

**Discussion paper 1**  
**Comparative labour statistics**  
**Labour force survey: first round pilot**  
**September 2000**

**Statistics South Africa**  
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## DISCUSSION DOCUMENT

### LABOUR FORCE SURVEY: SECOND ROUND, SEPTEMBER-OCTOBER 2000

This document presents for discussion a selection of indicative findings and tables from Stats SA's second *Labour force survey* (LFS), conducted in September 2000. It examines various labour market issues, including employment in both the formal and informal sectors of the country, and unemployment. The survey provides detailed information regarding approximately 65 000 adults of working age (15-65 years) living in 30 000 households across the country. The document also compares available key data related to employment and unemployment in September 2000 with data from the pilot LFS of February 2000, and the *Survey of employment and earnings* (SEE) of September 2000.

### INTRODUCTION

The LFS is a twice-yearly rotating panel household survey, specifically designed to measure the dynamics of employment and unemployment in the country. It measures a variety of issues related to the labour market, including unemployment rates (official and expanded), according to standard definitions of the International Labour Organisation (ILO). *For these definitions see Note 1 below.*

A rotating panel sample involves visiting the same dwelling units on a number of occasions (in this instance, five at most), and replacing a proportion of these dwelling units each round (in this instance 20%). New dwelling units are added to the sample to replace those that are taken out. The advantage of this type of design is that it offers the ability to see how the work situation of members of the same dwelling units change over time, while retaining the larger picture of the overall employment situation in the country.

The pilot round of LFS fieldwork took place in February 2000, based on a probability sample of 10 000 dwelling units. The present survey took place six months later, using a larger probability sample of 30 000 dwelling units. Among the 10 000 households visited in February, approximately 40% were re-visited in September. The fieldworkers had some difficulty in identifying certain dwelling units in the sample, particularly in those areas where there are no addresses. Therefore survey results, at this stage, are based on a cross-sectional analysis.

### THE LABOUR MARKET IN SEPTEMBER/OCTOBER 2000

#### *Labour market trends based on the official definition of unemployment*

In Table A, Stats SA gives the overall labour market trends for September/October 2000, based on the official definition of unemployment (*see Note 1 for this definition*). It looks at:

- (a) the estimated total number of people in the age category 15-65 years (those of working age),
- (b) the number of people in this age category, who were not economically active (for example, full-time students, full-time homemakers, retired people and the disabled who are unable to work),
- (c) those who were economically active (both the employed and the unemployed according to the official definition of unemployment),
- (d) the labour market participation rate (the percentage of all people aged 15-65 years who are economically active), and
- (e) the labour absorption rate (the percentage of all aged 15-65 years who are employed) in February 2000.

The table shows that, on the basis of the LFS conducted in September/October 2000, there were 26,9 million people aged between 15 and 65 years. Among these people:

- 15,8 million were economically active, of whom
  - 11,7 million were employed, and
  - 4,1 million were unemployed.
- In addition, 11,1 million were not economically active, of whom
  - 4,9 million were full-time scholars,
  - 1,2 million were full-time homemakers,
  - 1,0 million were disabled or chronically ill, hence unable to work,
  - 0,7 million were either too young or too old to work, and
  - 0,3 million were retired.
  - The remainder were not economically active for other reasons.
- The official unemployment rate is estimated to be 25,8%.

<b>TABLE A: LABOUR MARKET TRENDS IN SEPTEMBER 2000 BASED ON THE OFFICIAL DEFINITION OF UNEMPLOYMENT</b>		
		<b>(000's)</b>
<b>A</b>	<b>Total employed</b>	<b>11 712</b>
<b>B</b>	<b>Total unemployed (official definition)</b>	<b>4 082</b>
<b>C</b>	<b>Total economically active = a + b</b>	<b>15 794</b>
<b>D</b>	<b>Total not economically active</b>	<b>11 100</b>
<b>E</b>	<b>Total aged 15–65 years = c + d</b>	<b>26 894</b>
<b>F</b>	<b>Official unemployment rate = <math>b * 100 / c</math></b>	<b>25,8%</b>
<b>G</b>	<b>Labour market participation rate = <math>c * 100 / e</math></b>	<b>58,7%</b>
<b>H</b>	<b>Labour absorption rate = <math>a * 100 / e</math></b>	<b>43,5%</b>

### LABOUR MARKET DYNAMICS:

#### *Comparing employment trends in February 2000 with those in September 2000*

The statistics in Table B indicate that there has been no real change in the labour market between February and September 2000, with the exception of the not-economically active. We are 95% confident that the other differences in the estimates for these two time periods can be attributed to sampling error.

- For example, the total number of employed people was estimated to be 11 880 000 in February 2000. We are 95% confident that the actual value of this estimate lies somewhere between 11 491 000 and 12 268 000. In September 2000, the total number of employed people was estimated to be 11 712 000. This number falls within the 95% confidence limits range of between 11 491 000 and 12 268 000 for February 2000. Therefore the decrease in the number of employed people between February and September 2000 is not statistically significant.
- Taking sampling error into account, the total number of people who are not economically active is, however, significantly higher in September than in February 2000. This may be because people in agriculture work for some seasons but not others, as discussed below. They are likely to see themselves as not economically active during the times of the year when they are not engaged in agricultural activity.
- The decrease in the number of unemployed people, using the official definition, is again, not significant.
- The decrease in the unemployment rate from 26,7% to 25,8% is also not statistically significant.
- The overall labour market participation rate has indeed decreased significantly between February and September 2000, perhaps again because of the seasonal nature of agriculture. As we shall see later, people who are engaged in agriculture on a seasonal basis tend to classify themselves as not economically active during the seasons when they do not work in agriculture.

<b>TABLE B: COMPARISON BETWEEN LFS 2000:1 AND LFS 2000:2 USING THE OFFICIAL DEFINITION</b>							
		<b>LFS 2000 February</b>			<b>LFS 2000 September</b>		
		<b>Estimate (000s)</b>	<b>95 % confidence limits</b>		<b>Estimate (000s)</b>	<b>95 % confidence limits</b>	
			<b>Lower (000s)</b>	<b>Upper (000s)</b>		<b>Lower (000s)</b>	<b>Upper (000s)</b>
<b>A</b>	<b>Total employed</b>	<b>11 880</b>	11 491	12 268	<b>11 712</b>	11 446	11 979
<b>B</b>	<b>Total unemployed (official definition)</b>	<b>4 333</b>	4 085	4 581	<b>4 082</b>	3 910	4 254
<b>C</b>	<b>Total economically active = a + b</b>	<b>16 213</b>	15 730	16 696	<b>15 794</b>	15 453	16 135
<b>D</b>	<b>Total not economically active</b>	<b>10 242</b>	9 798	10 685	<b>11 100</b>	10 815	11 386
<b>E</b>	<b>Total aged 15–65 years = c + d</b>	<b>26 454</b>	25 705	27 203	<b>26 894</b>	26 385	27 404
<b>F</b>	<b>Official unemployment rate = <math>b * 100 / c</math></b>	<b>26,7%</b>	25.5%	27.9%	<b>25.8%</b>	25.0%	26.7%
<b>G</b>	<b>Labour market participation rate = <math>c * 100 / e</math></b>	<b>61,3%</b>	60.2%	62.3%	<b>58.7%</b>	58.0%	59.4%
<b>H</b>	<b>Labour absorption rate = <math>a * 100 / e</math></b>	<b>44,9%</b>	43.8%	46.0%	<b>43.5%</b>	42.8%	44.3%

The above suggests that there was no overall significant change in the labour market between February and September 2000. However a noticeable decrease is evident in the informal or subsistence agricultural sector as Table C suggests.

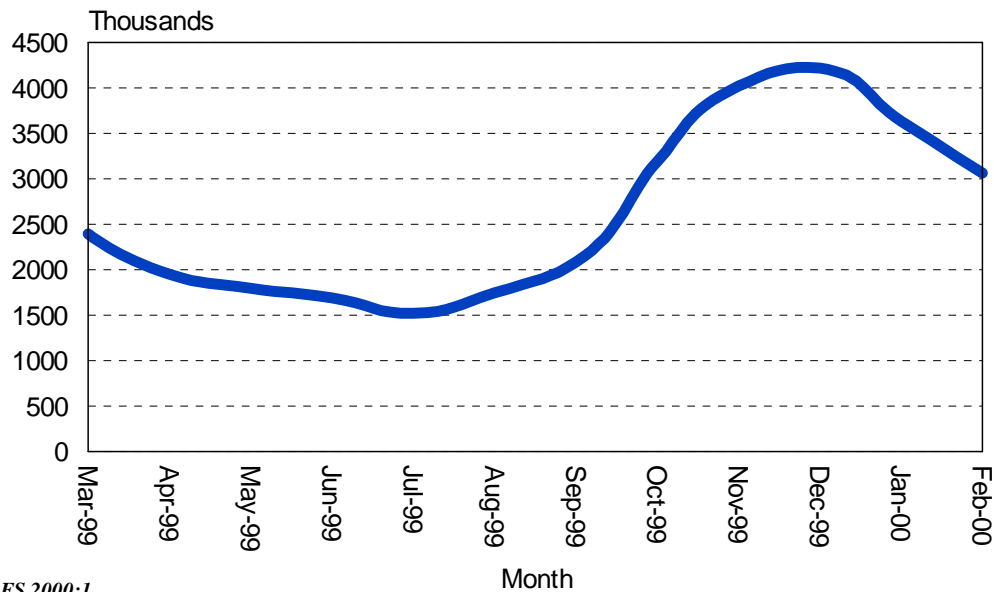
- There were approximately 1,6 million workers in agriculture in September, of whom 667 000 were in commercial, and 1,0 million in subsistence or small-scale farming. In February, however, there were 2,3 million people employed in agriculture, of whom 757 000 were in commercial, and 1,5 million in subsistence farming. The difference in commercial farming is not statistically significant, and could be attributed to sampling error, but the difference in subsistence and small-scale farming is indeed statistically significant. Seasonal variation in agriculture, as discussed below, could at least in part, explain this difference.
- The apparent increase in the number of those in formal sector employment is not statistically significant, and could be explained by sampling error. A longer time frame is required to confirm that the number of jobs in the formal sector may be increasing.
- In both the informal sector and in domestic service, the difference in the number of jobs over the six-month time period is not statistically significant, and could be explained by sampling error.

Labour market variables	February 2000			September 2000		
	Est. (000's)	95% Confidence Limits		Est. (000's)	95% Confidence Limits	
		Lower (000's)	Upper (000's)		Lower (000's)	Upper (000's)
<b>Total employed</b>	<b>11 880</b>	<b>11491</b>	<b>12268</b>	<b>11 712</b>	<b>11446</b>	<b>11979</b>
<b>Among the employed:</b>						
<b>Employed in the formal sector (excluding agriculture)</b>	<b>6 678</b>	6413	6 942	<b>6 842</b>	6 647	7 036
<b>Employed in agriculture</b>						
<b>Commercial:</b>	<b>757</b>	662	852	<b>667</b>	606	728
<b>Small-scale/subsistence:</b>	<b>1 508</b>	1 350	1 667	<b>965</b>	890	1039
<b>Employed in the informal sector</b>	<b>1 821</b>	1 704	1 936	<b>1 933</b>	1 861	2006
<b>Employed in domestic service</b>	<b>1 001</b>	940	1 061	<b>999</b>	952	1046
<b>Employed, sector unspecified</b>	<b>115</b>			<b>306</b>		

### ***Agricultural employment***

All people aged 15 to 65 years were asked whether they engaged in any agricultural activities, and if yes, to indicate the month in which they engaged in these activities. Figure 1 indicates the number of people who said they were engaged in agricultural activities each month between March 1999 and February 2000. The graph shows that between March and July 1999, there was a gradual decrease in the number of people working in agriculture. The number working in the sector starts rising slowly in August and September, and then more steeply in October and November, reaching a peak in December 1999, and then there is a gradual decrease to February 2000. The graph clearly shows that more people are engaged in agricultural activity in February, as against September.

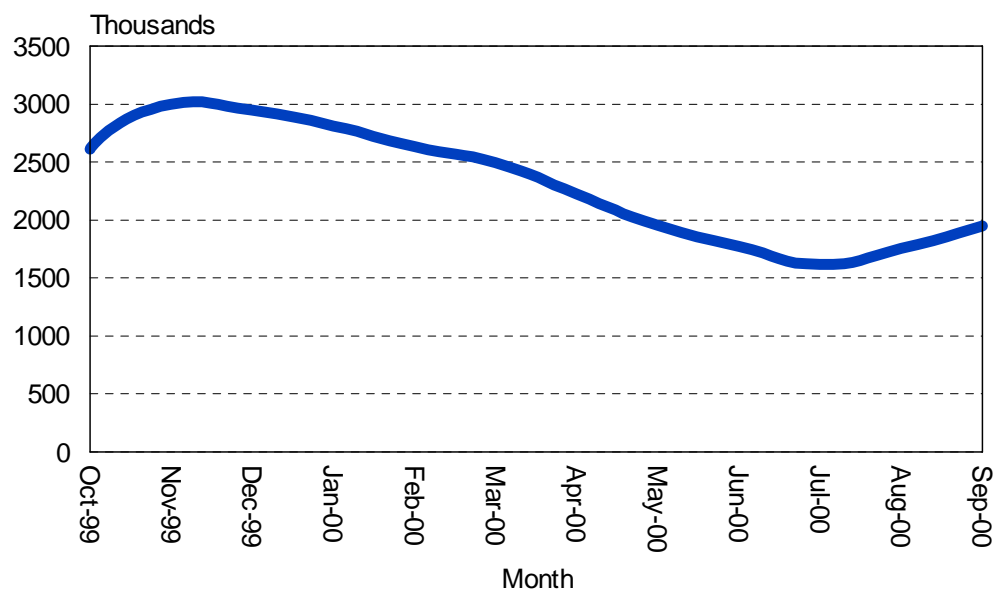
**FIGURE 1: NUMBER OF PERSONS AGED 15-65 WHO ARE INVOLVED IN AGRICULTURAL ACTIVITIES: MARCH 1999 TO FEBRUARY 2000**



Source: LFS 2000:1

Figure 2 indicates the number of people who said they were engaged in agricultural activities each month between October 1999 and September 2000. The graph again shows that more people are engaged in agricultural activity in February, as against September.

**FIGURE 2: NUMBER OF PERSONS AGED 15-65 WHO ARE INVOLVED IN AGRICULTURAL ACTIVITIES: OCTOBER 1999 TO SEPTEMBER 2000**



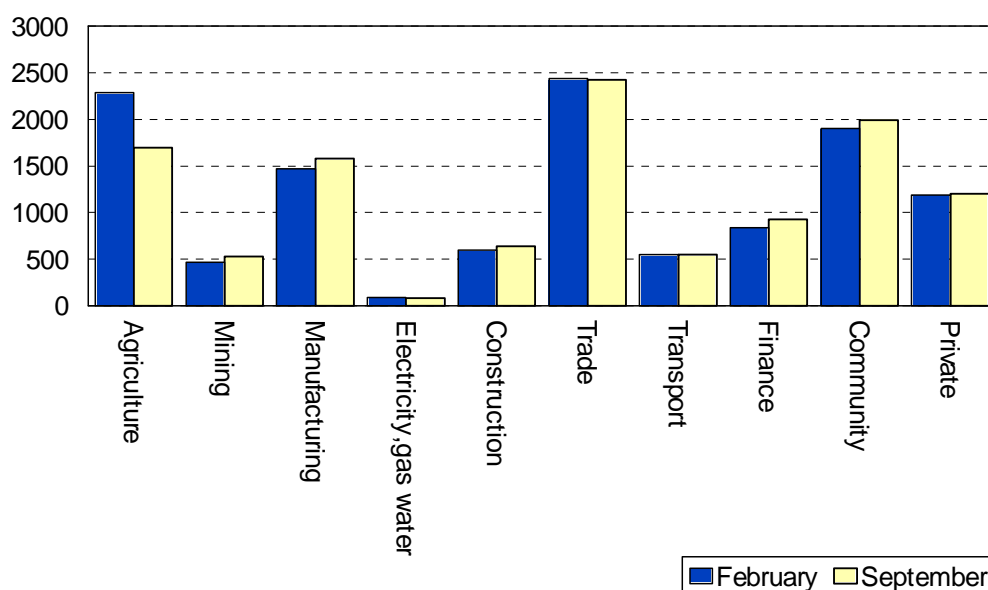
Source: LFS 2000:2

Both figures, therefore, show a lower level of involvement in agriculture in September as compared to February. The trend is that the highest level of involvement is in November, December and January and the lowest in June, July and August.

**Comparison of the number of workers in February and in September 2000 by industry**

Figure 3 suggests that there may be a slight increase in the number of workers in all industries except agriculture, electricity and trade. However the confidence limits in Table D suggest that none of the increases was statistically significant. For the decreases it is only agriculture which is significant. A longer time series is needed to confirm whether or not the differences are actually present.

**FIGURE 3: NUMBER OF WORKERS BY INDUSTRY**



Source: LFS 2000:1 and 2

Industry	February 2000				September 2000			
	N (000s)	%	95% Conf. Limits		N (000s)	%	95% Conf. Limits	
			Lower	Upper			Lower	Upper
Agriculture	2 285	19,2	2 102	2 468	1 694	14,5	1 593	1 795
Mining	467	3,9	393	542	531	4,5	478	583
Manufacturing	1 469	12,4	1 380	1 559	1 576	13,5	1 506	1 645
Electricity	88	0,7	73	102	82	0,7	73	91
Construction	596	5,0	550	643	639	5,5	607	670
Trade	2 434	20,5	2 300	2 569	2 426	20,7	2 340	2 513
Transport	547	4,6	509	585	551	4,7	523	578
Business services	837	7,0	779	896	928	7,9	875	981
Community services	1 900	16,0	1 793	2 007	1 994	17,0	1 912	2 076
Private households	1 187	10,0	1 107	1 267	1 205	10,3	1 149	1 260
Other/unspecified industry	69	0,6			87	0,7		
<b>Total</b>	<b>11 880</b>	<b>100,0</b>	<b>11491</b>	<b>12 268</b>	<b>11 712</b>	<b>100,0</b>	<b>11 446</b>	<b>11 979</b>

The largest proportion of workers is in the trade industry as compared to the smallest proportion in electricity. A similar pattern is evident in the February and September figures.

**EMPLOYMENT IN THE FORMAL AND INFORMAL SECTORS BY INDUSTRY, AS INDICATED IN THE LFS OF SEPTEMBER 2000**

The industry in which people work differs according to whether they are employed in the formal or the informal sector. For example, Table E is based on the LFS of September 2000. It examines the industry in which people work in both the formal and informal sectors. Domestic work is indicated in a separate column. The table shows that:

- Among people working in the formal sector, 23,6% were found in community and social services, while 19,2% were involved in wholesale and retail trade, 17,5% in manufacturing and 8,9% in agriculture.
- Among people working in the informal sector, on the other hand, 33,3% were in agriculture, 32,2% in trade, 8,8% in construction and 5,9% in community services.

<b>TABLE E: EMPLOYMENT IN THE FORMAL AND INFORMAL SECTORS BY INDUSTRY (INCLUDING AGRICULTURE), SEPTEMBER 2000</b>								
Industry	Formal		Informal		Domestic		Total*	
	N (000s)	%	N (000s)	%	N (000s)	%	N (000s)	%
Agriculture	667	8,9	965	33,3	-	-	1694	14,5
Mining	514	6,8	10	0,4	-	-	531	4,5
Manufacturing	1 314	17,5	234	8,1	-	-	1576	13,5
Electricity	79	1,1	2	0,1	-	-	82	0,7
Construction	348	4,6	254	8,8	-	-	639	5,5
Trade	1 442	19,2	932	32,2	-	-	2426	20,7
Transport	432	5,7	98	3,4	-	-	551	4,7
Business services	860	11,5	49	1,7	-	-	928	7,9
Community services	1 775	23,6	170	5,9	-	-	1994	17,0
Private households	27	0,4	173	6,0	999	100,0	1205	10,3
Other/unspecified industry	52	0,7	10	0,4	-	-	87	0,7
<b>Total</b>	<b>7 509</b>	<b>100,0</b>	<b>2 898</b>	<b>100,0</b>	<b>999</b>	<b>100,0</b>	<b>11712</b>	<b>100,0</b>

\*Total includes unspecified

**COMPARING FORMAL EMPLOYMENT TRENDS IN THE LFS OF FEBRUARY AND SEPTEMBER 2000 WITH THOSE IN THE SURVEY OF EMPLOYMENT AND EARNINGS (SEE) OF MARCH AND SEPTEMBER 2000**

Formal sector employment figures may be obtained from various other Stats SA data sets, including the *Survey of employment and earnings* (SEE), which collects information on formal employment in South Africa (excluding certain industries, divisions and activities as described below).

The comparable results to the LFS of September 2000 are from the SEE of the same month. These were published in December 2000 in *statistical release* P0271. It needs to be borne in mind that SEE obtains data from businesses, while in the LFS a household rather than a business, is sampled.

Households contain people working in all industries. When complex probability sampling is used, people have the same chance of being selected in their particular stratum in the sample as their overall proportion in a particular industry within that stratum.

The SEE on the other hand collects information from formal sector businesses, *excluding* the following:

- agriculture, hunting, forestry and fishing,
- restaurants and other eating and drinking places, boarding houses, caravan parks, guest farms,
- water and air transport,
- financial institutions excluding banks,
- real estate and business services,
- educational services outside the public sector,
- medical, dental and other health services outside the public sector,
- welfare organisations outside the public sector,

- religious organisations,
- recreational and cultural services,
- household services and domestic workers in private households, and
- informal businesses.

Table F indicates that SEE shows a decline in formal sector employment in the industries and divisions that it includes. The LFS, on the other hand, shows an increase in formal sector employment over time, mainly in the industries and divisions that are not well covered by SEE (see Table F).

<b>TABLE F: COMPARISONS OF FORMAL SECTOR EMPLOYMENT IN THE LFS OF FEBRUARY 2000, THE LFS OF SEPTEMBER 2000 AND THE SEE OF MARCH 2000 AND SEPTEMBER 2000</b>		
	<b>February/ March 2000</b>	<b>September 2000</b>
	<b>(000's)</b>	<b>(000's)</b>
<b>Employed according to SEE</b>	4 754	4 685
<b>Employed in formal sector in activities which are not covered in SEE</b>	1 924	2 157

#### **FORMAL SECTOR COMPARISONS BY INDUSTRY IN THE LFS OF SEPTEMBER 2000 AND THE SEE OF SEPTEMBER 2000**

As indicated previously, the SEE excludes a range of businesses not only in certain industries but also in divisions within industries, which may indeed be formal businesses.

Table G indicates that, with regard to numbers of employed people, taking sampling error into account, the only directly comparable industry across SEE and LFS is manufacturing.

SEE, as compared to LFS, finds less employment in business services, trade, community services, transport, construction, electricity, and mining.

It would therefore seem as if formal sector employment is growing in those industries or divisions that are not well covered by SEE. This may be indicative of a shift to the tertiary rather than the secondary sector in new job opportunities. It may also be indicative of outsourcing of non-core business in some industries.

<b>TABLE G: THE FORMAL SECTOR AS MEASURED IN THE LFS OF SEPTEMBER 2000 AND THE SEE OF SEPTEMBER 2000</b>					
	<b>LFS</b>	<b>95% Confidence limits</b>		<b>SEE</b>	<b>Statistical Significance</b>
	<b>0N (000s)</b>	<b>Lower</b>	<b>Upper</b>	<b>N (000s)</b>	
Agriculture	( 667)	(606)	(728)	-	-
Mining	514	463	564	404	Significant.
Manufacturing	1 314	1 250	1 377	1 287	Not significant
Electricity	79	70	88	40	Significant
Construction	348	326	369	220	Significant
Trade	1 442	1 378	1 505	857	Significant
Transport	432	407	456	222	Significant
Business services	860	809	910	194	Significant
Community services (excluding domestic)	1 775	1 700	1 851	1 461	Significant
Home businesses, other and unspecified	(79)			-	
<b>Total (excluding agriculture, home business, other and unspecified)</b>	<b>6 763</b>	<b>6 566</b>	<b>6 960</b>	<b>4 685</b>	Significant

## LABOUR MARKET TRENDS, BASED ON THE EXPANDED DEFINITION OF UNEMPLOYMENT

The main difference between the official and the expanded definitions of unemployment is the requirement in the former that, in order to be classified as unemployed, a person must have engaged in job seeking in the four weeks prior to the interview for the survey (*see Note 1 for both definitions*). These criteria have a significant effect on the size of what is considered to be the labour market. Table H below gives overall labour market trends in February and September 2000, based on the expanded definition of unemployment.

Table H shows that, using the expanded definition, the size of the economically active population, the number of unemployed people and the unemployment rate increase substantially. A large group of people who were available for work did not actively seek work in the four weeks prior to the February or September interview. Taking sampling error into account, the total who are not economically active is significantly higher in September than in February 2000. This may be because people in agriculture are likely to see themselves as not economically active during the times of the year when they are not engaged in this activity.

**TABLE H : LABOUR MARKET STATISTICS BASED ON THE EXPANDED DEFINITION OF UNEMPLOYMENT, FEBRUARY AND SEPTEMBER 2000**

		LFS 2000 February			LFS 2000 September		
		Estimate	95 % confidence limits		Estimate	95 % confidence limits	
			Lower	Upper		Lower	Upper
<b>a</b>	<b>Total employed</b>	<b>11 880</b>	11 491	12 268	<b>11 712</b>	11 446	11979
<b>b</b>	<b>Total unemployed (expanded definition)</b>	<b>6553</b>	6 231	6 874	<b>6 559</b>	6 339	6780
<b>c</b>	<b>Total economically active = a + b</b>	<b>18 432</b>	17 898	18 967	<b>18 272</b>	17 899	18645
<b>d</b>	<b>Total not economically active</b>	<b>8 022</b>	7 671	8 373	<b>8 623</b>	8 391	8854
<b>e</b>	<b>Total aged 15–65 years = c + d</b>	<b>26 454</b>	25 705	27 203	<b>26 894</b>	26 385	27404
<b>f</b>	<b>Expanded unemployment rate = b * 100 / c</b>	<b>35,5%</b>	34,3%	36,8%	<b>35,9%</b>	35,0%	36,8%
<b>g</b>	<b>Labour market participation rate = c * 100 / e</b>	<b>69,7%</b>	68.8%	70.6%	<b>67,9%</b>	67.4%	68.5%
<b>h</b>	<b>Labour absorption rate = a * 100 / e</b>	<b>44,9%</b>	43.8%	46.0%	<b>43,5%</b>	42.8%	44.3%

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## NOTES

### 1. *Official and expanded unemployment rates*

Statistics South Africa (Stats SA) uses the following definition of unemployment as its *official* definition. The *unemployed* are those people within the *economically active population* who: (a) did not work during the seven days prior to the interview, (b) want to work and are available to start work within a week of the interview, and (c) have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview. The *expanded unemployment rate* excludes criterion (c).

Among those who are included in the expanded but not the official definition of unemployment will be discouraged job seekers (those who said they were unemployed but had not taken active steps to find work in the four weeks prior to the interview).

Stats SA reports on the situation of the unemployed using both the official and the expanded definition. In the present economic climate, there is a proportion of discouraged work seekers who face constraints, for example high travel costs and lack of transport, when seeking work.

### 2. *Sample design for the LFSs of February and September 2000*

For the LFSs a rotating panel sample design is being used, to allow for measurement of change in people's employment situation over time. The same dwellings will be visited on, at most, five different occasions. After this, new dwelling units will be included for interviewing from the same PSU in the master sample. This means a rotation of 20% of dwelling units each time.

The LFS samples of February and September 2000 were drawn from a master sample, in which the same primary sampling units will be visited in future LFSs. The database of enumerator areas (EAs), as established during the demarcation phase of Census '96, constituted the sampling frame for selecting EAs for the LFS. As part of the master sample, small EAs consisting of fewer than 100 dwelling units were combined with adjacent EAs to form primary sampling units (PSUs) of at least 100 dwelling units, to allow for repeated sampling of dwelling units within each PSU. The sampling procedure for the master sample involved explicit stratification by province and within each province, by urban and non-urban areas. Independent samples of PSUs were drawn for each stratum within each province. The smaller provinces were given a disproportionately larger number of PSUs than the bigger provinces.

Altogether, 3 000 PSUs were drawn for the master sample, by means of probability proportional to size principles in each stratum. The measure of size was the number of dwelling units in each PSU. A subset of 1 000 PSUs was drawn for the pilot LFS of February 2000. In September 2000, all 3 000 EAs were used to have a sample of 30 000 dwelling units. Interviewing for the February 2000 LFS took place in these 1 000 PSUs, but in September interviewing took place in all 3 000 PSUs. Simple random sampling was applied to select 10 dwelling units to visit in each PSU as ultimate sampling units.

### 3. *Weighting the LFS of February and September 2000*

The February and September 2000 LFSs were weighted to separate estimates of the population size, based on the population census of October 1996, as adjusted by a post-enumeration survey (PES), using post-stratification by province, gender and five-year interval age groups.

### 4. *Symbols used in the tables that follow*

When a dash (-) is shown there were no respondents in the category.

When a single asterisk (\*) is shown in the table, the sample size was too small to give reliable estimates.

### 5. *Comparability of results with other Stats SA data sources*

The *Survey of employment and earnings* (SEE) collects information on formal employment in South Africa. The comparable results of the SEE, i.e. for March and September 2000, were published in June and December 2000 in *statistical release* P0271.

### 6. *Urbanisation*

The urban population constituted 54,1% of the total population according to *Census '96*. In the weighting matrix for the LFS of February 2000, the proportionate distribution of the population by urban and non-urban areas was

based on the population census of 1996. It follows that urbanisation cannot be detected from the LFS, but will be measured by comparing *Census '96* with *Census 2001*.

### **7. Confidence intervals**

Stats SA have calculated 95% confidence limits for key variables. These are available on request to users who require this information.

## **DEFINITIONS OF TERMS**

A *household* consists of a single person or a group of people who live together for at least four nights a week, who eat together and who share resources.

*Population group* describes the racial classification of a particular group of South African citizens. The previous government used legislation to impose this type of classification, to divide the South African population into distinct groupings on which to base apartheid policies. For quite a different reason it remains important for Stats SA to continue to use this classification wherever possible. It clearly indicates the effects of discrimination of the past, and permits monitoring of policies to alleviate discrimination. Note that, in the past, population group was based on a legal definition, but it is now based on self-perceptions and self-classification. An *African/black* person is someone who classifies him/herself as such. The same applies to a *coloured, Indian/Asian or white* person.

A *hostel* is a communal living quarter for workers, provided by a public organisation such as a local authority, or a private organisation such as a mining company. These were residential dormitories established for migrant workers during the apartheid era, and they continue to house people working in certain industries, such as the mining industry.

*Institutions* are communal temporary, semi-permanent or permanent living arrangements for people in special circumstances, for example prisons, police cells, school boarding facilities, homes for the aged or the disabled, hotels and hospitals.

The *working age population* includes all those aged between 15 and 65 years.

The *economically active population* consists of both those who are employed and those who are unemployed.

The *employed* are those who performed work for pay, profit or family gain in the seven days prior to the household survey interview, or who were absent from work during these seven days, but did have some form of paid work during this time.

The *official unemployment rate*: see Note 1.

The *expanded unemployment rate*: see Note 1.

The people who are *out of the labour market* or who are *not economically active* are those who are not available for work. This category includes full-time scholars and students, full-time homemakers, those who are retired, and those who are unable or unwilling to work.

The *formal sector* includes all businesses which are registered for tax purposes, and which have a VAT number.

The *informal sector* consists of those businesses that are unregistered and do not have a VAT number. They are generally small in nature, and are seldom run from business premises. Instead, they are run from homes, street pavements or other informal arrangements.

*Primary industries* include agriculture, forestry and fishing, and mining and quarrying.

*Secondary industries* include manufacturing, electricity and other utilities, and construction.

*Tertiary industries* include trade, transport, financial and business services, and social, personal and community services.

*Employment status* refers to whether or not the person is self-employed, or works as an employee, or both, or else works as a domestic worker in a household.

*Location* refers to whether the person lives in an urban or non-urban area.

- An *urban* area is one that has been legally proclaimed as being urban. These include towns, cities and metropolitan areas.
- A *semi-urban* area is not part of a legally proclaimed urban area, but adjoins it. Informal settlements are examples of these types of areas. In this publication *semi-urban* areas have been *included* with non-urban areas.
- All other areas are classified as *non-urban*, including commercial farms, small settlements, rural villages and other areas which are further away from towns and cities.

*Workers* include the self-employed, employers and employees.

*Labour market dynamics* refer to movement into and out of the labour market, and into and out of actual employment, over a specified time period.

# Data and metadata set

## Labour force survey 2000:2

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