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## **Labour Force Survey 2016 Report released**

The NSA released the Labour Force Survey 2016 report today, 5 July 2017. After three consecutive annual surveys between 2012 and 2014, no survey was conducted in 2015. Hence, this report provides relevant information on the situation on the labour market at a point in time, when the Namibian economy was on a downward trend.

### A few highlights

- The total number of unemployed persons increased from 274,948 in 2014 to 349,383, while the number of unemployed youth (aged between 15 and 34 years) rose from 204,828 to 246,262. The total number of unemployed increased by 27 percent, but the number of unemployed youth increased at a slower pace, of 20 percent. However, the youth unemployment rate of 43.4 percent remains almost ten percentage points above the general unemployment rate of 34.0 percent.
- Women are more affected than men by unemployment. Female unemployment rose by almost 40,000 to 197,609, while male unemployment rose by almost 35,000 to 151,774.
- The female unemployment rate stood at 38.3 percent compared to the male unemployment rate of 29.8 percent in 2016. The gap between female and male unemployment had widened from 7.6 percentage points in 2014 to 8.5 percentage points in 2016.
- Unemployment in rural areas continues to exceed unemployment in urban areas. Unemployment in rural areas amounted to 39.2 percent compared to 30.3 percent in urban areas.
- After steady increases over the past couple of years, employment dropped in 2016 by 32,000 persons to 676,885.
- The agricultural sector shed the most workers compared to 2014, namely 70,890, which can be attributed to severe droughts in 2015 and 2016.
- Employment in the wholesale and retail trade sector declined also considerably over the period, namely by 31,430. This could explain the rise in unemployment among women, since most of the employees in this sector are women. The sector remains the third largest employer after agriculture and the public sector.
- The important role tourism plays in the economy is underlined by the increase in employment in the accommodation and food service sector. Employment rose by 18,575 to 47,840 making it the fifth largest employer.
- The workforce of the manufacturing sector increased substantially by 15,693 to 44,419. It is the sixth largest employer in Namibia.
- The construction sector employed 6,076 persons more in 2016 compared to 2014, although the construction boom came to an end in 2016. It can be assumed that the sector reduced already its workforce towards the end of 2016 compared to 2015, but no Labour Force Survey was conducted during 2015.

We expect the situation on the labour market to stabilise this year, since the agricultural sector is expected to provide more employment opportunities after the good rainfall. The construction sector is expected to reduce the workforce considerably, because of construction projects that have been completed and because of substantial cuts in Government's capital budget. However, this will most likely not outweigh additional employment created in the agricultural sector.

In order to reduce youth unemployment, more efforts are needed to provide apprenticeships, internships, and job attachments that will help the youth to enter the labour market. Likewise, vocational training programmes need to be expanded in order to provide school-leavers with practical skills that are sought after on the labour market.

Since we are starting from a low basis, it will be possible to achieve the target of 200,000 additional jobs during the NDP5 period.