

Preface

Labour Market trends in Namibia, 2013 is the first study of its kind to be done by the Ministry of Labour and Social Welfare. The report is informed by the NLFS results of 1997, 2000, 2004, 2008 and 2012. It provides the trends of the three major groups constituting the working age population (15 years and above). These are the employed, unemployed and the economically inactive population. The analysis focuses on the variations in the sex and age structure of the different groups in the working age population and examines how these have been changing overtime.

The Report also gives an overview of the global labour markets as well as the labour market situation in the SADC countries.

It is trusted that policy formulators, policy makers, scholars, researchers and other interested stakeholders will find the information useful in their work for possible solutions to the country's socio-economic problems.



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List of acronyms and abbreviations

CIS	Commonwealth of Independent States
EIP	Economically Inactive Population
EPR	Employment-to- Population Ratio
EU	European Union
ILO	International Labour Organization
KILM	Key Indicators of the Labour Market
LFPR	Labour Force Participation Rate
NLFS	Namibia Labour Force Survey
NSA	Namibia Statistics Agency
SADC	Southern African Development Community
WAP	Working Age Population

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Executive Summary

Global Labour Market Trends

The global labour Force Participation Rate (LFPR) had been well above 60 percent over the period of 2000 – 2012 and currently stands at 64.1 percent. The adult LFPR was found to be high (average 69 percent) as compared to that of the youth (average of 52 percent) over the same period. Furthermore, LFPR were reported to be highest in Sub-Saharan Africa, East Asia and South-East and the Pacific while lowest rates were recorded in Middle East and North Africa.

Global employment growth slowed down in 2008 (1.1 percent) and 2009 (0.4 percent) respectively, then increased by 0.9 percent to 1.3 percent in 2012. Major contraction was found in developed Economies and European Union as well as Central and South-Eastern Europe (non-EU) and CIS as they recorded negative growths. The service sector employed most people (1375 million) followed by agriculture and industry (1028 and 703.2 million respectively) in 2012.

Global unemployment remained high despite recovery in the global economy, the number of unemployed persons worldwide rose from 174.9 million in 2000 to 197.3 million in 2012, an increase of 22.4 million. Unemployment was high among males than females over the years, while youth unemployment remains a global challenge.

Labour Market Trends in the Sub-region (SADC)

The LFPR in SADC had been fairly above 60 percent over the period (2000-2012). The male LFPR was higher than that of females over the years. Male LFPR was recorded to be 68.8 percent in 2012 compared to 59.8 percent of their female counterparts. Similar to the global situation, the SADC region experienced low LFPR among the youth as compared to adults.

Unemployment affects many countries in the region, only Seychelles, Madagascar and Mauritius had lower unemployment rates of less than 10 percent. Namibia recorded the highest unemployment rate of 37.6 percent (strict) in the region in 2008.

The Namibian Labour Market

Analysis of the Namibian labour market covered the period from 2000 to 2012. The working age population in the country decreased from 931,383 in 1997 to 888,348 in 2004. In 2008 it was recorded to be high at 959,187, an increase of 70,839 from 2004. The NLFS 2012 recorded the highest number of the working age population (1,315,662) an increase of 356,475 from 2008. Over the same period, the working age population was high in rural areas as compared to the urban areas in exception of the year 2012 in which the opposite was observed, and was high among females than males.

In 2008 the LFPR was 55.4 percent while in 2012 it increased to 66.0 percent. Over the years, males LFPR were higher than their female counterparts. As for regions, Omusati and Ohangwena regions were found to have the lowest LFPR over the period 1997-2012 while Erongo and Khomas regions were among the regions having the highest LFPR over the same period.

In 2000 431,849 persons of the working age group were employed. In 2004 the number of employed persons fell by 10.8 percent to 385,329. The downward trend continued in 2008 where the number of employed persons was lowest at 331,444. In 2012 the number increased to 630,094 nationally, employed males were more compared to females over the years.

Industrial classifications revealed that agriculture was the biggest employer over the years but employment in this sector had been declining from 2000 to 2008 and rose again in 2012 as a result of improvements in the survey methodology.

Unemployment in Namibia had been increasing since 1997 in which it was measured to be 34.5 percent and was recorded highest in 2008 at 51.2 percent (broad definition), an increase of 16.7 percent over 10 years. In 2012 unemployment rate decreased to 27.4 percent. Unemployment rates were high among females as compared to males over the years. The rates were also found to be high among persons with primary and secondary school education.

Regionally, high unemployment rates were recorded in Omusati (78.6 percent) and Ohangwena (76.4 percent) while Erongo (32.6 percent) and Khomas (36.4 percent) recorded the lowest. Moreover, unemployment rates were higher in rural areas than in urban areas.

The youth had been hardest hit by unemployment with 59.9 percent of them being unemployed in 2008. The worst affected with high unemployment rates over the years were those in the age group of 15-19 years

Unemployment in Namibia is of a long term nature. More than 50 percent of the unemployed persons were without work for 2 years or more in 2004 and 2008.

The economically inactive population has been increasing over the years recording 307,530 in 1997 and 428,173 in 2008. The rural areas recorded a large number of the economically inactive population as compared to the urban areas. Moreover, trends show that the female's economically inactive population was high compared to the males. This group is dominated by full time students.

The percentage of underutilized working age individuals increased from 6.3 percent in 1997 to 11.3 percent in 2008. Females were mostly underemployed as compared to the males.

1. Introduction and Background

1.1 Introduction

Labour Market Trends in Namibia 2013 is the first study of its kind to be undertaken by the Ministry of Labour and Social Welfare. This report will provide an in-depth analysis of the dynamics of the key labour market indicators.

To understand the functioning and dynamics of the Labour market, there are several key indicators that must be considered, this report will be concentrated on the following: the employed, the unemployed, and the economically inactive population. In addition, indicators such as the labour force participation rate, unemployment rate, and the employment rate will be analyzed to see how they have been changing within the specified period.

Although the report will focus on the Namibian labour market, it will also shed light on the global and regional labour market trends.

1.2 Objectives

The main objective of this study is to examine the movements and patterns of the key labour market indicators.

Specific objectives are:

- To analyse trends in the Namibian labour market
- To identify and propose relevant interventions

1.3 Methodology

1.3.1 Data Sources

The study used secondary data obtained from the Namibia Labour Force Surveys (NLFS), i.e. NLFS 1997, NLFS 2000, NLFS 2004, NLFS 2008 and NLFS 2012. The global and Regional trends were sourced from the International Labour Organization (ILO) publications such as Employment trends and Key Indicators of the Labour Market (KILM). In addition, Labour Force Survey reports from some of the countries in the SADC region were used.

1.3.2 Data Analysis

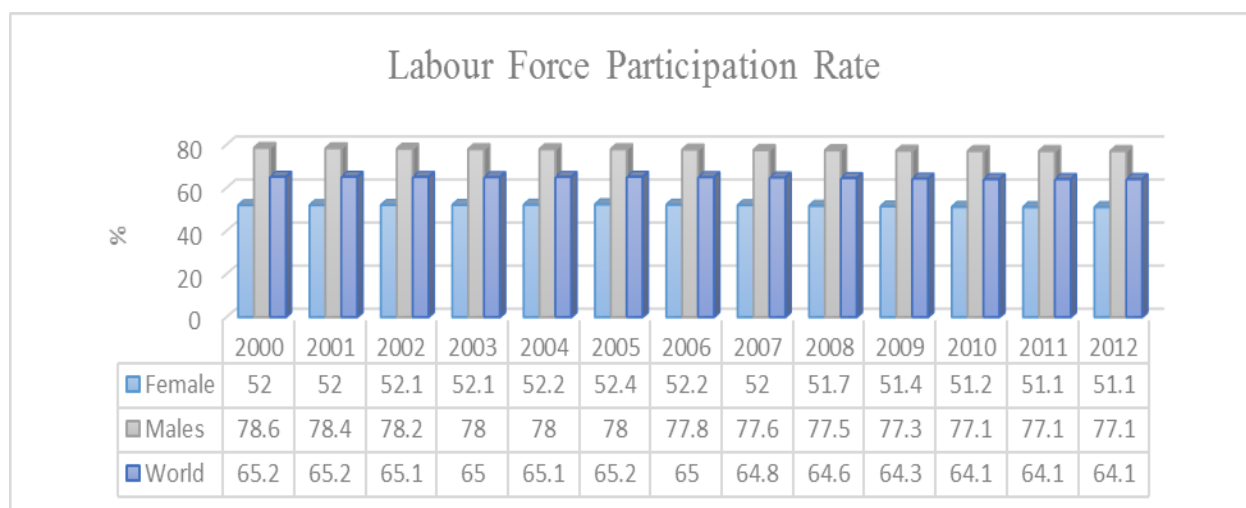
As the data is mostly quantitative, Microsoft Excel was used to tabulate and produce tables, graphs and other charts that were essential to the analysis of the trends over the stated period. The Statistical Package for Social Sciences (SPSS) was also used to run tables from the NLFS 2012 raw data.

2. Overview of the global labour market trends

2.1 Labour Force Participation Rate (LFPR)

Labour force participation rate is the proportion of the working age population (15-64 years) that is engaged in the labour market, by either working or actively looking for work.

Figure 2A: Labour Force Participation Rate (Global)



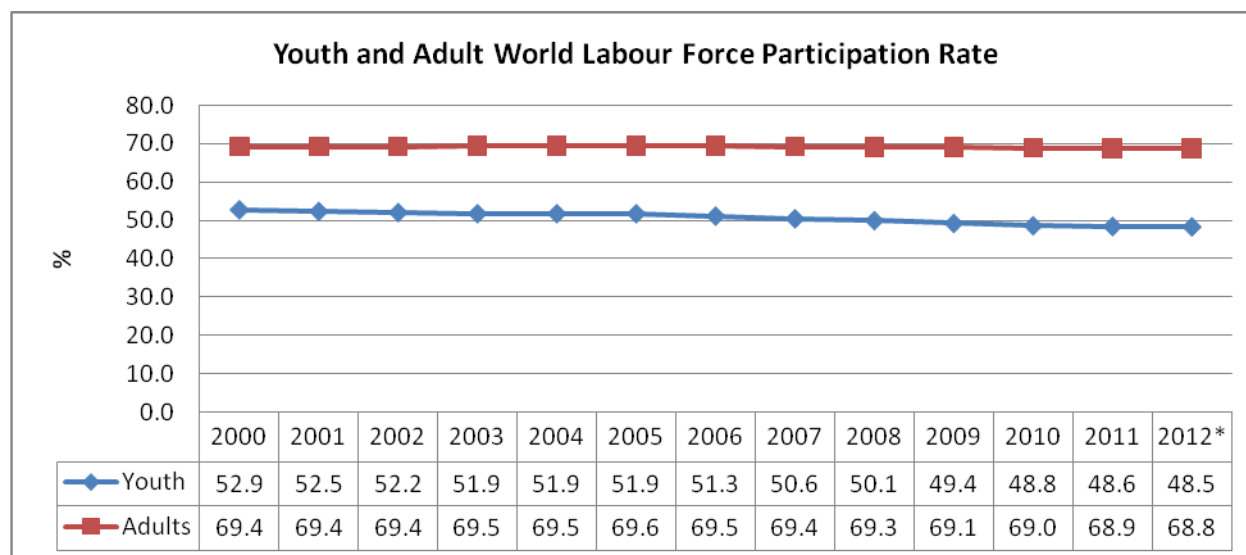
2012* are preliminary estimates

Source: ILO, Global Employment Trends 2013

Worldwide, the labour force participation rate stood at 64.1 percent in 2011 and was projected to remain constant in 2012. It can be observed from the figure below that the LFPR has been declining since 2000. Overall, the male labour force participation rate has been always high than that of their female counterparts since 2000.

2.1.1 Youth and adult labour force participation rate

Figure 2B: Labour force participation rate for adults and youth



2012* are preliminary estimates

Source: ILO, Global Employment Trends 2013

Although there have been no major fluctuations, Figure 2B indicates that the labour force participation rate among the youth has been declining since 2000 while the adult participation rate has been roughly constant.

Table 2B: Labour force participation rate for adults and youth, world and regions

Youth	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*
World	52.9	52.5	52.2	51.9	51.9	51.9	51.3	50.7	50.1	49.4	48.8	48.7	48.5
Developed Economies and European Union	52.7	51.8	50.9	50.0	49.9	50.0	50.4	50.1	50.0	48.8	47.5	47.7	47.3
Central and South-Eastern Europe (non-EU) and CIS	43.5	42.2	41.8	40.2	40.0	40.0	40.2	40.6	42.1	42.3	42.0	42.3	42.0
East Asia	65.6	64.4	63.6	62.9	62.4	62.1	61.8	61.6	60.8	60.6	60.3	60.2	59.8
South-East Asia and the Pacific	56.3	56.8	55.9	56.0	55.9	55.3	54.3	53.6	53.0	52.7	52.5	52.3	52.3
South-Asia	48.0	48.1	48.3	48.4	48.5	48.6	47.3	45.6	44.1	42.7	41.3	41.2	41.0
Latin America and the Caribbean	54.6	54.5	54.4	53.6	54.1	54.2	53.7	53.4	53.3	52.7	52.8	52.7	52.5
Middle East	32.7	32.8	32.9	33.1	33.1	33.3	32.3	31.5	30.4	30.2	30.3	30.4	30.3
North Africa	36.1	34.2	34.9	35.7	36.5	36.8	34.9	34.3	34.1	33.7	33.6	33.5	33.4
Sub-Sahara Africa	53.9	54.0	54.1	54.1	54.2	54.1	54.0	53.9	53.9	53.7	53.6	53.6	53.6
Adults	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*
World	69.5	69.5	69.5	69.5	69.5	69.6	69.5	69.5	69.3	69.1	69.0	68.9	68.8
Developed Economies and European Union	62.3	62.2	62.1	62.2	62.2	62.3	62.4	62.2	62.7	62.6	62.6	62.5	62.2
Central and South-Eastern Europe (non-EU) and CIS	63.2	62.8	63.0	62.5	62.5	62.8	63.1	63.4	63.3	63.4	63.3	63.6	63.9
East Asia	78.8	78.7	78.5	78.3	78.1	77.9	77.7	77.6	77.3	77.0	76.8	76.5	76.3
South-East Asia and the Pacific	76.2	76.4	76.2	76.3	76.2	76.1	76.1	76.2	76.2	76.0	76.1	76.0	76.0
South-Asia	65.2	65.3	65.5	65.8	66.0	66.3	65.9	65.2	64.6	64.0	63.4	63.4	63.4
Latin America and the Caribbean	67.8	68.1	68.6	68.7	69.3	69.5	69.7	69.7	70.0	70.3	70.6	70.7	70.7
Middle East	53.2	53.5	53.9	54.3	54.8	55.3	55.2	55.2	54.4	54.5	54.7	54.9	55.0
North Africa	54.4	54.4	53.6	54.0	54.2	54.3	54.4	55.1	55.1	55.1	55.1	55.0	55.1
Sub-Sahara Africa	78.5	78.6	78.7	78.7	78.7	78.7	78.8	79.0	79.2	79.2	79.1	79.2	79.3

2012* are preliminary estimates

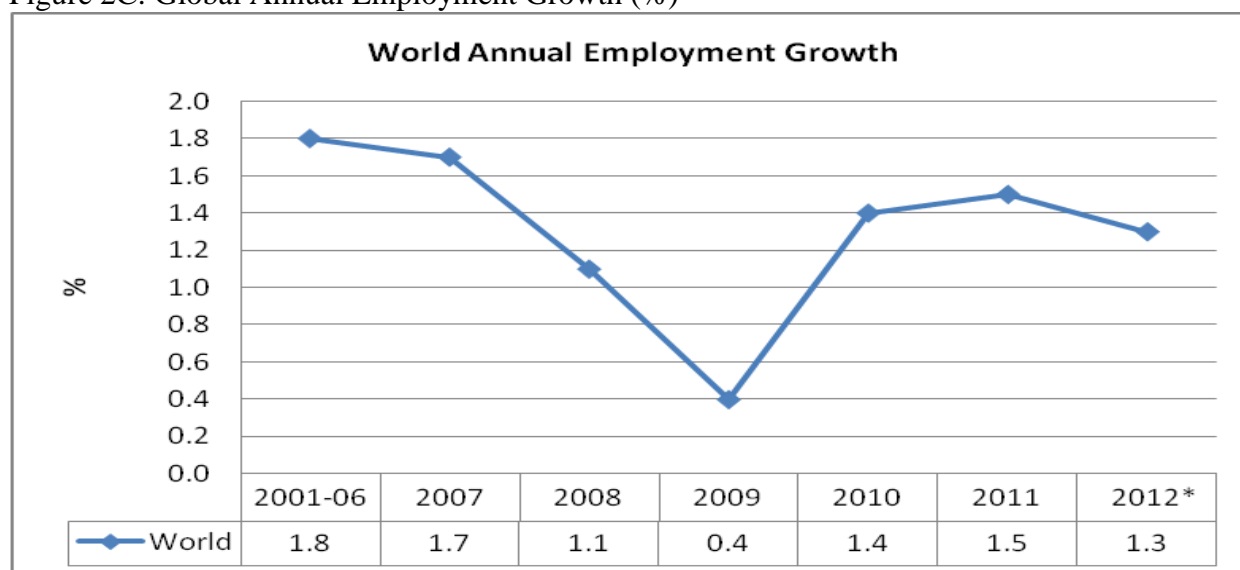
Source: ILO, Global Employment Trends 2013

The global LFPR for adults was higher than that of the youth in all the years (Table 2B). Furthermore, table 2B shows that Sub-Saharan Africa, East Asia and South-East Asia and the Pacific had the highest adult LFPR among the regions while it was lowest in the Middle East and North Africa. In comparison to the youth labour force participation, East Asia had the highest youth rate with 60.2 percent in 2011 and 30.4 percent in the Middle East as the lowest in the same year.

2.2 Employment

The employed comprise of all persons aged 15 years and above who during the reference period performed some work for pay, profit or family for at least one hour, or who did not work during that period but had a job or business to return to.

Figure 2C: Global Annual Employment Growth (%)



2012* are preliminary estimates

Source: ILO, Global Employment Trends 2013

Global employment continues to increase, though there had been declines in some of the developing economies. Altogether, employment grew from 1.4 per cent in 2010 to 1.5 per cent in 2011 and was estimated to decline by 0.2 per cents in 2012 to 1.3 per cent (Figure 2C).

Table 2C: Annual employment growth, world and regions (%)

Region	2001-06	2007	2008	2009	2010	2011	2012*
World	1.8	1.7	1.1	0.4	1.4	1.5	1.3
Developed Economies and European Union	0.8	1.5	0.6	-2.2	-0.2	0.4	0.3
Central and South-Eastern Europe (non-EU) and CIS	0.9	2.1	1.2	-1.2	1.5	1.7	1.0
East Asia	1.2	1.2	0.0	0.6	1.0	0.6	0.5
South-East Asia and the Pacific	1.7	2.4	2.1	1.7	2.3	2.1	1.6
South-Asia	2.5	0.9	0.7	0.5	1.0	2.1	2.0
Latin America and the Caribbean	2.5	2.3	2.6	0.6	3.2	2.0	1.8
Middle East	4.6	3.8	1.7	3.4	3.2	3.4	3.0
North Africa	3.2	3.7	3.0	2.2	2.5	1.1	2.0
Sub-Sahara Africa	3.0	2.8	2.9	2.7	2.8	2.9	2.9

2012* are preliminary estimates

Source: ILO, Global Employment Trends 2013

The regional trends shows that employment growth contracted sharply in 2009 and 2010 in Developed Economies and European Union (-2.2 and – 0.2 per cent) respectively. Despite the drop in the last two years, employment growth in the same region grew by 0.6 percent to 0.4 percent in 2011, which is the lowest compared to other region. The Middle East and Sub-Saharan Africa recorded the highest employment growth among the regions (Table 2C).

2.2.1 Employment-to-population ratio (EPR)

Employment-to-population ratio represents the proportion of the working age population that is employed. Table 2D below indicates that, the global employment-to-population ratio declined from 61 percent in 2008 to 60.2 per cent in 2010 and then increased by 0.1 percent to 60.3 percent in 2011. The global EPR was estimated to increase by 3 percent to 63.3 percent in 2012. The employment-to-population ratio in developed economies dropped from 55.5 percent in 2009 to 55 per cent in 2010 and is expected to decline by 0.4 percent in 2012 to 54.8 percent from 55.2 in the preceding year. In the less developed regions, the table shows that there has been no major fluctuations in employment-to-population ratio with North Africa and Sub-Sahara Africa recording 44.2 and 64.4 per cent 2010 respectively, the former decreased to 43.6 percent in 2011 and was expected to increase by 0.5 percent in 2012 while the latter dropped to 64.5 in 2011 and was estimated to increase by 0.6 percent in 2012.

The global employment-to-population ratio sex indicates that males have a high ratio compared to females as the ratio stood at an average of 73.1 and 48.4 percent for males and females respectively from 2005 to 2011. The Asian region recorded the highest employment-to-population ratio for both males and females since 2005. Developed Economies and European Union and Central and South-Eastern Europe (non-EU) and CIS recorded the lowest over the same period for both sexes.

Table 2D: Employment to population ratio by sex, world and region (%)

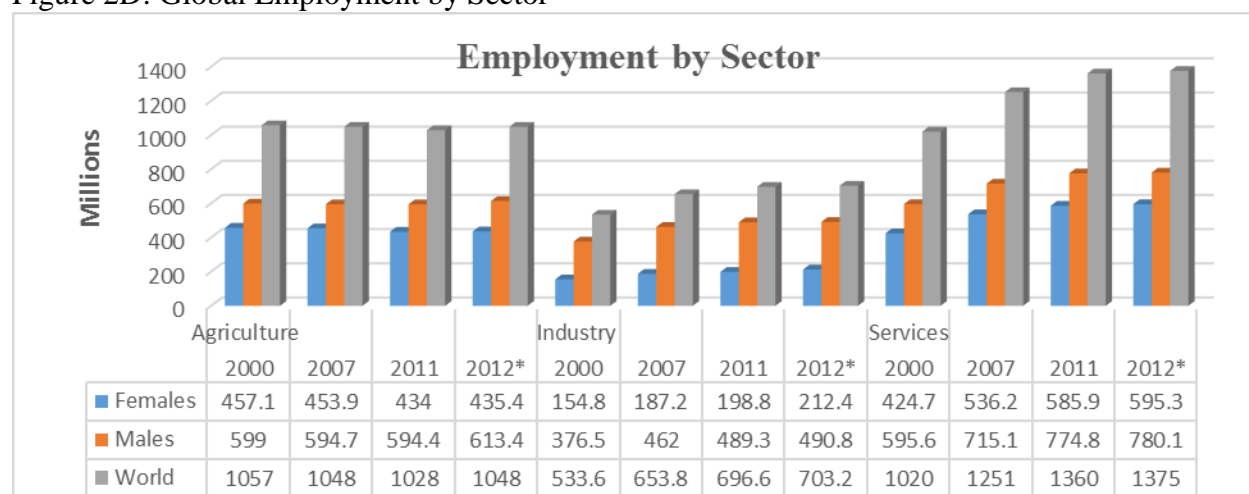
Both sexes	2000	2005	2006	2007	2008	2009	2010	2011	2012*
World	61.2	61.1	61.2	61.2	61.0	60.3	60.2	60.3	63.3
Developed Economies and European Union	56.6	56.2	56.7	57.1	57.1	55.5	55.0	55.2	54.8
Central and South-Eastern Europe (non-EU) and CIS	52.5	52.4	52.7	53.5	53.8	53.0	53.5	54.3	54.8
East Asia	72.7	71.4	71.4	71.3	70.6	70.4	70.4	70.2	69.8
South-East Asia and the Pacific	66.9	65.9	65.9	66.2	66.4	66.4	66.7	66.8	67.0
South-Asia	57.2	58.2	57.8	57.2	56.5	55.6	54.9	54.8	55.0
Latin America and the Caribbean	58.5	60.3	60.5	60.9	61.3	60.7	61.4	61.5	61.9
Middle East	41.1	42.5	42.4	42.6	41.9	42.3	42.7	42.9	42.8
North Africa	41.8	43.2	43.2	43.8	44.1	44.1	44.2	43.6	44.1
Sub-Sahara Africa	63.3	64.1	64.2	64.4	64.5	64.5	64.4	64.5	65.1
Males	2000	2005	2006	2007	2008	2009	2010	2011	2012*
World	73.8	73.4	73.4	73.6	73.4	72.6	72.6	72.7	72.7
Developed Economies and European Union	65.8	64.4	64.9	65.2	64.9	62.5	61.8	62.0	61.6
Central and South-Eastern Europe (non-EU) and CIS	62.1	61.8	62.0	63.0	63.6	62.3	63.1	64.1	64.8
East Asia	78.1	76.9	76.9	76.9	76.2	75.9	75.9	75.8	75.4
South-East Asia and the Pacific	78.6	77.7	77.7	77.7	77.6	77.6	78.2	78.2	78.4
South-Asia	79.6	79.9	79.7	79.7	79.3	78.7	78.5	78.5	78.4
Latin America and the Caribbean	74.8	75.2	75.4	75.7	74.6	75.1	74.5	74.7	75.1
Middle East	67.4	67.1	67.0	67.3	66.6	67.1	67.6	67.8	67.4
North Africa	66.3	68.4	68.1	68.1	68.6	68.7	68.6	68.0	68.6
Sub-Sahara Africa	70.4	70.0	70.1	70.3	70.4	70.3	70.2	70.4	71.0
Females	2000	2005	2006	2007	2008	2009	2010	2011	2012*
World	48.6	48.9	48.9	48.9	48.6	48.1	47.8	47.9	47.9
Developed Economies and European Union	48.0	48.4	49.0	49.5	49.7	48.9	48.6	48.7	48.4
Central and South-Eastern Europe (non-EU) and CIS	44.0	44.1	44.5	45.1	45.3	44.7	45.1	45.6	46.1
East Asia	67.1	65.7	65.6	65.6	64.8	64.6	64.6	64.4	64.0
South-East Asia and the Pacific	55.6	54.3	54.4	55.1	55.5	55.5	55.5	55.7	56.0
South-Asia	33.4	35.2	34.7	33.6	32.5	31.4	30.1	30.3	30.4
Latin America and the Caribbean	42.9	46.1	46.5	47.2	47.7	47.5	48.4	48.9	49.4
Middle East	13.2	15.3	15.1	15.1	14.3	14.5	14.8	15.0	15.1
North Africa	17.5	18.2	18.6	19.8	19.9	19.8	20.0	19.6	20.2
Sub-Sahara Africa	56.4	58.3	58.5	58.6	58.8	58.8	58.7	58.8	59.4

2012* are preliminary estimates

Source: ILO, Global Employment Trends 2013

2.2.2 Employment by sector

Figure 2D: Global Employment by Sector



2012* are preliminary estimates

Source: ILO, Global Employment Trends 2013

The report identified three major sectors of employment namely, agriculture, industry and services. Among these sectors, the services sector employed most people (1360.9 million) as compared to agriculture (1028.4 million) and industry (688.1 million) in 2011. Employment in the service sector has been increasing since 2000 from 1020.3 to 1251.3 million in 2007; in 2011 the number rose by 109.4 million to 1360.7 billion people employed in services and projected to increase to 1375.4 million in 2012. Similarly, the industry sector employment has also increased over the past years as the number rose from 531.3 million in 2000 to 6549.2 in 2007. In 2011, it was recorded at 688.1 million, an increase of 38.9 million since 2007. In the agricultural sector, employment has been decreasing since 2000 (1056.1 million) to 1048.6 million in 2007 (a decline of 7.5 million), the number of employment went down again by 20.2 million from 2007 to 2011. The 2012 projections expect the number of employment in the agricultural sector to be 1048.8 million (Figure 2D).

Table 2E: Employment by sector and sex, world and regions (millions)

Both sex	Agriculture				Industry				Services			
	2000	2007	2011	2012*	2000	2007	2011	2012*	2000	2007	2011	2012*
World	1057.7	1048.6	1028.4	1048.8	533.6	653.8	696.6	703.2	1020.3	1251.3	1360.6	1375.4
Developed Economies and European Union	24.2	18.7	17.0	16.5	121.2	119.1	105.4	105.7	299.2	336.4	345.1	346.5
Central and South-Eastern Europe (non-EU) and CIS	37.1	29.9	32.5	31.2	37.2	41.7	40.4	44.9	73.0	87.2	91.2	89.8
East Asia	354.2	314.2	276.0	280.0	174.0	219.7	245.9	242.4	215.5	273.6	301.4	307.8
South-East Asia and the Pacific	120.1	121.2	121.3	125.3	39.7	50.2	56.6	57.3	82.1	103.1	114.0	119.6
South-Asia	304.5	318.3	319.2	324.6	79.7	117.0	131.3	134.3	127.7	164.6	175.6	179.7
Latin America and the Caribbean	42.2	41.9	42.2	42.6	44.9	55.4	58.0	59.1	120.3	148.6	164.7	170.2
Middle East	9.1	10.6	10.2	10.5	9.9	14.4	16.4	16.9	21.9	30.6	36.2	36.6
North Africa	15.3	18.2	17.5	19.5	9.2	12.5	15.4	14.7	23.5	29.2	31.6	31.4
Sub-Sahara Africa	150.4	175.7	192.4	198.6	17.8	23.8	27.1	27.9	58.2	79.1	91.3	93.9
Males	Agriculture				Industry				Services			
	2000	2007	2011	2012*	2000	2007	2011	2012*	2000	2007	2011	2012*
World	599.0	594.7	594.4	613.4	376.5	462.0	489.3	490.8	595.6	715.1	774.8	780.1
Developed Economies and European Union	15.1	11.9	11.0	10.8	91.0	91.9	82.0	82.1	144.0	159.0	162.6	163.3
Central and South-Eastern Europe (non-EU) and CIS	20.6	16.7	18.5	16.8	25.3	29.1	27.0	30.9	35.9	41.7	45.2	44.0
East Asia	169.0	152.5	136.9	143.5	107.4	133.5	148.2	142.8	131.4	158.0	170.0	171.9
South-East Asia and the Pacific	68.0	69.1	68.8	73.2	25.7	33.0	36.9	36.9	46.4	56.5	65.8	64.2
South-Asia	195.9	198.4	203.4	206.8	63.8	92.7	105.2	107.6	107.6	137.8	148.9	152.2
Latin America and the Caribbean	32.6	31.9	32.9	33.2	34.2	41.9	43.7	44.4	63.1	74.6	81.7	83.2
Middle East	6.8	7.6	7.3	7.5	9.2	13.0	15.2	15.6	18.4	25.4	29.4	30.2
North Africa	11.2	12.8	12.6	14.6	8.1	10.9	13.3	12.4	17.7	21.6	23.7	23.4
Sub-Sahara Africa	81.0	93.8	102.8	107.0	12.0	15.9	18.0	18.4	31.2	40.5	47.4	47.8
Females	Agriculture				Industry				Services			
	2000	2007	2011	2012*	2000	2007	2011	2012*	2000	2007	2011	2012*
World	457.1	453.9	434.0	435.4	154.8	187.2	198.8	212.4	424.7	536.2	585.9	595.3
Developed Economies and European Union	9.2	6.7	6.0	5.8	30.3	27.2	22.8	23.6	155.3	177.4	182.5	183.2
Central and South-Eastern Europe (non-EU) and CIS	16.5	13.2	14.1	14.4	11.8	12.3	13.3	14.0	37.2	45.6	45.9	45.8
East Asia	185.2	161.6	139.1	136.4	64.0	82.0	91.6	99.6	83.6	115.8	133.6	135.9
South-East Asia and the Pacific	52.1	52.1	52.5	52.1	13.9	17.1	18.8	20.5	35.9	46.6	53.8	55.5
South-Asia	108.6	120.0	115.6	117.9	16.4	24.2	25.8	27.0	19.9	26.9	26.9	27.5
Latin America and the Caribbean	9.7	10.0	9.4	9.3	10.7	13.5	14.6	14.7	57.3	74.0	85.0	87.0
Middle East	2.3	3.0	2.9	3.0	0.8	1.4	1.4	1.3	3.3	4.9	6.1	6.4
North Africa	4.1	5.4	4.8	4.9	1.1	1.5	1.6	2.3	5.0	6.7	7.7	8.0
Sub-Sahara Africa	69.4	81.9	89.7	91.6	5.8	7.9	8.9	9.5	27.2	38.4	44.4	46.1

2012* are preliminary estimates. Source: ILO, Global Employment Trends 2013

The services sector was found to have employed most people in the Developed Economies and European Union as the number of the employed people had been rising recording 337.4 million in 2007, 345.1 million in 2011 and 346.5 million in 2012 million respectively. East and South Asia recorded the highest employment in the agricultural sector with 280 and 324.6 million in 2012 respectively (Table 2E).

On the males and females perspective, males prove to be very dominant in all sectors of employment as compared to their female counterparts. Huge differences can be noticed in the industry sector where the number of employed females stood at 198.8 million in 2011 as compared to 489.3 million males in the same year.

2.3 Unemployment

The unemployed comprise all persons aged 15 years and above who during the reference period were (I) without work, (II) currently available for work and (III) seeking work.

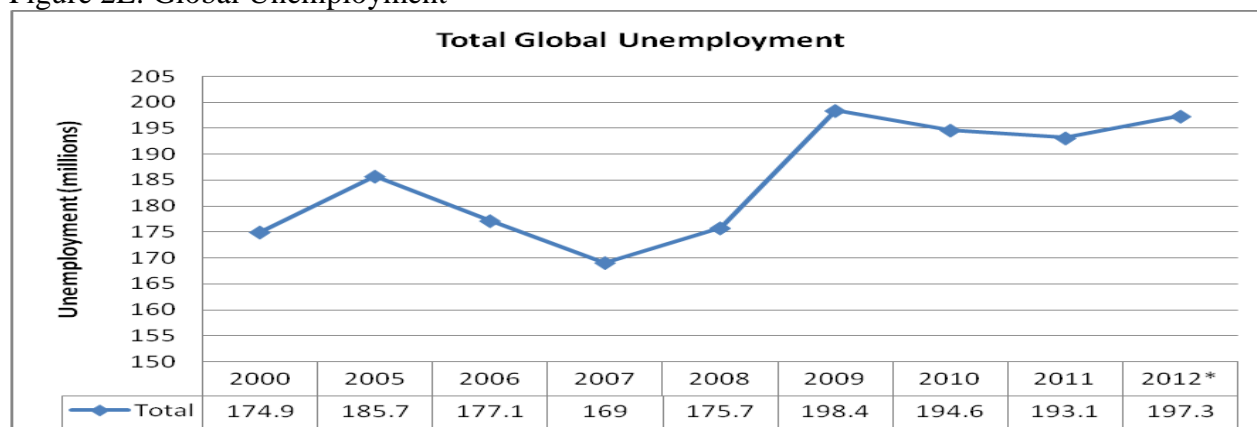
Table 2F: Unemployment in the world (millions)

	2000	2005	2006	2007	2008	2009	2010	2011	2012*
Total	174.9	185.7	177.1	169	175.7	198.4	194.6	193.1	197.3
Females	79.2	79.9	75.2	71.8	73.7	81.4	81.7	81.1	82.7
Males	102.0	105.8	101.8	97.2	102.0	117.0	113.0	112.0	114.6
Youth	72.8	77.9	74.1	70.4	71.0	76.2	74.7	73.2	73.8
Adult	102.1	107.9	102.9	98.5	104.7	122.2	120.0	119.9	123.5

2012* are preliminary estimates

Source: ILO, Global Employment Trends 2013

Figure 2E: Global Unemployment



2012* are preliminary estimates. Source: ILO, Global Employment Trends 2013

Table 2F and Figure 2E shows unemployment dynamics in the world over the period (2000 to 2012). Despite recovery in the global economy in 2010, global unemployment remained very high as it was estimated to be 194.6 million which represents an increase of 25.6 million since 2007. Since 2009, there have been slight changes in the global unemployment level but still remained high as was estimated to be 197.3 million in 2012.

2.3.1 Trends among women and men

The global unemployment tends to affect more men than women as it is reflected in table 2F. This is evident as from 2000 to 2012. The number of unemployed men stood at 114.6 million in 2012 representing an increase of 17.4 million from 97.2 million in 2007. The number of unemployed women stood at 82.7 million in 2012, up by 10.9 million since 2007. These increases can be attributed to the global financial crises in 2007 to 2009 and the high increases in the men unemployment as compared to women was mainly due to the widespread layoffs that occurred in predominantly male industries, especially construction and the financial sector.

2.3.2 Trends among youth and adults

Table 2F depicts that global youth unemployment was estimated to be 73.8 million in 2012, thus it decreased by 600,000 from 2011 as it was 73.2 million. The number of adult unemployment rose from 119.9 million in 2011 by 3.6 million to 123.5 in 2012.

Table 2G: Unemployment rate for youth and adults, world and regions

Youth	2000	2005	2006	2007	2008	2009	2010	2011	2012*
World	12.7	12.8	12.2	11.6	11.9	12.8	12.6	12.4	12.6
Developed Economies and European Union	13.5	14.3	13.3	12.5	13.3	17.3	18.1	17.6	17.9
Central and South-Eastern Europe (non-EU) and CIS	19.7	18.2	18.6	17.4	17.0	20.5	19.2	17.7	17.1
East Asia	9.3	8.6	8.3	7.9	9.1	9.2	8.9	9.2	9.5
South-East Asia and the Pacific	13.2	17.5	17.0	14.9	14.2	14.0	13.4	12.7	13.0
South-Asia	10.3	10.0	9.3	9.3	9.0	9.7	10.2	9.7	9.8
Latin America and the Caribbean	15.7	16.4	15.3	14.2	13.6	15.7	14.1	13.4	13.5
Middle East	25.5	25.5	25.5	24.6	25.4	15.5	27.5	27.6	28.1
North Africa	26.1	24.4	22.2	20.8	20.3	20.4	20.1	23.3	23.8
Sub-Sahara Africa	13.2	12.0	11.8	11.8	11.9	12.0	11.9	11.9	11.9
Adults	2000	2005	2006	2007	2008	2009	2010	2011	2012*
World	4.6	4.4	4.2	4.0	4.1	4.7	4.5	4.5	4.5
Developed Economies and European Union	5.6	5.8	5.3	4.8	5.0	7.1	7.5	7.2	7.3
Central and South-Eastern Europe (non-EU) and CIS	8.9	7.4	7.3	6.7	6.8	8.4	7.8	7.2	6.9
East Asia	3.5	3.1	3.0	2.9	3.3	3.3	3.3	3.4	3.5
South-East Asia and the Pacific	2.5	3.3	3.2	3.1	3.1	3.0	2.7	2.5	2.5
South-Asia	2.6	3.0	2.6	2.6	2.4	2.6	2.3	2.2	2.3
Latin America and the Caribbean	6.3	5.8	5.4	5.4	4.8	5.7	5.0	4.9	4.9
Middle East	6.8	6.8	6.6	6.6	6.6	7.0	7.4	7.4	7.5
North Africa	9.0	6.8	6.2	6.5	6.1	6.2	6.2	6.8	7.1
Sub-Sahara Africa	6.7	5.9	6.5	5.8	5.9	6.0	6.0	6.0	6.0

2012* are preliminary estimates

Source: ILO, Global Employment Trends 2013

In terms of unemployment rates youth unemployment fell from 12.6 per cent in 2010 to 12.4 per cent in 2011 and was projected to increase by 0.2 percent in 2012 to 12.6 per cent. In comparison to the adult unemployment rate which was 4.5 percent in 2010, remained unchanged in 2011 and 2012. It is also evident from Table 2G that the youth are more affected by unemployment than adults. This shows how serious the impact of the global crises had been on the youth.

The highest regional youth unemployment rates were recorded in the Middle East and North Africa in 2010 and were also projected to increase in 2011 whereas the youth unemployment was recorded the lowest in East Asia and South-Asia with 9.2 and 9.7 percent respectively in 2011. The highest regional adult unemployment rates were recorded in the Middle East, Developed

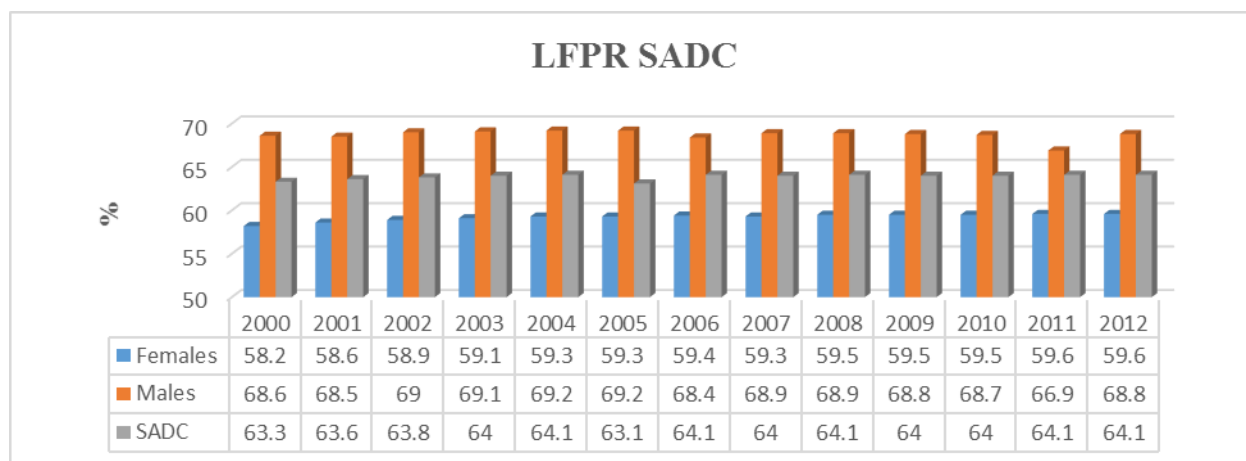
Economies and European Union and Central and South-Eastern Europe (non-EU) and CIS in 2011 with unemployment rates of 7.4, 7.2 and 7.2 per cent respectively; however it was reported to be lowest in South-Asia and South-East Asia and the Pacific in 2011.

3. Labour Market trends in the Sub-region (SADC)

This section looks at the labour market trends in Southern African Development Community (SADC).

3.1 Total Labour Force Participation Rate

Figure 3A: Labour Force Participation Rate (SADC)



Source: KILM, ILO (2011)

Figure 3A shows the total labour force participation rate in the sub-region (SADC) and the composition of males and females from 2000 to 2012. Since 2000, LFPR has been increasing recording 63.3 percent in 2000 and 64.1 percent in 2004. In 2005 it went down by 1 percent to 63.1 percent and then picked up again from 2006 to 2012. Looking at the LFPR among males and females, it is evident that the male's labour force participation rate is higher than that of their female counterpart. However, it can also be observed that the female's labour force participation rate has been constantly increasing as compared to the males'.

3.1.1 Male and Female Labour Force Participation Rate

Table 3A: Male and Female Labour Force Participation Rate

Female Labour Force Participation Rate (%) ILO Estimates													
Countries	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012**
SADC	58.2	58.6	58.9	59.1	59.3	59.3	59.4	59.3	59.5	59.5	59.5	59.6	59.6
Angola	67.4	67.4	66.4	66.4	65.7	64.4	63.2	61.9	61.3	62.0	62.7	62.9	62.8
Botswana	69.5	69.7	69.9	70.2	70.4	70.7	70.8	71.0	71.2	71.4	71.6	71.7	71.8
DRC	70.6	70.8	70.8	70.6	70.5	70.5	70.4	70.3	70.3	70.3	70.2	70.2	70.2
Lesotho	67.6	66.4	65.2	64.0	62.8	61.6	60.5	59.5	58.5	58.6	58.7	58.9	59.0
Madagascar	84.0	83.9	84.3	84.1	84.1	84.1	83.9	83.8	83.7	83.6	83.5	83.4	83.3
Malawi	77.2	77.7	78.1	78.5	78.9	79.2	82.0	83.4	85.6	85.3	85.0	84.8	84.6
Mauritius	41.2	41.5	41.0	40.5	39.9	41.4	41.7	41.1	42.1	42.6	43.9	44.1	44.4
Mozambique	87.7	87.9	87.9	87.9	87.7	87.4	87.2	87.0	86.7	86.5	86.3	86.0	85.8
Seychelles*													
Namibia	48.8	50.3	51.7	52.9	54.1	55.2	56.2	57.1	58.1	58.2	58.4	58.6	58.8
South Africa	43.8	44.6	45.1	45.7	45.6	45.7	45.7	45.8	47.0	45.4	43.8	44.0	44.2
Swaziland	42.7	42.7	42.8	42.8	42.8	42.9	43.0	43.1	43.2	43.3	43.5	43.6	43.8
Tanzania	87.0	86.9	87.4	87.8	88.2	88.6	88.8	88.7	88.5	88.4	88.3	88.2	88.0
Zambia	75.1	74.9	74.7	74.4	74.1	73.8	73.7	73.6	73.5	73.4	73.3	73.6	73.0
Zimbabwe	68.7	72.9	76.7	80.2	83.2	83.1	83.1	83.1	83.0	83.0	82.9	83.0	83.2
Male Labour Force Participation Rate (%) ILO Estimates													
Countries	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
SADC	68.6	68.5	69.0	69.1	69.2	69.2	68.4	68.9	68.9	68.8	68.7	66.9	68.8
Angola	75.4	75.4	75.7	75.7	75.9	76.3	76.7	77.0	77.2	77.1	77.0	77.1	77.1
Botswana	80.4	80.4	80.5	80.5	80.6	80.8	80.9	81.0	81.2	81.3	81.5	81.6	81.7
DRC	72.9	72.7	72.5	72.4	72.3	72.3	72.3	72.3	72.3	72.4	72.4	72.5	72.6
Lesotho	80.1	79.2	78.2	77.2	76.2	75.3	74.5	73.7	73.0	73.2	73.3	73.4	73.5
Madagascar	89.7	89.7	89.5	89.5	89.3	89.2	79.3	89.0	88.9	88.8	88.7	88.7	88.6
Malawi	81.2	82.3	83.4	84.4	85.4	86.3	84.2	81.5	81.1	81.1	81.2	81.3	81.4
Mauritius	80.7	80.6	79.7	78.7	77.7	76.8	76.2	76.1	75.3	75.1	75.7	75.5	75.3
Mozambique	82.7	83.1	83.3	83.4	83.3	83.3	83.2	83.2	83.1	83.1	83.0	82.9	82.9
Seychelles*													
Namibia	64.5	65.3	66.1	66.8	67.5	68.1	68.7	69.3	69.8	69.8	69.8	69.9	70.1
South Africa	61.0	60.9	60.8	60.9	61.1	61.5	61.9	62.5	63.8	62.2	60.4	60.8	61.1
Swaziland	71.2	71.5	71.3	71.1	70.9	70.8	70.6	70.5	70.5	70.5	70.7	40.8	71.1
Tanzania	90.8	90.8	90.8	90.7	90.7	90.5	90.5	90.3	90.3	90.3	90.3	90.3	90.4
Zambia	85.4	80.2	85.6	85.7	85.9	86.0	86.0	85.9	85.9	85.8	85.7	85.6	85.5
Zimbabwe	81.5	83.9	86.3	88.4	90.3	90.1	90.0	89.9	89.8	89.6	89.5	89.5	89.6

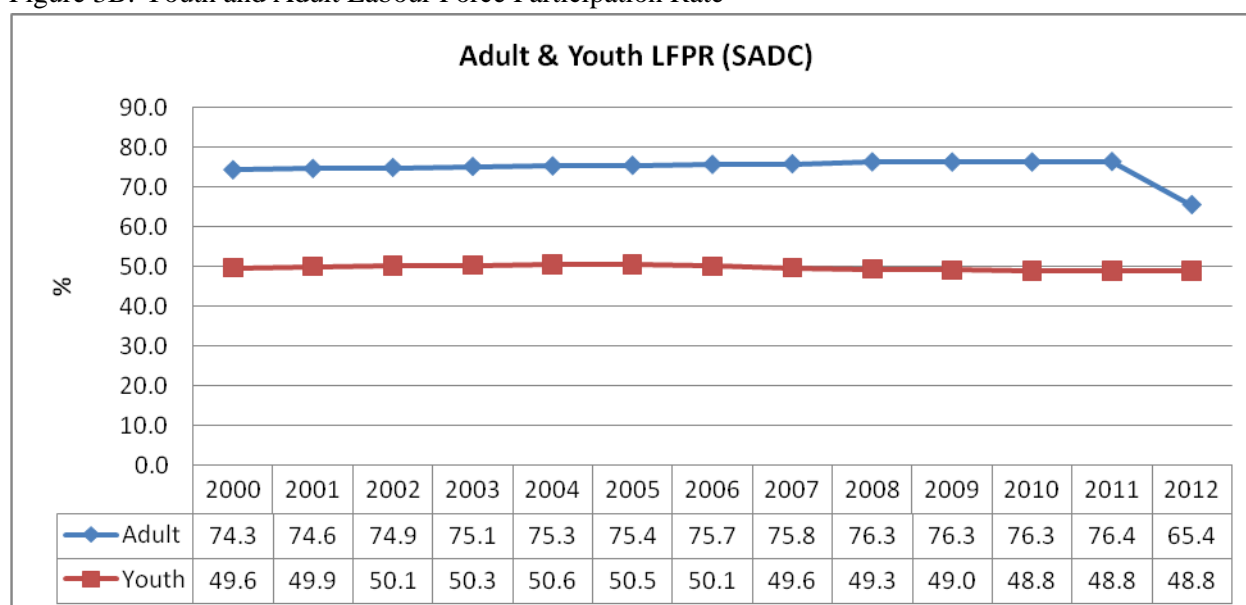
*No data

**2012 are projections. Source: KILM, ILO (2011)

Table 3A shows the composition of labour force participation rates between males and females in different countries in SADC. Tanzania had the highest female and male LFPR in all the years as it was projected to be above 87 percent and 90 percent for females and males respectively. The lowest female LFPR were observed in Swaziland while South Africa recorded the lowest labour force participation rates for males.

3.1.2 Youth and Adult Labour Force Participation Rate

Figure 3B: Youth and Adult Labour Force Participation Rate



Source: KILM, ILO (2011)

The LFPR for adults has been higher than that of the youth in all the years (figure 3B). Another observation from the table is that, the LFPR for adults has been increasing since 2000 from 74.3 percent to 76.4 percent in 2011 an increase of 2.1 percent. However, it declined by 27.6 percent to 65.4 percent in 2012. The youth's LFPR since 2000 to 2004 has been increasing (49.6 to 50.6 percent) but has been declining from 2005 recording 50.5 percent to record the lowest rate in the 10 years period in 2010 to 2013 (48.8 percent).

As per country, table 3B below shows that Tanzania had the highest LFPR for both youth and adult as it was estimated to be over 80 percent and 96 percent for youth and adult respectively. Other notable countries are such as Madagascar, Malawi and Mozambique who also recorded over 90 percent over the years for adult labour force participation rate. The lowest youth LFPR were observed in Namibia and South Africa, the latter being the lowest of all. Despite the two SADC countries recording the lowest youth labour force participation rates, Swaziland observed the lowest LFPR among adults.

Table 3B: Adult and Youth Labour Force Participation Rate

Youth Labour Force Participation Rate (%) ILO Estimates													
Countries	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012**
SADC	49.6	49.9	50.1	50.3	50.6	50.5	50.1	49.6	49.3	49.0	48.8	48.8	48.8
Angola	54.0	54.0	53.8	53.8	53.6	53.2	52.9	52.5	52.3	52.6	52.8	52.8	52.9
Botswana	59.4	59.4	59.4	59.5	59.7	59.8	59.8	59.8	59.7	59.7	59.6	59.5	59.4
DRC	46.2	46.2	46.1	46.0	45.9	45.8	45.7	45.6	45.6	45.5	45.4	45.3	45.8
Lesotho	62.8	60.5	58.3	56.1	53.9	51.8	49.6	47.6	45.5	45.4	45.2	45.0	44.8
Madagascar	75.1	75.0	74.7	74.3	74.0	73.3	73.4	73.2	73.1	73.0	72.8	72.7	72.5
Malawi	58.9	61.4	63.9	66.4	68.9	71.4	66.6	61.3	59.5	59.6	59.7	59.8	60.0
Mauritius	50.6	50.0	48.4	46.3	44.3	42.7	42.7	43.1	41.3	40.6	40.7	40.9	41.1
Mozambique	71.6	70.6	69.5	68.4	68.1	67.7	67.4	67.1	66.8	66.4	66.1	65.8	65.5
Seychelles*													
Namibia	30.9	32.1	33.2	34.3	35.4	36.6	37.7	38.8	39.9	39.8	39.8	39.8	39.9
South Africa	28.7	28.6	28.5	28.6	29.0	29.5	29.9	30.4	31.1	28.6	26.5	26.7	26.8
Swaziland	45.1	45.0	44.8	44.7	44.6	44.5	44.5	44.5	44.5	44.5	44.5	44.5	44.4
Tanzania	82.1	82.0	82.2	82.2	82.2	82.0	81.7	81.5	81.3	81.1	81.0	80.8	80.6
Zambia	68.5	68.5	68.5	68.6	68.7	68.8	68.6	68.4	68.1	67.9	67.7	67.4	67.1
Zimbabwe	59.6	65.3	70.9	76.0	80.5	80.4	80.3	80.1	79.9	79.8	79.6	79.5	79.5
Adult Labour Force Participation Rate (%) ILO Estimates													
Countries	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
SADC	74.3	74.6	74.9	75.1	75.3	75.4	75.7	75.8	76.3	76.3	76.3	76.4	65.4
Angola	85.5	85.5	85.1	85.1	84.8	84.3	83.7	83.1	82.9	83.3	83.6	83.8	70.9
Botswana	89.1	89.4	89.7	90.0	90.3	90.6	90.7	90.9	91.9	91.3	91.4	91.6	79.2
DRC	88.6	88.7	88.7	88.8	88.8	88.8	89.0	89.1	89.2	89.3	89.4	89.5	71.8
Lesotho	84.4	84.1	83.9	83.7	83.5	83.3	83.1	83.0	82.8	83.0	83.1	83.3	67.5
Madagascar	95.5	95.4	95.7	95.7	95.7	95.8	95.8	95.9	95.9	95.9	95.9	95.9	87.3
Malawi	91.1	91.1	91.0	91.0	90.9	90.9	93.6	95.3	98.1	98.0	98.0	97.9	82.6
Mauritius	73.7	73.9	73.7	73.4	73.1	74.1	74.0	73.6	74.9	75.5	76.2	76.4	64.7
Mozambique	94.4	95.3	96.1	96.8	96.8	96.7	96.7	96.7	96.7	96.7	96.7	96.7	84.6
Seychelles*													
Namibia	75.4	76.7	78.0	79.2	80.3	81.3	82.3	83.2	84.1	84.3	84.5	84.7	66.4
South Africa	71.1	71.6	72.0	72.4	72.9	73.3	73.8	74.2	75.8	74.2	72.4	72.9	56.0
Swaziland	67.9	68.1	68.4	68.7	68.9	69.2	69.4	69.6	69.8	70.0	70.2	70.5	58.5
Tanzania	96.0	96.0	96.2	96.4	96.6	96.7	96.8	96.8	96.8	96.8	96.8	96.8	90.5
Zambia	88.7	88.6	88.4	88.2	88.0	87.9	87.9	87.9	87.9	88.0	88.0	88.0	79.6
Zimbabwe	87.6	89.6	91.3	92.7	93.9	93.9	93.9	93.9	94.0	94.0	94.0	94.0	87.5

*No data found.

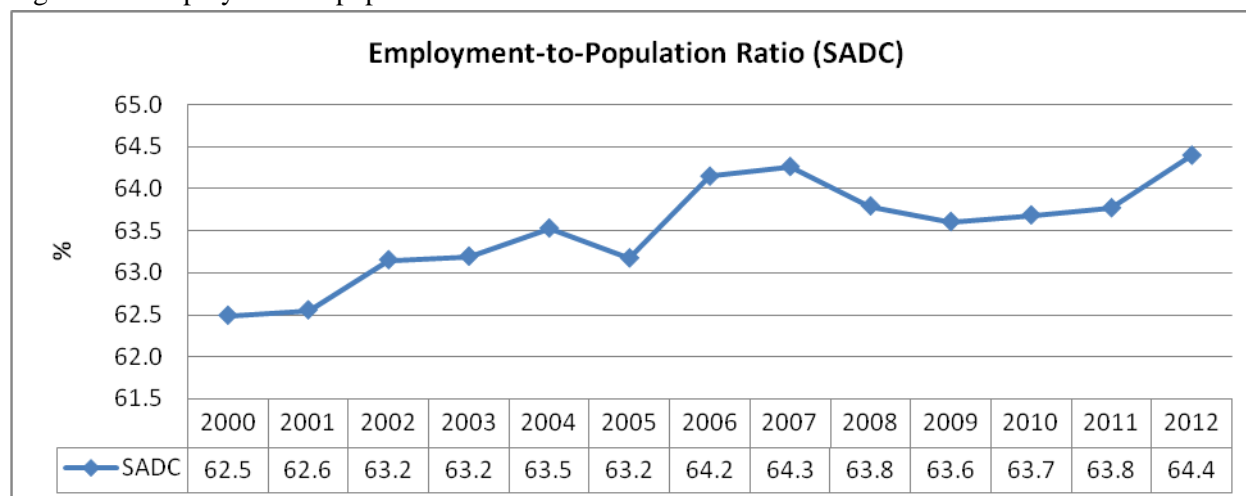
**2012 are projections

Source: KILM, ILO (2011)

3.2 Employment-to-population ratio

Employment-to-population ratio as previously defined as the proportion of the working age population that is employed.

Figure 3C: Employment-to-population ratio



Source: KILM, ILO (2011)

Table 3C: Employment to Population Ratio (%)

Employment to Population Ratio (%) ILO Estimates													
Countries	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012**
SADC	62.5	62.6	63.2	63.2	63.5	63.2	64.2	64.3	63.8	63.6	63.7	63.8	64.4
Angola	66.7	66.7	66.4	66.4	66.2	65.7	65.3	64.9	64.9	64.9	65.2	65.4	64.3
Botswana	57.6	58.7	58.8	57.4	58.8	60.3	62.5	62.7	62.9	63.1	63.5	63.3	63.3
DRC	67.3	67.3	67.2	67.1	67.0	66.9	66.9	66.9	66.9	66.9	66.9	67.0	71.4
Lesotho	47.7	44.7	48.9	48.0	45.4	42.9	48.6	48.9	48.9	48.0	50.0	48.4	48.7
Madagascar	84.0	83.3	83.0	82.4	83.4	84.3	84.2	84.1	84.0	83.9	83.8	83.5	83.6
Malawi	73.2	73.8	74.5	75.1	75.7	76.1	76.6	76.2	77.1	76.9	76.8	76.8	76.8
Mauritius	54.7	55.4	54.2	54.2	53.5	53.2	53.3	53.3	54.2	54.2	54.9	54.7	55.3
Mozambique	79.9	80.1	80.3	80.3	80.2	80.1	79.9	79.8	79.6	79.5	79.3	79.2	77.7
Seychelles*													
Namibia	45.0	46.9	47.4	47.6	47.2	47.8	48.4	49.0	39.8	39.9	40.0	42.9	42.0
South Africa	38.3	37.0	36.7	36.5	39.2	39.1	40.0	41.6	42.7	40.9	39.1	39.3	39.6
Swaziland	43.5	43.4	43.4	43.3	43.3	43.3	43.3	43.3	43.4	43.5	43.6	43.8	43.9
Tanzania	76.8	76.6	77.7	78.6	78.9	79.0	79.1	79.1	79.0	79.0	78.9	78.8	85.4
Zambia	69.8	68.2	68.7	67.8	67.5	62.7	67.1	67.1	67.0	67.0	66.9	67.2	67.0
Zimbabwe	70.3	73.6	76.9	80.0	83.1	83.0	82.9	82.8	82.7	82.8	82.7	82.5	82.6

* No data found.

**2012 are projections

Source: KILM, ILO (2011)

Figure 3C shows the movements of the employment-to-population ratio in the SADC region from 2000 to 2012. Regionally, the data shows that the ratio has been fluctuating over the years. The figure shows that, the ratio has been increasing from 2000 to 2004 then decreased to 63.2 percent in 2005. From 2006 it moved up to 64.2 percent an increase of 1 percent from 2005. 2007 recorded the highest ratio as compared to other years until 2011 and in 2012 the ratio was estimated to be 64.4 percent an increase of 0.6 percent from 63.8 in 2011. There is an inverse relationship between employment-to-population ratio and unemployment, the high the ratio the low the unemployment rate.

Madagascar has the highest employment-to-population ratio as it was estimated to be well over 80.0 percent over the period while the lowest was recorded in South Africa, Swaziland and Namibia as they were estimated to be below 50 percent (Table 3C).

3.3 Unemployment

Table 3C: Unemployment Rates of Selected Countries (Strict measures)

Countries	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Botswana	15.8	18.6		23.8		17.5	17.6			17.8		
Madagascar	5.8	5.3		5.0		2.6						
Mauritius	8.8	6.8	7.2	7.7	8.5	9.6	9.1	8.5	7.2	4.4	7.7	7.9
Seychelles	3.1	4.4	4.1	3.2	3.5	3.6	2.5	1.9	1.7	5.1	4.6	4.1
Namibia	20.3				21.9				37.6			
South Africa	26.7	25.4	27.2	27.1	24.7	23.8	22.6	22.3	22.7	23.7	24.7	24.7

Source: Labour Force Survey Reports, International Monetary Fund Database, UN Data, KILM, ILO (2011)

Table 3C shows unemployment rates of selected countries in the SADC region. Unemployment has been low in countries such as Seychelles (3.1 percent), Madagascar (5.5 percent) and Mauritius (8.8 percent) in 2000 while South Africa recorded the highest (26.7 percent) followed by Namibia (20.3 percent). In 2005, Seychelles unemployment rate went up by 0.5 percent, Madagascar's went down by 3.2 percent to 2.6 percent. Botswana had 15.8 percent in 2000 and 17.5 percent in 2005 that is an increase of 1.7 percent in 5 years. Namibia recorded the highest unemployment rate in the region of 37.6 percent that is an increase of about 15 percent from 2004's 21.9 percent.

4. The Namibian Labour Market

4.1 Legislative Framework

The legislative framework of the Namibian labour market consists of laws and acts that have been passed by parliament to administer and regulate the labour market, specifically to protect the interest of both the employees and employers.

Namibia labour legislation applies to all employers and employees (workers) to entrench fundamental labour rights and protection and also to ensure the health, safety and welfare of employees at work places. The Namibian legislature has ensured effective labour and employment legislation through the passing of the Labour Act No.6 of 1992 which was succeeded by the Labour Act No. 11 of 2007, the Social Security Act No. 34 of 1994. Affirmative Action (Employment) Act No. 29 of 1998 and Employment Services Act No. 8 of 2011 .The Namibian Constitution lays the foundation for the formulation of all policies and legislation in the country.

4.1.1 The Namibian Constitution

The Namibia constitution came into force at independence in March 1990 and has been hailed to be one of the most democratic and liberal constitutions in the world. It shows a strong commitment to the rule of law, democratic government and respect for fundamental human rights freedoms and contains mechanism with regard to check and balances between the three branches of Government, the executive, legislative and the judiciary.

The Constitution prohibits discrimination on the grounds of sex, race, colour, ethnic origin, religion, creed or social or economic status. Article 23 empowers the Parliament to enact legislation aimed at redressing the imbalances in the Namibian society resulting from past discriminatory laws and practices.

4.1.2 The Labour Act, No. 11 of 2007

The labour Act is a comprehensive labour code covering labour market issues such as conditions of employment, occupational health and safety, collective bargaining, freedom of association, social security and other labour-related issues aimed at improving labour market conditions and protect the rights of workers.

The Labour Act regulates the registration of trade unions and employers' organizations and also provides for the systematic prevention and resolution of labour disputes. It also makes provision for the establishment of the Labour Advisory Council, the Labour Court, the Wages Commission and the Labour Inspectorate.

4.1.3 Social Security Act, No. 34 of 1994

The Social Security Act makes provision for the establishment of the Social Security Commission that provides for the payment of maternity leave benefits, sick leave benefits and death benefits to employees and to establish for that purpose maternity leave, sick leave and death benefit funds; to provide for funding of training schemes for disadvantaged, unemployed persons and to establish for that purpose the Development Fund.

4.1.4 Affirmative Action (Employment) Act, No. 29 of 1998

The Affirmative Action (Employment) was passed with a view to redress imbalances at the workplace arising from past discriminatory laws and practices. The legislation is intended to foster fair employment practices with regard to matters such as recruitment, selection, appointment, training, promotion and equitable remuneration of designated groups.

The main aim of the Affirmative Action Act is to promote the development and advancement of previously disadvantaged people (blacks, women and people living with disabilities). The Act compels all companies with more than 25 employees to forward affirmative action reports to the office of the Employment Equity Commissioner, outlining the company's plans to provide equal employment opportunities to previously disadvantaged people. It also makes provision for the training programs to create capacity and skills to designated groups.

4.1.5 Employment Service Act, No. 8 of 2011

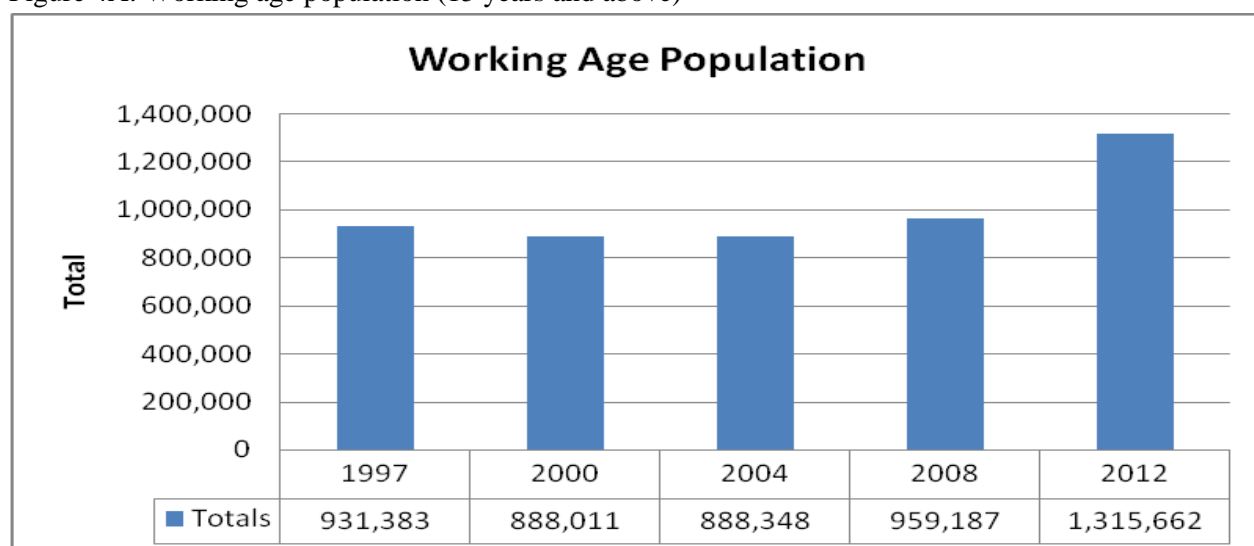
This Act makes provision for the establishment of the National Employment Services that will provide professional labour market services for the purpose of achieving full, productive and decent employment in Namibia. The Act imposes reporting and other obligations on certain employers and institutions. It also provides for the licensure and regulation of private employment agencies.

4.2 Working Age Population (WAP)

The working-age population is the population above a specified minimum age that is considered to be able and likely to work. This measure is used to give an estimate of the total number of potential workers within an economy.

The minimum age limit adopted for measuring the economically active population in surveys varies among countries. This means that the minimum age limit should be determined in accordance with the prevailing conditions in each country. Namibia, like many other countries, uses 15 years as the minimum age limit. This is in accordance with the United Nations Principles and Recommendations for Population and Housing Censuses, which specify that the minimum age limit adopted for census questions on economic activity should never be lower than 15 years (Hussman, Mehran, & Verma, 1992).

Figure 4A: Working age population (15 years and above)



Source: NFLS 1997, 2000, 2004, 2008, 2012

Figure 4A displays the total working age population in Namibia from 1997 to 2012. The trend shows that the number gradually dropped from 931,383 in 1997 (a decrease of 43,372), to 888,011 in 2000, then recorded a slight increase of 332 to 888,348 in 2004. From 2004 to 2008, the working age population in the country was recorded to be 959,187 that is an increase of 70,839 over a period of 4 years. The working age population continued increasing by 356,475 from 2008 to 2012, with a record of 1,315,662. This massive increase could be attributed to the

large sample size of 9,108 households used in the NLFS 2012 compared to 5,975 used in the previous years.

NOTE: Comparison of the NLFS 2012 with the other previous NLFS should be treated with caution as the NLFS 2012 used a different methodology i.e. (I) the sample size increased from 5,975 to 9,108. (II) The previous surveys had only two labour force question to filter out the employed compared to 9 questions employed by the NLFS 2012.

Table 4A: Working age population by sex and area

Working Age Population						
Area	Sex	1997	2000	2004	2008	2012
Urban	Females	169,182	191,627	195,859	202,500	353,423
	Males	179,899	180,378	191,571	200,543	338,630
	Both	349,081	372,005	387,430	403,043	692,053
Rural	Females	321,281	281,550	270,553	308,551	343,633
	Males	261,021	234,456	230,365	247,593	279,976
	Both	582,302	516,006	500,918	556,144	623,609
Namibia	Females	490,463	473,177	466,412	511,051	697,056
	Males	440,920	414,834	421,936	448,136	618,606
	Both	931,383	888,011	888,348	959,187	1,315,662

Source: NLS 1997, 2000, 2004, 2008, 2012

Table 4A compares the working age population over four year intervals (1997, 2000, 2004, 2008 and 2012) by sex and area. It can be observed that the working age population is high in the rural areas than in the urban areas, this has been the case over the years. The data also shows that the working age population in urban areas has been steadily increasing over the years, eventually outstripping the working age population in the rural areas by 68,444 in 2012.

The table further reveals that over the reference years, the working age population has been dominated by women. In 1997, 490,463 or 52.7 percent of the total working age population (931,383) were females while 440,463 or 47.3 percent were males. In 2012, the difference between females and males was 78,450 as females recorded the highest (697,056) and males also displayed an increase to record 618,606. These findings are not surprising as the country's population has more females (1 091 165) than males (1 021 912) according to the 2011 Census results.

4.3 Labour force participation rate (LFPR)

Figure 4B: Labour force participation rates by sex

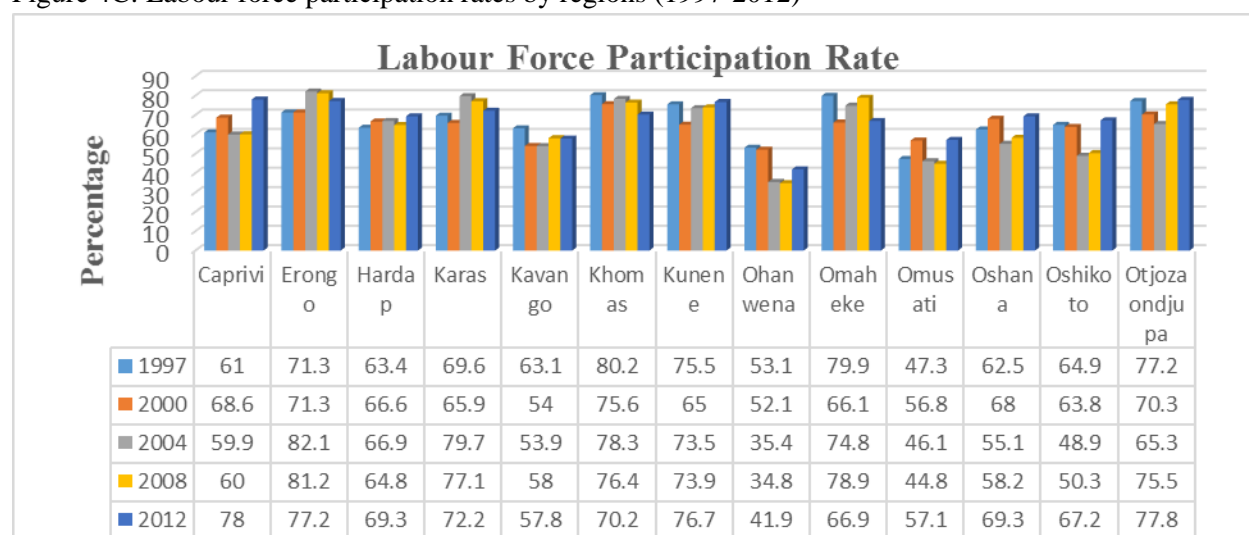


Source: NFLS 1997, 2000, 2004, 2008, 2012

Figure 4B shows that the labour force participation rate in Namibia was 53.5 percent in 1997. The rate increased by 0.5 percent, standing at 54.0 percent in 2000 . A decline of 6.1 percent, was recorded in 2004, dropping down to 47.9 percent. The LFPR continued increasing, peaking 66.0 percent in 2012. The table further indicates that there has been an increase of 12.5 percent over 15 years, despite the drop in 2004.

It is important to note that despite the fact that females have been dominating the working age population, their labour force participation rates are far below those of their male counterparts over the years. This means that fewer women are entering the labour force as compared to men. In other words, more females fall in the economically inactive category of the population.

Figure 4C: Labour force participation rates by regions (1997-2012)



Source: NFLS 1997, 2000, 2004, 2008, 2012

As observed in Figure 4C, Ohangwena had the lowest labour force participation rates over the years (2000, 2004, 2008 and 2012). In 1997, Omusati recorded the lowest (47.3 percent as compared to Ohangwena's 53.1 percent). Khomas had the highest participation rates in 1997 and 2000 (80.2 and 78.3 percent respectively). Erongo had the highest participation rate in 2004 and 2008 (82.1 and 81.2 percent respectively).

4.4 Employment

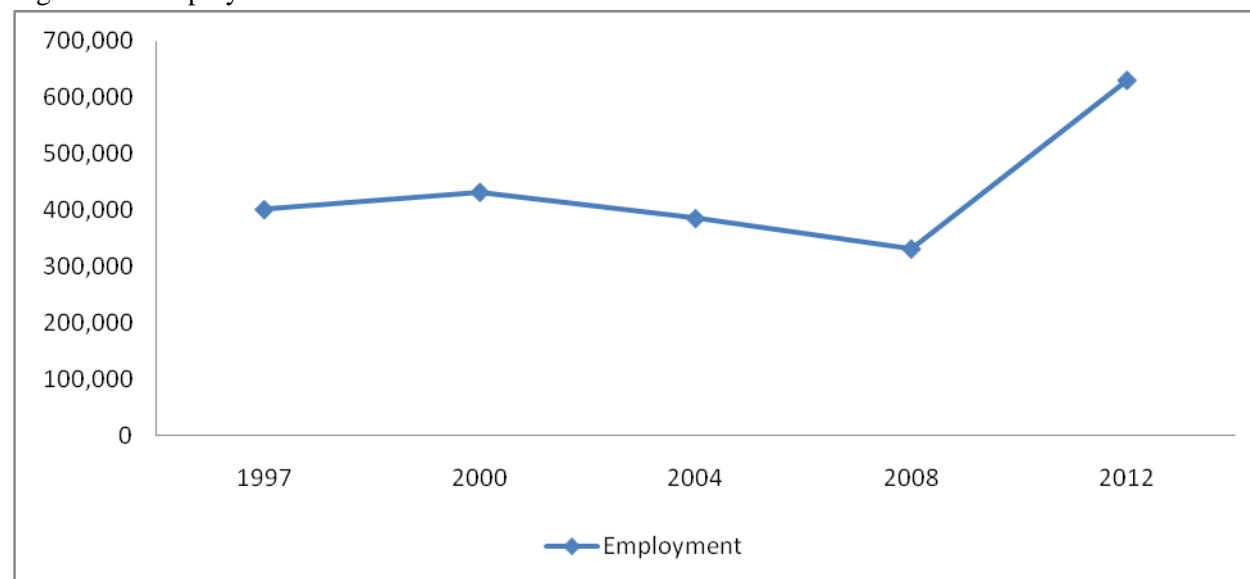
According to the System of National Accounts (SNA) classification and internationally recommended definition, a person is regarded as employed if s/he has worked for pay, profit or family gain for at least one hour during the reference period or seven days prior to the interview, this applies to persons who are aged 15 years and above.

Table 4B: Employment by area and sex

Employment 1997-2012						
Area	Sex	1997	2000	2004	2008	2012
Urban	Females	72,209	91,416	98,889	93,678	160,457
	Males	105,824	110,569	121,085	114,397	194,306
	Both	178,033	201,985	219,974	208,075	354,763
Rural	Females	109,546	113,606	69,788	51,672	139,933
	Males	113,624	116,259	95,567	71,696	135,397
	Both	223,170	229,865	165,355	123,369	275,330
Namibia	Females	181,755	205,021	168,677	145,351	300,390
	Males	219,447	226,828	216,652	186,093	329,704
	Both	401,203	431,849	385,329	331,444	630,094

Source: NFLS 1997, 2000, 2004, 2008, 2012

Figure 4D: Employment trends



Source: NFLS 1997, 2000, 2004, 2008, 2012

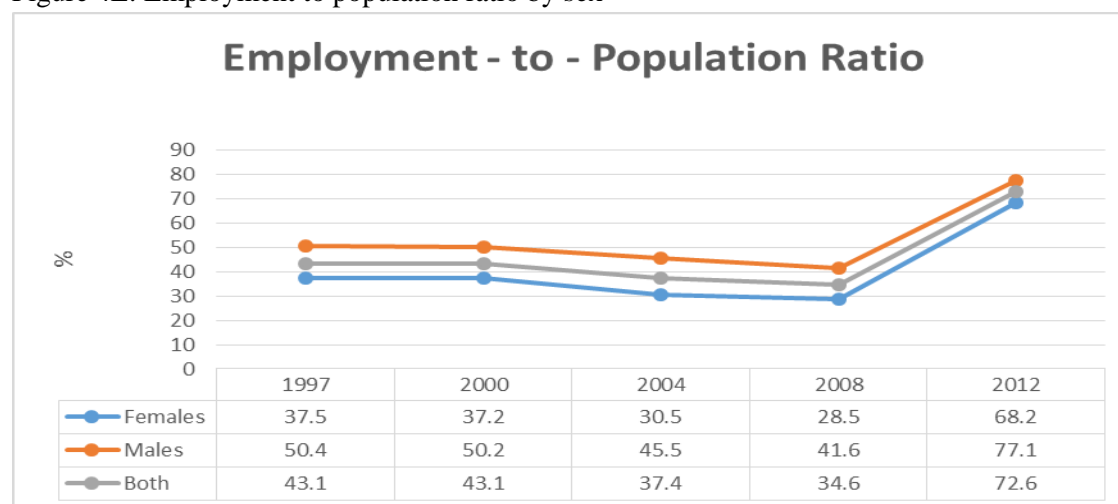
Table 4B and Figure 4D shows trends in employment over time (1997-2012). In 1997 401,203 persons were employed. The number of persons employed increased to 431,849 in 2000, an increase of about 7.6 percent over a period of four years. In 2004, the employed labour force fell by 10.8 percent (46,520) to 385,329. The decrease continued until 2008, when it went down to 331,444, a drop of about 14 percent. The year 2012 saw a rapid increase in the labour force, with 298,650 (almost 50 percent) entering the labour market, thus bringing the number of employed people to 630,094. This is attributed to improvements made in the methodology of the NLFS 2012. In this survey, the questions on the labour force characteristics were expanded from two in the previous labour force surveys to nine. This allowed for more probing to filter out subsistence farmers and other persons who might have been categorised as unemployed in the previous survey.

Despite there being more females in the working age population, Table 4B reveals that more males are employed as compared to their female counterparts. This is evident especially in the urban areas where there seems to be a large disparity between females and males as compared to the rural areas. Statistics suggest that although females are the majority in the working age population, they tend to fall in the other two categories of the WAP, i.e unemployment and economically inactive population. The table further shows that in 1997 and 2000, there were more employed persons in rural areas, but in 2004, 2008 and 2012, there were more employed persons in the urban areas than in the rural areas.

4.4.1 Employment-to-population ratio (EPR)

Employment-to-population ratio also referred to as the employment rate, is the proportion of the working age population that is employed.

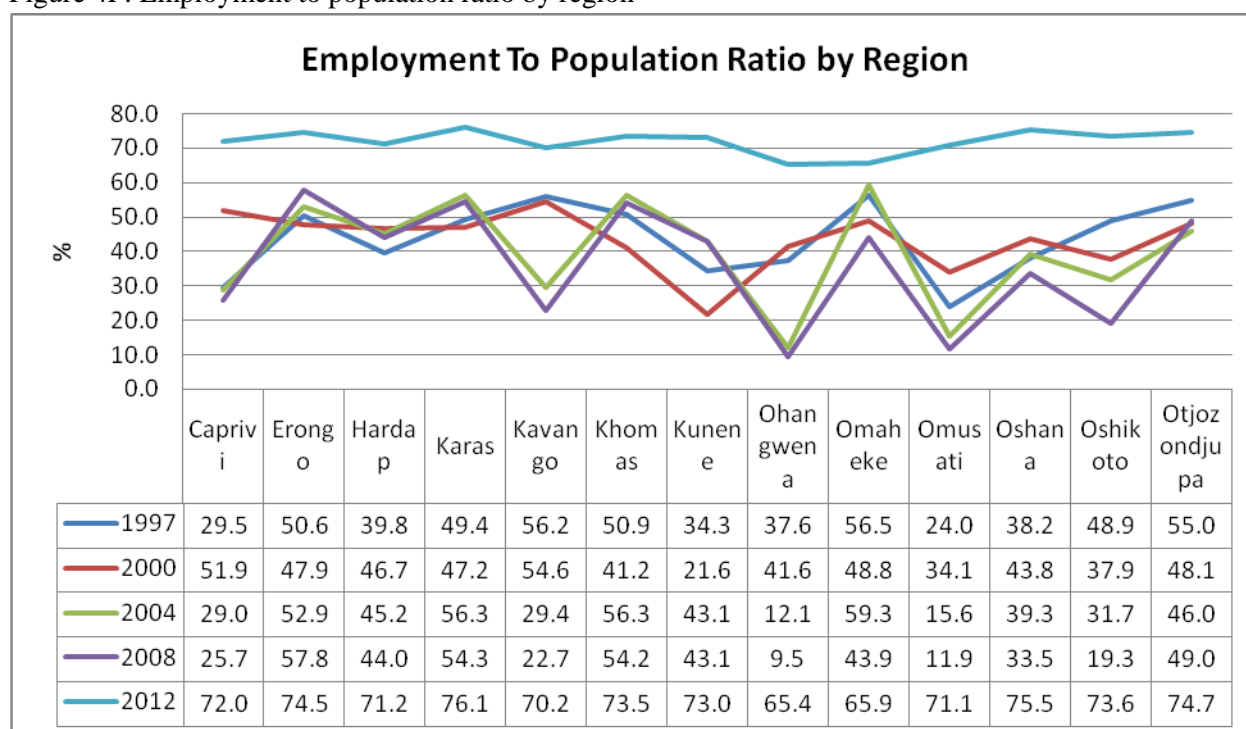
Figure 4E: Employment to population ratio by sex



Source: NFLS 1997, 2000, 2004, 2008, 2012

Figure 4E shows that the EPR was the same in 1997 and 2000 at 43.1 percent. In 2004, the ratio went down by 5.7 percent to 37.4 percent and further decreased by 2.8 percent in 2008 to 34.6 percent. Figure 4E also indicates EPR increased by 38.0 percent from 34.6 percent in 2008 to 72.6 percent in 2012. Furthermore, the figure shows the EPR of females and males. It is evident that the male EPR has been constantly higher than that of females over the years. There were only slight changes in the EPR for both sexes in 1997 and 2000, in 2004 the ratio for females fell by 6.7 percent to 30.5 percent while the males' ratio went down by 4.7 percent to 45.5 percent. The EPR continued to decrease in 2008. However in 2012, the EPR increased for both sexes, with the male EPR increasing by 35.5 percent to 77.1 percent while female EPR increased by 39.7 percent to 68.2 percent.

Figure 4F: Employment to population ratio by region



Source: NFLS 1997, 2000, 2004, 2008, 2012

Figure 4F shows that with regard to regional EPR distribution, in 1997 a total of five regions recorded a ratio of 50 percent or more (Erongo 50.6, Kavango 56.2, Khomas 50.9, Omaheke 56.5 and Otjozondjupa 55.0 percent), with Omaheke region having the highest EPR and Omusati recording the lowest (24.0 percent). In 2000, Kavango region recorded the highest EPR of 54.6 percent while Kunene had the lowest (21.6 percent). In 2004, Ohangwena region had the lowest (12.1 percent), representing a drop of 29.5 percent from the previous period, followed by Omusati with 15.6 percent. In the same period, Omaheke had the highest (59.3 percent) an increase of 10.5 percent from 2000. In 2008 Erongo, Karas and Khomas regions had a ratio above 50 percent, Ohangwena and Omusati recorded the lowest (9.5 and 11.9 percent respectively). In 2012 all the 13 regions registered increments in the EPR, recording readings above 65 percent. Ohangwena recorded the least with 65.4 percent, followed by Omaheke with 65.9 percent and Karas recorded the highest with 76.1 percent.

4.4.2 Employment by Sectors

Table 4C: Total number of employed persons in different sectors in the country

Total Employment by Sectors					Changes in Employment		
Industry	1997	2000	2004	2008	1997-2000	2000-2004	2004-2008
Agriculture	146,899	126,459	102,636	52,788	-20,440	-23,823	- 49,848
Fishing	6,771	7,800	12,720	1,318	1,029	4,920	- 11,402
Mining and Quarrying	6,592	3,868	7,563	8,894	-2,724	3,695	1,331
Manufacturing	25,983	22,922	23,755	20,961	- 3,061	833	- 2,794
Electricity, Gas & Water	4,576	4,193	6,151	5,384	- 383	1,958	- 767
Construction	19,801	21,788	19,605	23,316	1,987	- 2,183	3,711
Wholesale and Retail Trade, Repair of motor vehicles	33,815	38,902	53,895	50,163	5,087	14,993	- 3,732
Hotels and Restaurants	2,988	7,677	13,132	11,317	4,689	5,455	- 1,815
Transport, Storage and Communication	13,480	14,308	15,861	15,598	828	1,553	- 263
Financial Intermediation	7,817	4,933	7,582	8,838	- 2,884	2,649	1,256
Real Estate, Renting and Business Activities	20,244	39,318	9,374	14,751	19,074	- 29,944	5,377
Public Administration, Defence & Social Security	22,029	24,419	30,685	27,714	2,390	6,266	- 2,971
Education	24,023	30,538	31,168	28,512	6,515	630	- 2,656
Health and Social Work	10,922	13,135	14,010	13,940	2,213	875	- 70
Other Community, Social & Personal Services	24,518	46,289	12,632	11,396	21,771	- 33,657	- 1,236
Private Households with employed persons	28,547	22,209	24,081	35,971	- 6,338	1,872	11,890
Extra-territorial Organizations & Bodies	229	327	72	73	98	- 255	1
Not recorded	1,906	2,765	407	511	859	- 2,358	104
Total	401,140	433,850	385,329	331,445	32,710	- 48,521	- 53,884

Source: NLS 1997, 2000, 2004, 2008

Comparison with the NLS 2012 was not possible as the survey used the new classification of industries ISIC Rev 4. while the previous surveys used Rev 3.

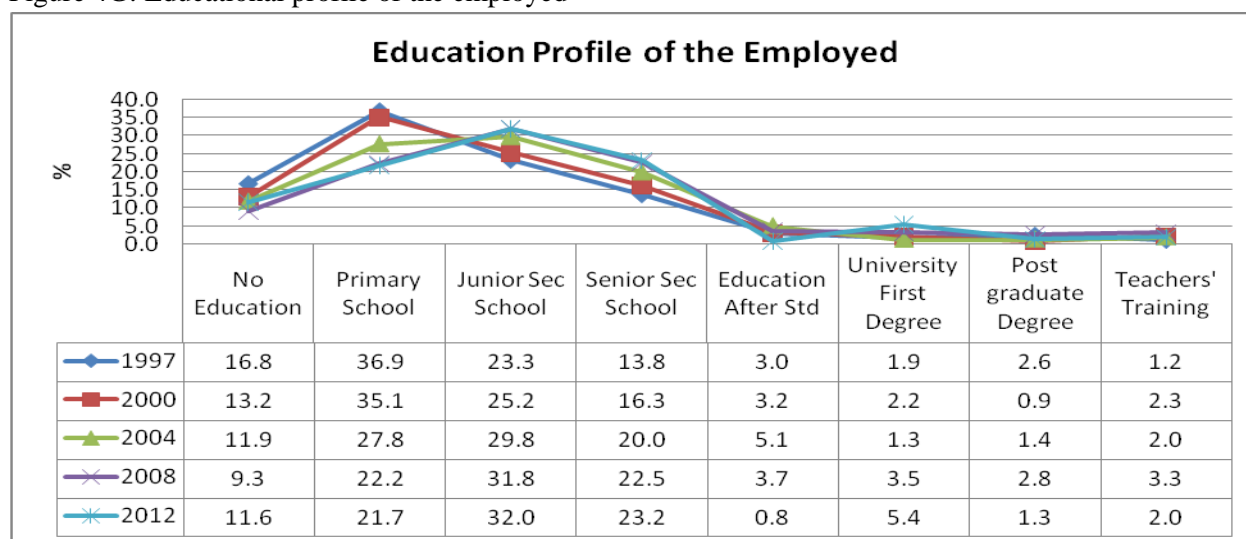
Employment by sector over the years 1997 to 2008, as displayed in Table 4C shows that Agriculture is the leading employer among all the sectors in the country. Despite being the sector that employs the largest number, the employment in this sector has seen large declines since 1997 from 146,899 employees to 126,459 in 2000 (a decline of 20,440). The decrease continued from 2000 to 2004, showing that the number of employees in the sector went down by 23,823 and a further decline of about 50,000 between 2004 and 2008 to only 52,788 employees. The

decline in employment in the agricultural sector could partly be attributed to unfavorable climatic conditions experienced in the country. The other factor could be the difficulties experienced in adequately capturing seasonal employment, own account and contributing family workers over time.

The second largest employer is the Wholesale and Retail Trade, Repair of motor vehicles sector. Since 1997, the sector has shown an increase in employment except in 2008, where it declined by 3,732. Other sectors such as Manufacturing, Private Households with employed persons, Education, Other Community, Social & Personal Services and Public Administration, Defence & Social Security also had relatively large numbers of employed persons.

4.4.3 Employment by level of education

Figure 4G: Educational profile of the employed



Source: NFLS 1997, 2000, 2004, 2008, 2012

For the period 1997 and 2000, the majority of employed persons had primary school education (36.9 and 35.1 percent) respectively. In 2004 and 2008, the majority of employed persons had junior secondary qualifications. It is notable from Figure 4G that while employment among those with no education or primary school education has been decreasing, that of persons with junior and senior secondary education has been increasing. Figure 4G further shows that there is a small increase in the employment for people with university first degrees, who constituted 3.5 percent in 2008 and 5.4 percent in 2012.

4.5 Underemployment

Underemployment refers to a situation in which a worker is employed, but not in the desired capacity, whether in terms of compensation, hours of work, or level of skill and experience. While not technically unemployed, the underemployed are often competing for available jobs. Namibia adopted the international standards on the measurement of underemployed persons, who:

- i. all persons in paid or self-employment,
- ii. whether at work or not at work, involuntary work less than the normal duration of work determined for the activity, and
- iii. were seeking or available for additional work during the reference period

This is referred to as visible underemployment which Namibia used on the basis of working less than the normal duration of work (35-40) hours and willingness to take up additional employment. Table 4D shows the total employed population and those that are underemployed.

Table 4D: Total employment and underemployment, 1997-2012

	1997			2000			2004		
	Females	Males	Both	Females	Males	Both	Females	Males	Both
Total Employment	181,755	219,447	401,202	205,021	226,828	431,849	168,677	216,625	385,302
Underemployment	15,014	10,406	25,420	21,745	23,075	44,820	17,348	20,025	37,373
% Underemployment	8.3	4.7	6.3	10.6	10.2	10.4	10.3	9.2	9.7
	2008						2012		
	Females	Males	Both				Females	Males	Both
Total Employment	145,351	186,093	331,444				300,390	329,704	630,094
Underemployment	15,834	21,686	37,520				14,581	10,330	24,911
% Underemployment	10.9	11.7	11.3				4.9	3.1	4.0

Source: NFLS 1997, 2000, 2004, 2008, 2012

In 1997, out of the 401,203 people employed in Namibia, 25,420 persons were underemployed (6.3 percent). In 2000, more than 10 percent (or 44,820) out of 431,849 employed persons were underemployed, representing an increase of 19,400 and 30,646 for underemployed and total employment respectively since 1997. As total employment decreased in 2004, underemployment also decreased. In 2008 total employment decreased further while

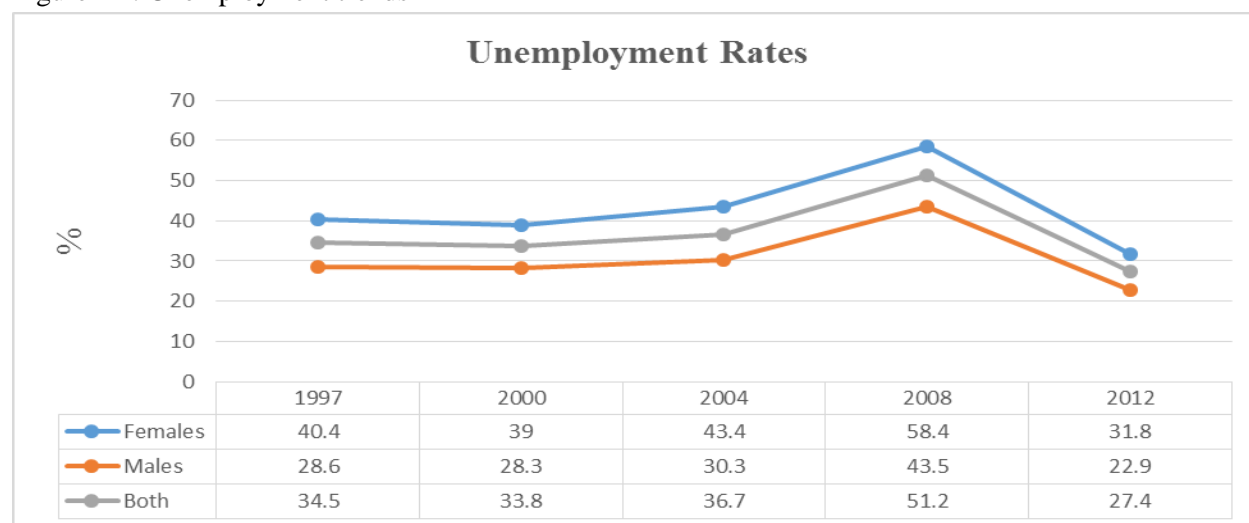
underemployment rose to a record high of 11.3 percent. The table further displays the disparities between underemployed males and females. It is evident that the proportion of women who were underemployed is higher than that of their male counterparts in the years 1997, 2000 and 2004 (8.3, 10.6 and 10.3 percent) respectively.

4.6 Unemployment

Unemployment rate measures the proportion of the unemployed persons in the labour force. The unemployed comprise all persons in the working age population who were: (i) without work during the reference period for four weeks; (ii) currently available for work and (iii) seeking work. This is the strict definition of unemployment. The broad or relaxed definition excludes the last criterion of seeking work.

Like other countries SADC, Namibia is faced with a problem of high unemployment, which has been increasing over the years as depicted by Figure 4H.

Figure 4H: Unemployment trends



Source: NFLS 1997, 2000, 2004, 2008, 2012

Namibia recorded 34.5 percent unemployment rate in 1997, which dropped by 0.7 percent in 2000 to stand at 33.8 percent. In 2004, the unemployment rate rose again to 36.7 percent, and continued to rise until 2008, when Namibia recorded the highest unemployment rate of 51.2

percent (an increase of 14.5 percent). In the year 2012 the unemployment rate dropped by 23.8 percent to 27.4 percent.

It can also be observed in Figure 4H unemployment affected more women than men, with the unemployment rates among females being constantly higher than those of males through the reference periods. Although the males unemployment rates has been relatively low, it has also been increasing (28.3 in 2000 to 30.3 percent in 2004) which is a rise of 2 percent. During the same period, female unemployment increased by 4.4 percent from 39.0 to 43.4 percent. In 2008 unemployment rates among males rose by 13.2 percent to 43.5 percent while that of females rose by 15 percent to 58.4 percent. The trend in rising unemployment came to an end in 2012, when the male unemployment rate dropped from 43.5 percent to 22.6 percent, and that for females dropped from 58.4 percent to 31.8 percent. This represents a 20.0 percent in unemployment rates for both sexes.

Table 4E: Unemployment rates by area and sex

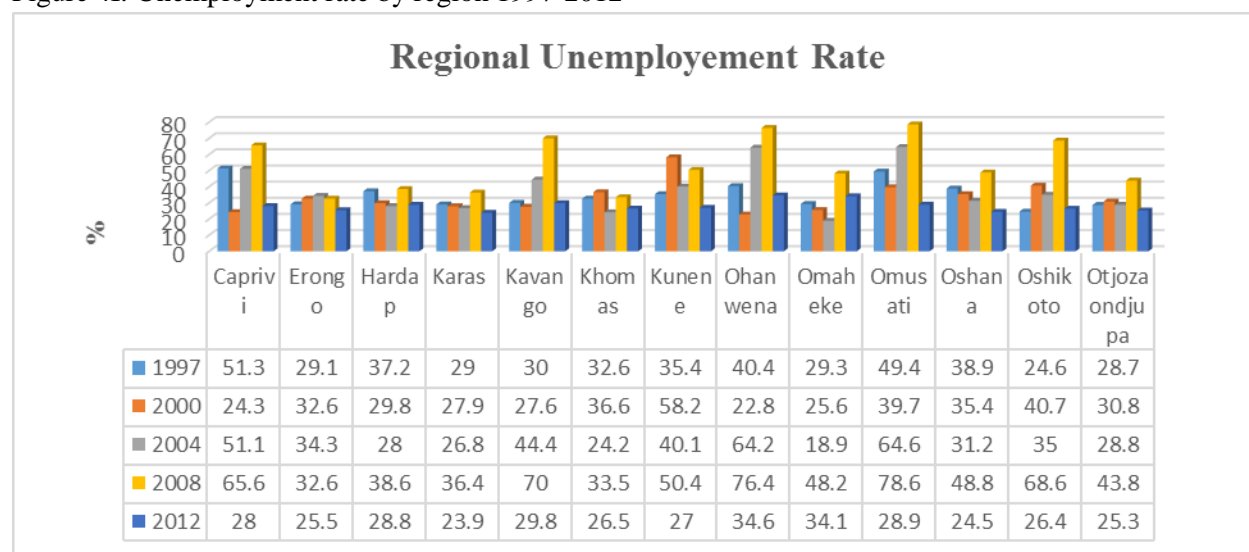
Unemployment rate area and sex 1997-2012 (Broad)						
Area	Sex	1997	2000	2004	2008	2012
Urban	Females	39.3	37.2	33.8	42.9	33.6
	Males	26.8	25.4	24.4	29.9	23.3
	Both	32.4	31.3	29.0	36.4	28.3
Rural	Females	41.2	40.4	53.0	72.1	29.6
	Males	30.3	30.8	36.5	56.8	22.4
	Both	36.1	35.9	44.7	64.9	26.2
Namibia	Females	40.4	39.0	43.4	58.4	31.8
	Males	28.6	28.3	30.3	43.5	22.9
	Both	34.5	33.8	36.7	51.2	27.4

Source: NFLS 1997, 2000, 2004, 2008, 2012

While unemployment rates have been declining, (except for 2008 in urban areas, 2004 and 2008 in rural areas) the data in Table 4E suggests that urban dwellers have better prospects of getting a job than their rural counterparts. A key reason for this trend could be that there are fewer job opportunities in rural areas than in urban areas as most development projects take place in urban areas.

While unemployment is a national challenge, it is also a regional challenge. For this reason, it is instructive to disaggregate the unemployment rate by region so that its impact can be seen at regional level. This information is presented in Figure 4I.

Figure 4I: Unemployment rate by region 1997-2012



Source: NFLS 1997, 2000, 2004, 2008, 2012

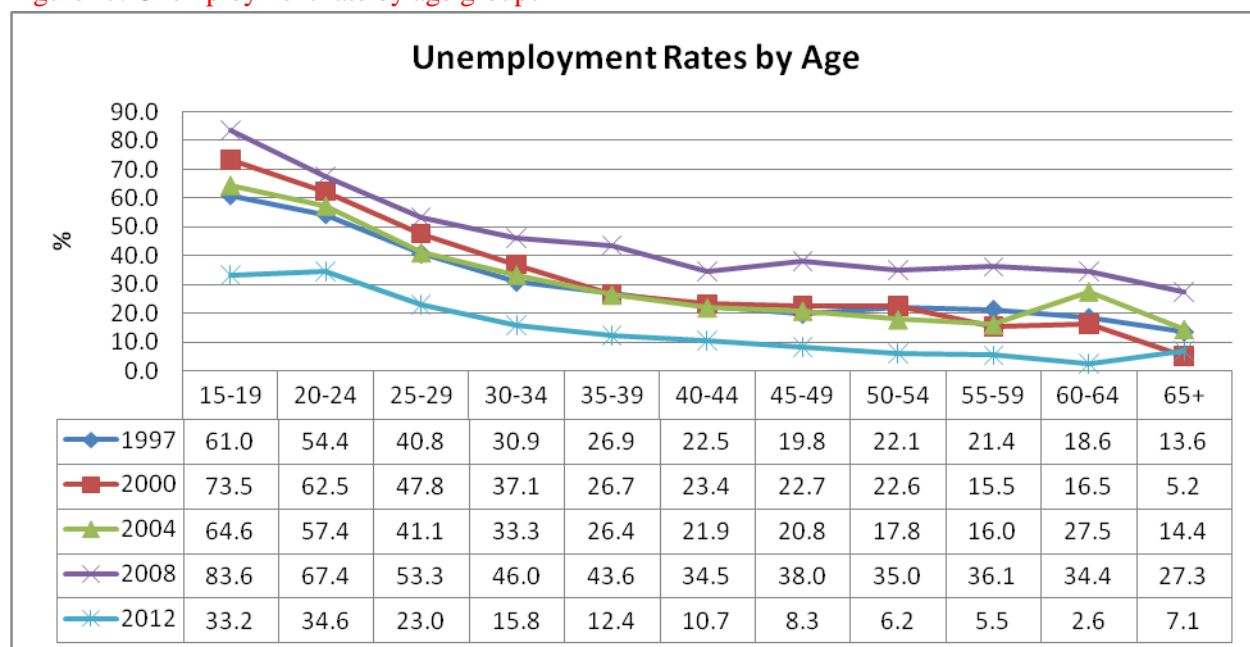
Figure 4I shows that the Caprivi region had the highest unemployment rate in 1997 with 51.3 percent while the lowest was in Oshikoto, with 24.6 percent in the same year. In the year 2000, Kunene recorded the highest (58.2 percent, from 35.4 percent in 1997). In the same period, Ohangwena had the lowest unemployment rate (22.8 percent). Ohangwena and Omusati regions had the highest rates of unemployment in 2004 (64.2 and 64.6 percent) respectively, while at 18.9 percent, Omaheke had the lowest unemployment rate recorded in the same period. Higher unemployment rates were observed in 2008 where regions such as Omusati, Ohangwena and Kavango had rates of 70 percent or more. In 2012 the unemployment rate dropped, with regions like Ohangwena and Omaheke recorded the highest of 34.6 percent and 34.1 percent respectively. These unemployment rates were the highest during the reference period. During the same period, Oshana recorded the lowest unemployment rate of 24.5 percent.

The possible factors that led or contributed to the high unemployment in 2008 could be the closure of and retrenchment in some companies as a result of the global economic crisis. In rural areas, the high unemployment rates could be explained by the devastating floods in the same year as most of the population in these areas depends more on subsistence agricultural activities.

4.5.1 Unemployment rates among age groups

Unemployment in Namibia does not affect all age groups the same way. Figure 4J illustrates how unemployment affects the different age groups.

Figure 4J: Unemployment rate by age groups



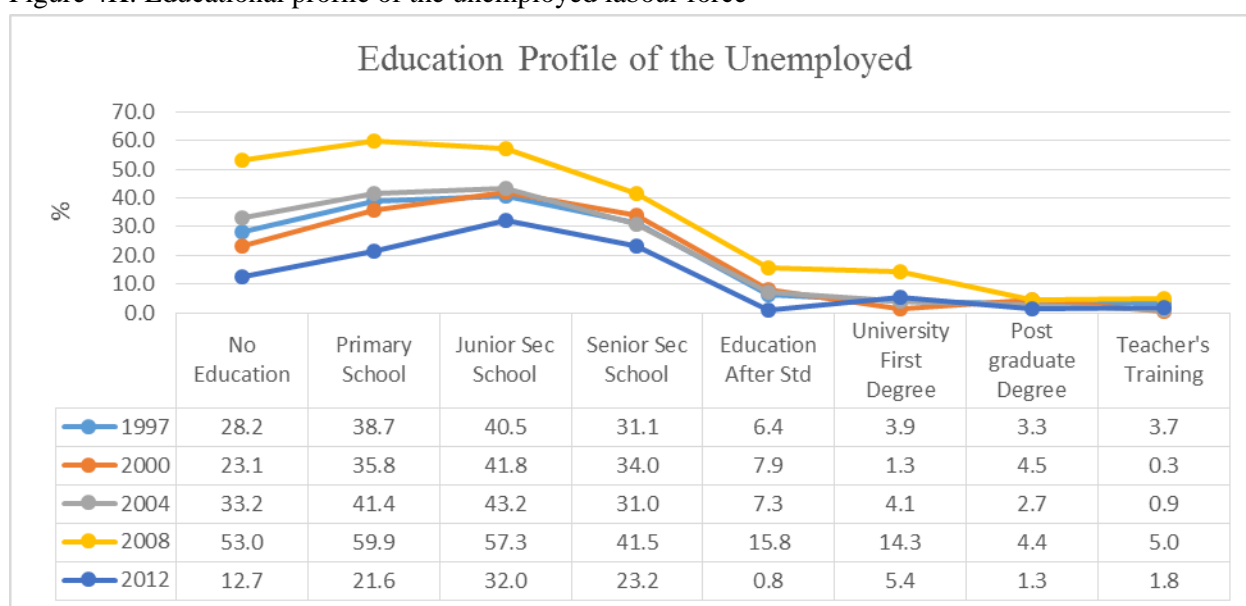
Source: NFLS 1997, 2000, 2004, 2008, 2012

What is clear from figure 4J is that unemployment has been constantly high in the age range 15-34, (average 48.0 percent) from 1997 to 2012. At no time during these years has unemployment in the age range been lower than any other age group. The highest average unemployment rate, at 63.2 percent, is within the age group 15-19. This is probably because the majority of this age group are school dropouts and also lacks working experience. In contrast, average unemployment rate in seven age ranges, i.e, 35-65+, is 20.5 percent. Therefore, from the data in Figure 4J, it can be concluded that the younger the population group, the higher the unemployment rate. Conversely, the older the population group, the lower the unemployment rate.

Despite this picture though, the year 2008 saw very high unemployment rates in all age groups. In this year, a record 83.6 percent of the age group 15-19 were unemployed.

4.5.2 Unemployment and educational attainment

Figure 4K: Educational profile of the unemployed labour force



Source: NFLS 1997, 2000, 2004, 2008, 2012

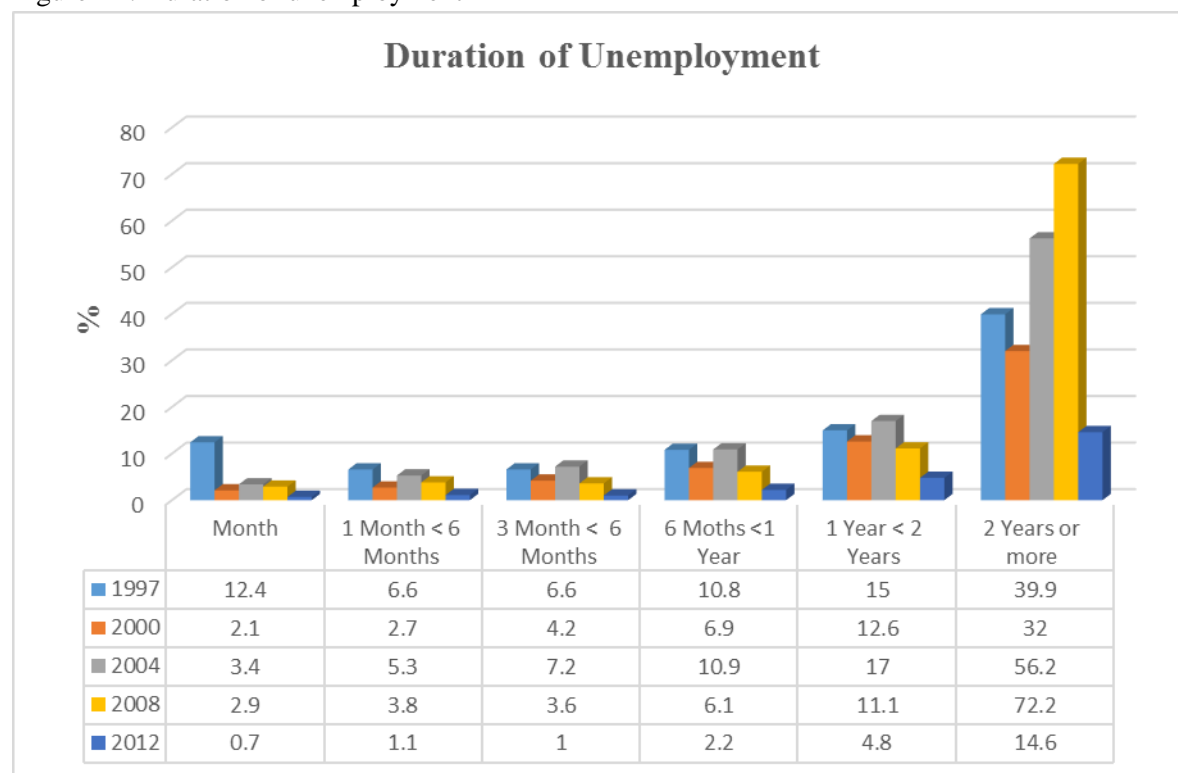
It can be observed from Figure 4K that unemployment affects mostly those with primary and junior secondary education. The unemployment rates among those with no education were lower compared to those with primary, junior and senior secondary education. The reason could be that, people with no educational qualifications have no preference in terms of work or job search, as a result they are easily absorbed in elementary occupations. This tendency has been significant since 1997 where the unemployment rate among those with no education was 28.2 percent, the rate went down by 5.1 percent in 2000 to record the lowest rate over these periods (23.1 percent). In 2008 the unemployment rate among this group was high at 53.0 percent, but still lower than that of people with primary and junior secondary education.

Furthermore, the figure provides evidence that higher levels of educational attainment reduces the likelihood of being unemployed. It can be noted that unemployment rates of those with qualifications beyond secondary education were lower than those with primary and junior secondary education.

4.5.3 Duration of unemployment

Unemployment in Namibia is of a long term nature. Figure 4L provides evidence that most of the unemployed persons in Namibia had been without work for two (2) years or more, this scenario was experienced in all the years (1997, 2000, 2004, 2008 and 2012).

Figure 4L: Duration of unemployment



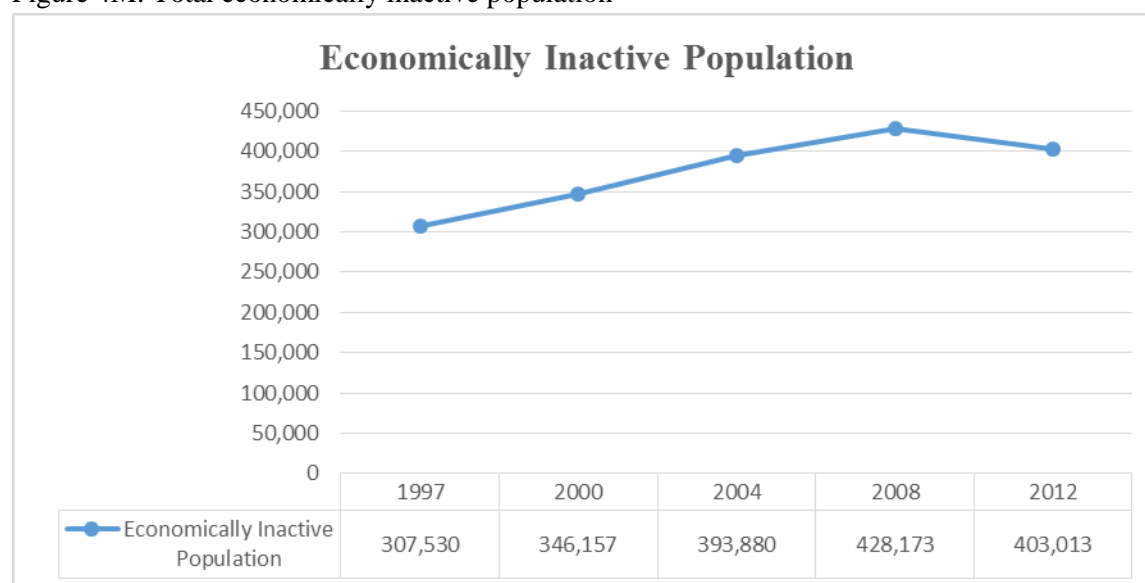
Source: NFLS 1997, 2000, 2004, 2008

The situation was worse in the years 2004 and 2008 where more than 50 percent of the unemployed were looking for work for two (2) years or more (56.2 and 72.2 percent) respectively.

4.6 Economically inactive population (EIP)

The inactive population are those persons (15 years and above) who are not part of the labour force. This group includes the retired, old age, chronically ill people, people with disabilities, homemakers, students and income recipients, among others.

Figure 4M: Total economically inactive population



Source: NFLS 1997, 2000, 2004, 2008, 2012

Figure 4M displays the inactive population from 1997 to 2012. It is clear that this population had been increasing. From 1997 to 2000 the total economically inactive population rose by 38,672 (307,530 in 1997 to 346,157 in 2000), in 2004 the number increased to 393,880 which is an addition of 47,723. In 2008 the tally went as high as 428,173, and then dropped by 25,160, from 428,173 in 2008 to 403,013 in 2012.

Table 4F: Economically inactive population by area and sex

Economically inactive 1997-2012						
Area	Sex	1997	2000	2004	2008	2012
Urban	Females	48,172	66,067	63,228	56,740	106,768
	Males	33,341	39,995	38,555	46,268	82,352
	Both	81,513	106,062	101,783	103,008	189,120
Rural	Females	131,228	145,651	178,009	199,169	120,510
	Males	94,789	94,444	114,088	125,996	93,384
	Both	226,017	240,095	292,097	325,165	213,894
Namibia	Females	179,400	211,718	241,237	255,909	227,278
	Males	128,130	134,439	152,643	172,264	175,735
	Both	307,530	346,157	393,880	428,173	403,013

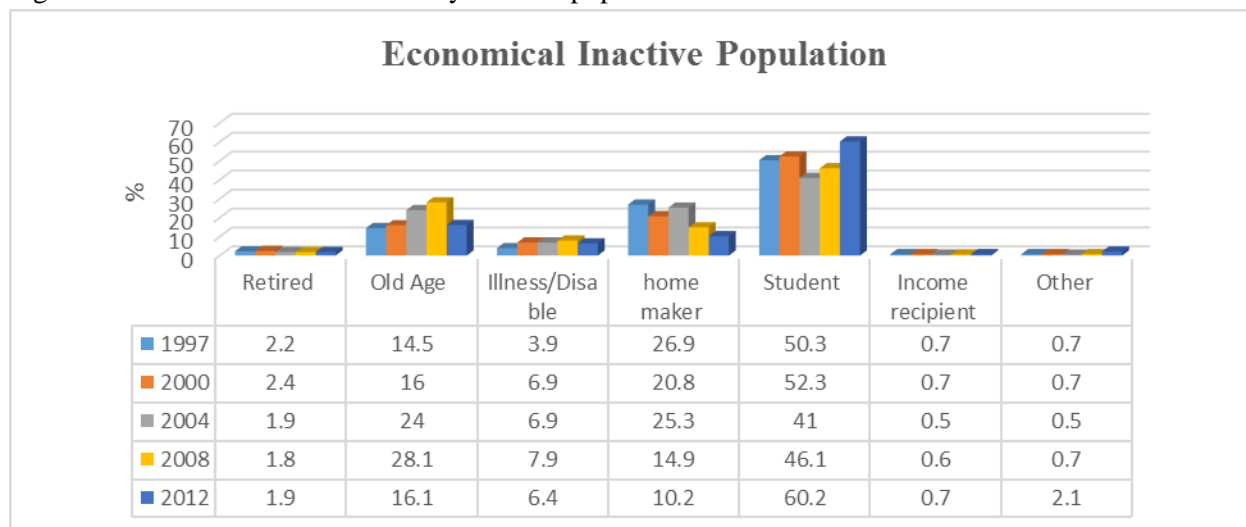
Source: NFLS 1997, 2000, 2004, 2008, 2012

Table 4F shows the EIP by area and sex. Over the years, the inactive population was high in the rural areas as compared to urban areas. The trend between males and females shows that out of

the total inactive population, females were the majority as compared to their male counterparts. This trend can be observed in all the years (1997-2012).

4.6.1 Status of the economically inactive population

Figure 4N: Status of the economically inactive population



Source: NFLS 1997, 2000, 2004, 2008, 2012

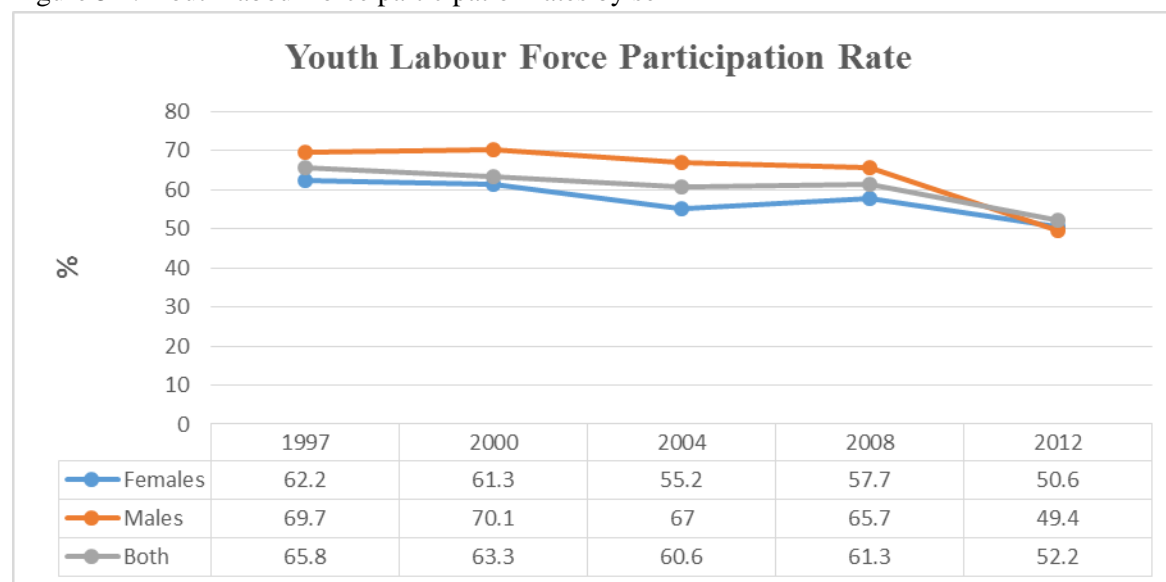
Figure 4N displays the status of the groups included in the economically inactive population. The biggest portion of the inactive population was occupied by persons who were in full time education (students), who constituted 60.2 percent of EIP in 2012.

4.8 Youth in the Namibian labour market

Young people are usually disadvantaged in the labour market due to the fact that they lack the necessary education and training, work experience, job-search ability, and the requisite skills for the jobs that are available. In Namibia, youth is defined as those aged 15 – 34 years.

4.8.1 Youth labour force participation rates

Figure 5A: Youth labour force participation rates by sex



Source: NFLS 1997, 2000, 2004, 2008, 2012

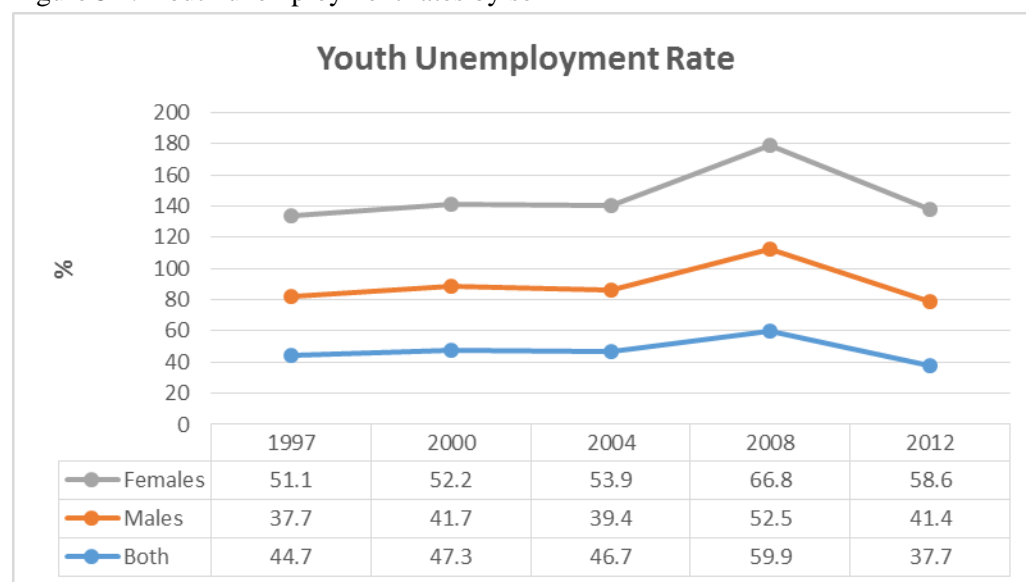
The LFPR among the youth has been fluctuating over the reference periods. From 1997 to 2000, the proportion of the youth that was either working or looking for jobs decreased by 2.5 percent from 65.8 to 63.3 percent. In 2004 the participation rate of the youth population decreased to 60.6 percent representing a decrease of 2.7 percent. The youth LFPR decreased to 52.2 percent in 2012 from 61.3 percent in 2008 (Figure 5A).

The figure also shows the LFPR between females and males. The males labour force participation rates has been higher than that of their females counterparts over the years except in 2012 where the LFPR for females was 50.6 percent and 49.4 percent for males.

4.8.2 Youth unemployment rates

The youth seem to be hard hit by unemployment. The reason could be attributed to their low educational qualifications and lack of marketable skills and experience required in the job market.

Figure 5B: Youth unemployment rates by sex



Source: NFLS 1997,2000,2004,2008,2012

Figure 5B shows the trend in youth unemployment over the years. Youth unemployment rate was recorded 44.7 percent in 1997 then rose by 2.8 percent to 47.3 percent in 2000. Although it declined to 46.7 percent in 2004, youth unemployment rose again to a high of 59.9 percent in 2008 (an increase of 13.2 percent from 2004). This indicates that the Namibian economy is unable to create more employment in order to absorb new entrants into the labour market.

The graph further shows the unemployment rates (youth) females and males. It is evident from the graph that females are worse off as compared to males as their unemployment rates have been constantly higher than those of their male counterparts over the years.

Main Conclusions

The study on labour market trends 2012 examined the dynamics of the key labour market indicators. The study did not only focus on the Namibian labour market but also shed light on global labour market trends as well as the situation in SADC.

The most important finding of this study was that the global unemployment rate has remained high despite recovery in the global economy. The global unemployment tends to affect more men than women. The findings revealed that the number of the unemployed men stood at 112.0 million in 2011 compared to 81.1 million of the unemployed women. High unemployment is more experienced in North and Sub-Saharan Africa than in other regions of the world. Sub Saharan Africa needs a creative approach to prepare its labour force to take up jobs in the labour market.

Another striking feature of the global trends is that the global labour force participation rate had been declining since the year 2000. The rate stood at 64.1 per cent in 2011 down from 65.3 per cent in 2000. In contrast to the global trend, the LFPR in SADC has been increasing over the years, from 63.3 per cent in 2000 to 64.1 per cent in 2011.

There are significant differences in the unemployment rate in SADC. Countries like the Seychelles, Madagascar and Mauritius had low unemployment rates, while Namibia and South Africa are among those with high unemployment rates.

The situation in the Namibian labour market is unfavourable. The Namibian economy has for the past years not been able to create jobs in order to reduce the high unemployment that is experienced in the country. The unemployment situation has not improved; it has deteriorated over the years, increasing since 2000 and rising to a record high of 51.2 per cent in 2008 before it decreased to 27.4% in 2012. Unemployment in Namibia continues to have gender, age and spatial characteristics. It was found that females were hardest hit than their male counterparts as their unemployment rates have constantly been higher than that of males over the years.

Spatial distribution indicates that unemployment is more pronounced in rural areas than in urban areas. Regional disparities are even wider, with the two northern regions of Ohangwena and Omusati being worst affected with high unemployment. Namibian youth particularly experience

high levels of unemployment. Youth unemployment has been on the increase over the years and was measured to be at 62.6 per cent in 2008.

Recommendations

Due to the continuing and seriousness of the unemployment situation in Namibia, the study recommends the following:

- A labour conference focusing on employment creation and poverty reduction with mitigation strategies to avert the escalating high unemployment in the country.
- Speedy implementation of the Employment Service Act and National Employment Policy.
- The employment to population ratio for males is consistently higher than that of females, it is therefore important that the policy of Affirmative action which is aimed at redressing the imbalance between men and women as well as other past discriminatory practices, should be strictly enforced in order to put men and women on an equal footing.
- In order to increase the labour intake into the production processes of the country, more labour intensive projects have to be identified and taken up.
- Unemployment in Namibia is compounded by its long term duration. In order to tackle long-term unemployment, the government should resort to a combination of temporary employment (public works), and regular job placement assistance.
- The unemployed should also be provided with effective job search assistance, counselling and information on job opportunities in order to prevent them from falling into long term unemployment.
- To address the unemployment problem, the education system should be tailor made to labour market demands.
- The high youth unemployment calls for urgent government intervention. Special emphasis should be given to entrepreneurial skills development in order to encourage the youth to start their own income-generating projects.

- Relaxation of admission requirements to vocational training institutions is also necessary to absorb the increasing number of the unemployed youth.

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