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TECHNICAL NOTE
LABOUR MARKET TRENDS JULY 2011

November, 2011
Planning Institute of Jamaica

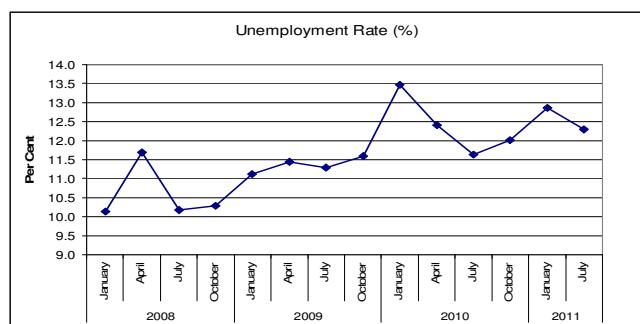


EXECUTIVE SUMMARY

The Labour Force Survey¹, undertaken by the Statistical Institute of Jamaica (STATIN), indicated that the unemployment rate² as at July 2011 was 12.3 per cent. This was 0.7 percentage point higher than in July 2010, but 0.6 percentage point lower than in January 2011 (Table 1 and Figure 1). The Job Seeking Rate³ was 7.7 per cent, representing an increase of 0.8 percentage point relative to July 2010. Comparing July 2011 with July 2010, the employed labour force

increased by 14 900 persons recorded in January 2011 compared with January 2010. The net decline in the employed labour force relative to July 2010 reflected the combined effect of 13 800 fewer males being employed and 11 200 fewer females being employed. The net decline in the employed labour force relative to January 2011 was due solely to the decline in female employment of 22 200 persons, as the male employment levels remained unchanged. The Male Unemployment Rate stood at 8.9 per cent while the Female Unemployment Rate was 16.4 per cent.

THE TOTAL NUMBER OF
EMPLOYED PERSONS AS AT JULY
2011 WAS 1 084 300, A DECLINE OF
25 000 PERSONS RELATIVE TO JULY
2010



declined by 25 000 persons relative to an

Jamaica's **Labour Force** for July 2011 comprised 1 236 200 persons compared with 1 255 200 persons in July 2010 (see Table 1). This decline in the labour force of 19 000 persons relative to July 2010 reflected the combined effect of an increase in the number of persons outside the labour force of 24 200, and an increase of 5 200 persons in the 'population 14 year and older'. With respect to the increase in 'persons outside the labour force', the main contributor by age group was '65 and over', which increased by 12 400 persons. The age group 55-64 also increased by 3 200. Together these two groups accounted for 64.5 per cent of the increase in the category 'persons outside the labour force'.

¹ The Labour Force consists of individuals 14 years and older who were "employed in any form of economic activity for one hour or more during the Survey reference week", and persons who "although they had no job, were looking for work, or wanted and were willing to accept work during the reference week".

² The Unemployment Rate includes all persons "Looking for Work, Wanting Work and Available for Work".

³ Job Seeking Rate refers to persons without a job, who have made an attempt to search for a job.

TABLE 1 - SELECTED LABOUR FORCE INDICATORS						
ITEM	2010				2011	
	January	April	July	October	January	July
	BOTH SEXES					
TOTAL POPULATION	2,698,800	2,700,100	2,702,300	2,704,100	2,705,800	2,709,300
Population 14 years and over	2,001,600	2,002,500	2,004,200	2,005,600	2,006,900	2,009,400
Labour Force	1,261,600	1,241,800	1,255,200	1,240,100	1,269,900	1,236,200
Employed Labour Force	1,091,600	1,087,700	1,109,300	1,091,100	1,106,500	1,084,300
Unemployed Labour Force	169,900	154,100	145,900	149,000	163,500	151,900
Outside The Labour Force	740,000	760,800	749,000	765,500	737,000	773,200
Employment Rate	86.5	87.6	88.4	88.0	87.1	87.7
Unemployment Rate	13.5	12.4	11.6	12.0	12.9	12.3
Job Seeking Rate	8.6	7.7	6.9	7.3	8.4	7.7
Percentage of Population under 14 years	25.8	25.8	25.8	25.8	25.8	25.8
Percentage of Population 14 years & over	74.2	74.2	74.2	74.2	74.2	74.2
Percentage of Population 14+ Outside LF	37.0	38.0	37.4	38.2	36.7	38.5
Labour Force as a % age of Total Population	46.7	46.0	46.4	45.9	46.9	45.6
Labour Force as a % age of Population 14+	63.0	62.0	62.6	61.8	63.3	61.5

Source: Statin – Labour Force Survey, July 2011

The total number of employed persons as at July 2011 was 1 084 300, a decline of 25 000 persons relative to July 2010 (Table 2). This reflected the combined effect of a decline in the labour force by 19 000 persons and an increase in the unemployed labour force by 6 000 persons. With respect to the change in the employed labour force by age group, the largest contributor to the decline was in the group ‘65 and over’, which declined by 12 500 persons. The age group ‘55-64’ also declined, by 2 100 persons.

PERSONS LEAVING THE LABOUR FORCE

An analysis of the reasons for **persons leaving the labour force** indicated that the majority of the increase was attributed to persons who said they ‘Did Not Want to Work’ (26,900); ‘Incapable of

The largest decline in the employed labour force by industry group was recorded by Agriculture, Hunting, Forestry & Fishing (down 31 200 persons), largely due to the decline in the labour force for this industry by 32 800 persons. Similarly, the employed labour force for Wholesale & Retail Trade (down 16 900) was due to a decline of 17 400

persons in the labour force for this industry. The contractions in the level of employment in these industries outweighed the increase in the employed labour force recorded for Education (11 800 persons); Real Estate, Renting & Business Services (11 100 persons); and Hotels & Restaurants (7 900 persons).

TABLE 2 - CHANGE IN THE EMPLOYED LABOUR FORCE BY AGE GROUP		
AGE GROUP	Absolute Change July 2011-July 2010	Per cent Share
65 and over	-12 500	50
55-64	-2 100	8.4
14-54	-10 400	41.6
Total Change	-25 000	100
Source: Statin – Labour Force Survey, July 2011		

work’ (3,000); ‘At School Part Time’ (1,400) and ‘Do Not Need Job’ (1,100). These increases were partially mitigated by fewer people outside the labour force due to reasons such as ‘At School Full Time’ (down 3,800); and ‘Illness’ (down 1,600).

The relatively high number of persons who responded that they ‘Did Not Want Work’ was largely corroborated by an examination of the age profile of the increase in persons ‘Outside the Labour Force’ which shows that:

- 51.2% of these persons were in the age group ‘65 and over’, and
- 13.2% were in the age group ‘55-64 years’.

That is, approximately 64% of the net increase persons ‘Outside the Labour Force’ were in retirement or pre-retirement years.

UNEMPLOYED LABOUR FORCE

The Unemployed Labour Force amounted to 151 900 which was 6 000 persons more than in July 2010. The main contributor to the increase in the number of persons unemployed was from the group ‘No Previous Industry’, which increased by 4 200 persons. Other main contributors to the increase in the level of unemployment included ‘Private Households with Employed Persons’ (2 800 persons) and Construction (2 300 persons). These increases were enough to outweigh the reductions in unemployment levels recorded for Agriculture (1 700 persons); Other Community Social & Personal services (1 100 persons) and Education (1 000 persons).

TABLE 3 – EMPLOYED LABOUR FORCE BY INDUSTRY

INDUSTRY GROUP	2010				2011	
	January	April	July	October	January	July
	BOTH SEXES					
Agriculture, Hunting, Forestry & Fishing	219,800	224,500	222,300	220,200	194,900	191,100
Mining & Quarrying	4,200	3,000	3,800	4,200	4,900	3,700
Manufacturing	72,400	76,000	74,500	74,000	82,100	68,600
Electricity, Gas and Water Supply	6,500	6,600	6,700	7,000	8,700	7,900
Construction and Installation	86,700	92,900	93,600	85,200	87,500	86,200
Wholesale & Retail, Repair of MV, C, Personal & HH goods	212,700	205,000	217,900	209,800	229,800	201,000
Hotels & Restaurants Services	72,800	79,000	72,400	73,400	69,900	80,300
Transport, Storage and Communication	74,100	72,000	80,200	71,000	69,900	76,400
Financial Intermediation	22,200	23,800	26,100	25,100	27,100	25,300
Real Estate, Renting & Business Activities	47,600	52,200	55,400	52,700	55,200	66,500
Public Administration & Defense; Compulsory Social Security	56,100	51,100	55,500	55,800	52,600	56,700
Education	66,900	66,500	57,700	73,600	71,900	69,500
Health & Social Work	26,700	22,500	26,800	25,200	25,800	30,800
Other Community, Social and Personal Service Activities	58,300	49,200	54,600	55,100	61,500	58,800
Private Households with Employed Persons	60,600	59,400	57,800	56,100	62,100	58,700
Industry Not Specified (incl. extra -territorial bodies)	4,000	4,200	4,000	2,600	2,600	2,800
TOTAL EMPLOYED LABOUR FORCE	1,091,600	1,087,900	1,109,300	1,091,000	1,106,500	1,084,300
<i>Source: Statin – Labour Force Survey, July 2011</i>						