

# Quarterly Labour Force Survey:

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Division:  
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## The key messages from the Quarterly Labour Force Survey Q2 2021:

Labour market ratios	Number (thousands)			Number change q/q Jun-21	Ratio (%)			Ratio % point change q/q Jun-21
	Jun-20	Mar-21	Jun-21		Jun-20	Mar-21	Jun-21	
Working-age population (15-64 years)	39 021	39 455	39 599	145				0.4
Employment	14 148	14 995	14 942	-54				-0.4
<b>Unemployment (official, % of labour force)</b>	<b>4 295</b>	<b>7 242</b>	<b>7 826</b>	<b>584</b>	<b>23.3</b>	<b>32.6</b>	<b>34.4</b>	<b>1.8</b>
Unemployment (broad, % of labour force)	10 259	11 422	11 923	501	42.0	43.2	44.4	1.1
Absorption Rate					36.3	38.0	37.7	-0.3
<b>Labour force (off., % of working-age population)</b>	<b>18 443</b>	<b>22 237</b>	<b>22 768</b>	<b>530</b>				<b>2.4</b>
Labour force participation Rate					47.3	56.4	57.5	1.1
Not Economically Active (NEA)	20 578	17 218	16 832	-386				-2.2
Discouraged workers (% of working-age population)	2 471	3 131	3 317	186	6.3	7.9	8.4	0.4

- In the second quarter of 2021 the number of employed people decreased by 54 000 (-5.4% q/q) to 14.9 million.
- Unemployment increased by 584 000 to 7.8 million in comparison with Q1 2021, with the number of people in the labour force increasing by 2.4% q/q. The number of discouraged workers increased by 186 000 (5.9% q/q) in Q2 2021.
- The number of people who were not economically active for reasons other than discouragement decreased by 571 000 (-4.5% q/q), resulting in a net decrease of 386 000 in the not economically active population.
- The official unemployment rate increased by 1.8 percentage points from 32.6% in Q1 2021 to 34.4% in Q2 2021. This is the highest unemployment rate recorded since 2008 when the QLFS began, as the impact of Covid-19 weighed on jobs.
- The unemployment rate based on the expanded definition, which includes those who are no longer actively looking for work, increased by 1.2 percentage points to 44.4% in Q1 2021.

Characteristics	Unemployed (official definition)					Employed				
	Number (thousands)			% change q/q	% change y/y	Number (thousands)			% change q/q	% change y/y
	Jun-20	Mar-21	Jun-21	Jun-21	Jun-21	Jun-20	Mar-21	Jun-21	Jun-21	Jun-21
<b>Age group</b>										
15 - 24 yrs	845	1 336	1 507	13%	78%	769	775	833	7%	8%
25 - 34 yrs	1 670	2 977	3 170	6%	90%	4 100	4 230	4 214	0%	3%
35 - 64 yrs	1 780	2 930	3 149	7%	77%	9 279	9 990	9 894	-1%	7%
<b>Highest level of education</b>										
Primary education or less	405	559	568	2%	40%	1 330	1 273	1 425	12%	7%
Secondary not completed	1 879	3 256	3 467	6%	84%	4 443	4 902	4 892	0%	10%
Secondary completed	1 561	2 731	2 972	9%	90%	4 846	5 296	5 144	-3%	6%
Tertiary	415	676	779	15%	88%	3 390	3 423	3 359	-2%	-1%
Other	35	20	40	98%	14%	139	101	122	21%	-13%
<b>Sectoral employment</b>										
Formal (non-agriculture)						10 064	10 574	10 200	-4%	1%
Informal (non-agriculture)						2 280	2 502	2 686	7%	18%
Agriculture						799	792	862	9%	8%
Private households						1 005	1 127	1 194	6%	19%
<b>Unemployed by duration</b>										
Long term unemployed (> 1 year)	2 878	5 450	5 987	10%	108%					
Short term unemployed (< 1 year)	1 417	1 792	1 839	3%	30%					
<b>Province</b>										
Western Cape	434	718	784	9%	81%	2 179	2 309	2 256	-2%	4%
Eastern Cape	684	1 013	1 100	9%	61%	1 169	1 301	1 235	-5%	6%
Northern Cape	86	96	100	5%	17%	255	313	256	-18%	0%
Free State	215	388	415	7%	93%	638	703	723	3%	13%
KwaZulu-Natal	535	1 067	1 163	9%	118%	2 297	2 429	2 421	0%	5%
North West	240	443	533	20%	122%	874	933	979	5%	12%
Gauteng	1 608	2 426	2 548	5%	58%	4 473	4 626	4 648	0%	4%
Mpumalanga	170	571	634	11%	272%	1 112	1 133	1 166	3%	5%
Limpopo	323	519	550	6%	70%	1 151	1 248	1 257	1%	9%

- Long-term unemployment increased from 5.4 million in Q1 2021 to 5.9 million in Q2 2021 (9.9% q/q).
- High percentage changes in year-on-year official unemployment are the result of easing lockdown restrictions, allowing more people to actively look for work.
- The number of employed people with no matric decreased by 10 000 (-0.2% q/q), for people with matric the number of employed people decreased by 152 000 (-2.9% q/q) and for graduates, employment decreased by 64 000 (-1.9% q/q).
- **Five of nine provinces saw an increase in employment in Q2 2021.** The largest employment decreases were recorded in Eastern Cape down by 66 000 (-5.1% q/q), Northern Cape down by 57 000 (-18.1% q/q), Western Cape down by 53 000 (-2.3% q/q) and KwaZulu-Natal down by 8 000 (-0.3% q/q). Employment gains were recorded in North West up 45 000 (4.9% q/q), Mpumalanga up 33 000 (2.9% q/q), Gauteng 22 000 (0.5% q/q), Free State up 20 000 (2.9% q/q) and Limpopo up 9 000 (0.7% q/q) during the same period.
- About 10.2 million (33.0%) young people aged 15–24 years in Q2 2021 were not in employment, education or training (NEET), 0.8 percentage points lower than in Q2 2020.

#### SECTOR TRENDS FROM QLFS:

- Following a decline in the informal sector employment in Q1 2021 of 19 000 (-0.8% q/q), **employment increased by 184 000 (7.4% q/q) in Q2 2021 in this sector. Employment in the formal sector decreased by 375 000 (-3.5% q/q) in Q2 2021 compared to Q1 2021.**
- **Employment in the formal sector declined in five of eight industries (quarter-on-quarter)**, with the largest decrease recorded in Finance down by 229 000 (-10.2% q/q), Community and social services down by 151 000 (-4.8% q/q), Manufacturing down by 105 000 (-7.9% q/q), Trade down by 42 000 (-2.1% q/q) and Mining down by 2 000 (-0.4% q/q). The biggest increases were recorded in the Construction industry up 112 000 (16.4% q/q) industry, followed by Transport 31 000 (5.0% q/q), while Utilities remained unchanged.
- **On yearly basis employment saw a net gain of 136 000 jobs in the formal sector mainly driven by Construction up 115 000 (16.9% y/y), Transport up 33 000 (5.4% y/y), Community and social services up 42 000 (1.4% y/y), Mining up 23 000 (6.3% y/y) and Utilities up 4 000 (3.6% y/y) industries.**

Industry	Formal Sector					Informal Sector				
	Number (thousands)			% change q/q	% change y/y	Number (thousands)			% change q/q	% change y/y
	Jun-20	Mar-21	Jun-21	Jun-21	Jun-21	Jun-20	Mar-21	Jun-21	Jun-21	Jun-21
Mining	368	393	391	0%	6%	5	2	7	199%	43%
Manufacturing	1 287	1 323	1 218	-8%	-5%	169	175	197	13%	17%
Utilities	109	113	112	0%	4%	4	2	6	150%	32%
Construction	680	683	794	16%	17%	386	396	428	8%	11%
Trade	1 992	2 024	1 982	-2%	0%	955	955	1 105	16%	16%
Transport	609	611	642	5%	5%	275	291	326	12%	19%
Financial Services	2 026	2 253	2 024	-10%	0%	208	274	224	-18%	8%
Community	2 968	3 161	3 010	-5%	1%	276	406	391	-4%	42%
<b>Total</b>	<b>10 064</b>	<b>10 574</b>	<b>10 200</b>	<b>-4%</b>	<b>1%</b>	<b>2 280</b>	<b>2 502</b>	<b>2 686</b>	<b>7%</b>	<b>18%</b>

- Additional questions added to the latest survey on the implications of lockdown reveal that of the 14.9 million persons who were employed in Q2 2021, almost four out of every five people, that is, 12.4 million (82.7%) were expected to work during the national lockdown by the companies/organisations they work for.
- The majority of these were men in most industries, except in the Community and social services and Private households' industries, where the majority were women. About 4 in 5 people employed within the Construction industry who worked during the lockdown were men.
- About 55.0% of employed people indicated that they were unable to work due to the national lockdown while 21.7% of employed people were unable to work due to health reasons, 10.2% due to family responsibilities and 10.3% due to shift work arrangements.
- In the second quarter of 2021 91.0% of the employed received their salaries although those with lower levels of education had reduction in their pay.

## Appendix 1: Comparing QES with QLFS

Stats SA also collects information regarding employment from the QLFS which is a household based survey, unlike the QES. Therefore the results of the QES and the QLFS differ in several respects and are thus not fully comparable. The table below highlights key differences between the two surveys. The sampling frames for both surveys changed recently. The QES sampling frame changed in the Q4 2014 release, while the QLFS sampling frame changed in the Q1 2014 release. We compare survey results for Q1 2015 to track the impact of sampling changes.

### Key differences between the Quarterly Labour Force Survey (QLFS) and the Quarterly Employment Survey (QES)

	QLFS	QES
<b>Coverage</b>	Private households and worker's hostels	Payroll of VAT registered businesses
	Non-institutional population (15 years and older)	Employees only
	Employment (including the informal sector, private households, agriculture and small businesses)	Formal sector (excluding agriculture)
<b>Sample size</b>	30 000 dwelling units in which households reside	20 000 VAT registered businesses
<b>Reference period</b>	One week prior to the interview	Payroll at the end of the reference quarter
<b>Formal sector definition (excl. agriculture and private households)</b>	Employers and own-account workers registered for VAT or income tax	Excludes agriculture and private households
	Employees paying income tax and those not paying tax but working for firms with 5 or more workers	Employees on the payroll of VAT registered businesses

Source: Statistics South Africa, QLFS and QES