gained in the trade industry.

Table 2: Unemployment rate in BCM and NMB decreased by 1.2% in 2018Q2

| | 2017Q2 | 2018Q1 | 2018Q2 | QoQ change | YoY change | 2017Q2 | 2018Q1 | 2018Q2 | QoQ change | YoY change |
|----------------------|-------------|--------|-------------------|------------|------------|-------------|--------|-------------------|------------|------------|
| | Percent (%) | | Percentage Change | | | Percent (%) | | Percentage Change | | |
| City of cape Town | 22.7 | 22.4 | 21.3 | -1.1 | -1.4 | 24.2 | 23.8 | 22.6 | -1.2 | -1.6 |
| Buffalo City | 29.1 | 30.5 | 28.7 | -1.8 | -0.4 | 33.3 | 36.2 | 35.0 | -1.2 | 1.7 |
| Nelson Mandela Bay | 34.5 | 36.3 | 35.0 | -1.3 | 0.5 | 35.4 | 36.4 | 35.2 | -1.2 | -0.2 |
| Mangaung | 33.4 | 29.9 | 31.4 | 1.5 | -2.0 | 37.0 | 33.8 | 34.1 | 0.3 | -2.9 |
| eThekwini | 21.8 | 20.3 | 19.3 | -1.0 | -2.5 | 29.3 | 27.4 | 27.2 | -0.2 | -2.1 |
| Ekurhuleni | 31.2 | 30.9 | 33.4 | 2.5 | 2.2 | 34.4 | 34.9 | 37.4 | 2.5 | 3.0 |
| City of Johannesburg | 30.1 | 28.8 | 28.5 | -0.3 | -1.6 | 31.8 | 31.4 | 30.8 | -0.6 | -1.0 |
| City of Tshwane | 27.2 | 26.0 | 28.7 | 2.7 | 1.5 | 30.5 | 33.5 | 34.8 | 1.3 | 4.3 |

Source: Statistics South Africa, QLFS (Aug 2018)

Table 3: BCM total employment increased by 0.5% in 2018Q2

| Buffalo City Labour Market | Numbers (000) | | | | | Percentage (%) | |
|---|---------------|--------|--------|------------|------------|----------------|------------|
| | 2017Q2 | 2018Q1 | 2018Q2 | QoQ change | YoY change | QoQ change | YoY change |
| Population working age (15-64 yrs) | 507 | 511 | 512 | 1 | 6 | 0.3 | 1.1 |
| Labour force/ EAP | 355 | 349 | 342 | -7 | -14 | -2.0 | -3.9 |
| Total Employment | 252 | 242 | 244 | 1 | -8 | 0.5 | -3.4 |
| Formal (non-agricultural) | 168 | 172 | 176 | 4 | 7 | 2.2 | 4.3 |
| Informal (non-agricultural) | 63 | 47 | 52 | 5 | -11 | 10.2 | -17.7 |
| Agriculture | 7 | 8 | 3 | -5 | -4 | -60.5 | -54.5 |
| Private households | 14 | 16 | 13 | -3 | -1 | -18.7 | -6.7 |
| Unemployment | 103 | 106 | 98 | -8 | -5 | -7.7 | -5.1 |
| Not economically active | 151 | 162 | 171 | 9 | 19 | 5.3 | 12.8 |
| Discouraged work-seekers | 13 | 23 | 27 | 3 | 14 | 13.6 | 110.4 |
| Other (not economically active) | 139 | 139 | 144 | 5 | 5 | 3.9 | 3.9 |

Source: Statistics South Africa, QLFS (Aug 2018)

Table 4: NMB total employment increased by decreased by 2.4% in 2018Q2

| Nelson mandela Bay Labour Market | Numbers (000) | | | | | Percentage (%) | |
|---|---------------|--------|--------|------------|------------|----------------|------------|
| | 2017Q2 | 2018Q1 | 2018Q2 | QoQ change | YoY change | QoQ change | YoY change |
| Population working age (15-64 yrs) | 801 | 809 | 812 | 3 | 12 | 0.4 | 1.5 |
| Labour force/ EAP | 529 | 551 | 553 | 2 | 25 | 0.4 | 6.1 |
| Total Employment | 346 | 351 | 360 | 9 | 13 | 2.4 | -3.9 |
| Formal (non-agricultural) | 270 | 261 | 270 | 9 | -0 | 3.6 | -5.1 |
| Informal (non-agricultural) | 43 | 52 | 59 | 6 | 16 | 12.3 | -8.3 |
| Agriculture | 2 | 2 | 3 | 1 | 1 | 45.8 | 6.7 |
| Private households | 31 | 36 | 28 | -8 | -3 | -22.4 | 11.8 |
| Unemployment | 182 | 200 | 194 | -6 | 12 | -3.1 | 31.3 |
| Not economically active | 272 | 258 | 259 | 1 | -13 | 0.3 | -3.4 |
| Discouraged work-seekers | 3 | 1 | 1 | 0 | -2 | 6.6 | -19.1 |
| Other (not economically active) | 269 | 257 | 258 | 1 | -11 | 0.2 | 0.2 |

Source: Statistics South Africa, QLFS (Aug 2018)



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