

Labour force, Employment and Unemployment – Third Quarter 2005

1. Introduction

This issue of Economic and Social Indicators presents a set of estimates of labour force, employment and unemployment for the third quarter of 2005, based on the results of the Continuous Multi-Purpose Household Survey (CMPHS) from July to September 2005.

As from 2004, the Central Statistics Office (CSO) is using the CMPHS for the measurement of quarterly labour force, employment and unemployment. The methodology of the CMPHS is given in Annex I. Annex II shows a series of comparable annual estimates of labour force, employment and unemployment for the period 2000 to 2005.

For 2005, the survey was carried out every month and the survey reference week was the last week of the month. As from January 2006, the reference week will be the second week of the month. This change will enable the CSO to work out the estimates within one quarter of the reference period, as required by the IMF Special Data Dissemination System (SDDS) to which the country expects to graduate by 2007.

2. Main findings

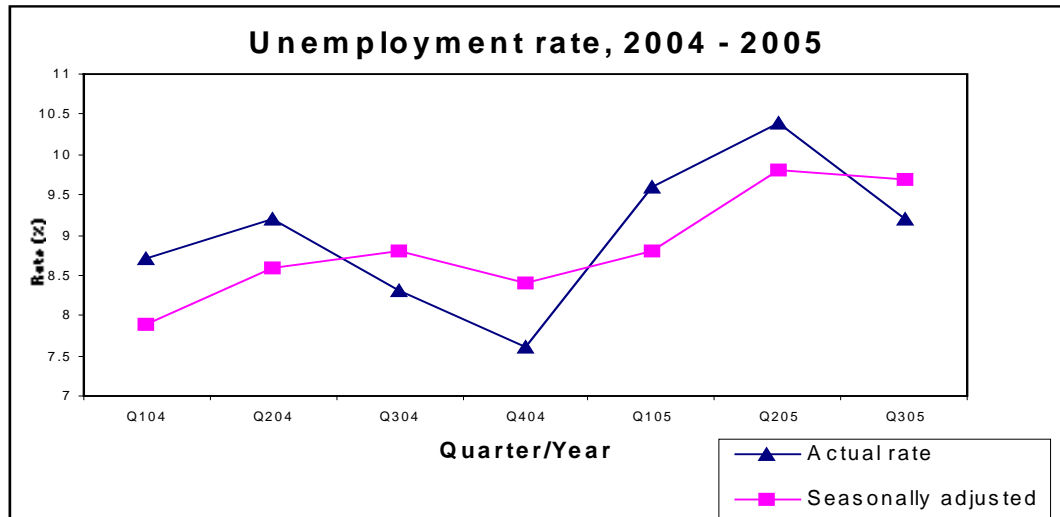
- (i) The number of employed persons at the third quarter of 2005 was estimated at 498,700 and the number of unemployed at 50,300. Labour force thus worked out to 549,000.
- (ii) The unemployment rate for the third quarter of 2005 was 9.2% compared to 10.4% at the previous quarter and 8.3% at the corresponding quarter of the previous year. On the basis of data available for the first three quarters of 2005 and the trend observed since the first quarter of 2004, the estimated unemployment rate of 9.5% for 2005 is maintained.

Unemployment rate is influenced by seasonal factors. It is usually higher in the first half of the year because of school leavers joining the labour market, and lower in the second half with more casual jobs being available mainly in the trade sector (street vendors, salespersons in shops, etc.) at the end of the year.

Table 1 – Actual and seasonally adjusted unemployment rates, 2004 – 2005.

Unemployment rate	2004				2005		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
Actual	8.7	9.2	8.3	7.6	9.6	10.4	9.2
Seasonally adjusted	7.9	8.6	8.8	8.4	8.8	9.8	9.7

The seasonally adjusted unemployment rate for the third quarter of 2005 works out to 9.7% compared to 9.8% at the second quarter of 2005 and 8.8% for the corresponding quarter of 2004 (Table 1 and Chart 1).

Chart 1 - Actual and seasonally adjusted unemployment rates, 2004 – 2005.

(iii) The main characteristics of the unemployed at the third quarter of 2005 were:

- 9,800 (54%) unemployed males were below 25 years compared to 11,700 (36%) unemployed females.
- About half of the unemployed were single. Among males, the majority (14,100 or 78%) was single while among females, the majority (23,200 or 72%) was ever married (including widowed, divorced or separated).
- Some 13,100 (26%) had not passed the Certificate of Primary Education (CPE) examination or equivalent and a further 22,900 (45%) did not have the Cambridge School Certificate (SC) or equivalent.
- Around 36,200 (72%) had been looking for work for up to one year and the remaining 14,100 (28%) for more than one year.
- About 33,400 (66%) had worked before and 17,000 (34%) were looking for a job for the first time.
- Around 22,000 (44%) were registered at the Employment Service.
- Among the unemployed, there were 10,300 (20%) young persons aged 15 to 24 years, not yet married and looking for a first job. Some 5,400 (52%) of them had not passed SC.
- Ever married (including widowed, divorced or separated) unemployed persons aged 25 to 44 years and having worked before numbered 14,800. Among them 11,800 (80%) had not passed SC.
- 5,100 or 10 % of the unemployed were heads of households.
- 5,100 (10%) lived in households with no employed persons.

It is to be noted that the above estimates are based on small numbers in the sample and hence subject to relatively large margins of error.

3. Activity status of the population aged 15 years and over

In the third quarter of 2005, among the population aged 15 years and over, some 498,700 (54%) had a job, 50,300 (5%) were unemployed and 380,600 (42%) were inactive.

Standard errors and confidence intervals have been calculated for the main labour force estimates and are shown in Table 2 below.

Table 2 - Estimated labour force, employment, unemployment and inactive population by sex, 3rd quarter 2005

	3rd Quarter 2005			
	Estimates	Standard Error	95% Confidence Interval	
			Lower Limit	Upper Limit
Labour Force				
Both Sexes	549,000	9,200	531,000	567,200
Male	351,500	6,100	339,600	363,500
Female	197,500	5,300	187,100	207,900
Employment				
Both Sexes	498,700	8,600	481,200	515,700
Male	333,400	5,900	321,800	345,100
Female	165,300	4,800	155,700	174,800
Unemployment				
Both Sexes	50,300	3,100	44,300	56,500
Male	18,100	1,600	15,100	21,200
Female	32,200	2,500	27,300	37,200
Inactive Population				
Both Sexes	380,600	8,300	364,300	397,000
Male	106,000	3,900	98,300	113,700
Female	274,600	6,400	262,000	287,200
Activity rate (%)				
Both Sexes	59.1	0.6	57.8	60.3
Male	76.8	0.7	75.5	78.2
Female	41.8	1.0	39.9	43.8
Unemployment rate (%)				
Both Sexes	9.2	0.5	8.1	10.2
Male	5.1	0.4	4.3	6.0
Female	16.3	1.2	14.0	18.6

Table 3 shows quarterly and annual estimates of labour force, employment and unemployment for 2004 and 2005.

Table 3 - Quarterly estimates of labour force, employment, unemployment and inactive population by sex, 2004 and 2005

	1st Quarter 2004	2nd Quarter 2004	3rd Quarter 2004	4th Quarter 2004	Year 2004	1st Quarter 2005	2nd Quarter 2005	3rd Quarter 2005	Year 2005¹
Labour Force									
Both Sexes	541,100	540,700	526,800	523,500	532,100	537,300	538,800	549,000	543,900
Male	348,700	347,500	349,000	348,500	348,200	347,900	347,800	351,500	349,900
Female	192,400	193,200	177,800	175,000	183,900	189,400	191,000	197,500	194,000
Employment									
Both Sexes	494,100	491,200	483,300	483,800	487,000	485,800	482,700	498,700	492,000
Male	328,400	324,600	329,800	330,100	327,900	326,500	324,900	333,400	330,000
Female	165,700	166,600	153,500	153,700	159,100	159,300	157,800	165,300	162,000
Unemployment									
Both Sexes	47,000	49,500	43,500	39,700	45,100	51,500	56,100	50,300	51,900
Male	20,300	22,900	19,200	18,400	20,300	21,400	22,900	18,100	19,900
Female	26,700	26,600	24,300	21,300	24,800	30,100	33,200	32,200	32,000
Inactive Population									
Both Sexes	367,700	373,000	390,300	395,800	381,500	385,200	387,200	380,600	383,700
Male	98,800	102,400	102,500	104,000	101,600	106,100	108,000	106,000	106,600
Female	268,900	270,600	287,800	291,800	279,900	279,100	279,200	274,600	277,100
Activity rate (%)									
Both Sexes	59.6	59.2	57.4	56.9	58.2	58.2	58.2	59.1	58.6
Male	78.0	77.2	77.3	77.0	77.4	76.6	76.3	76.8	76.6
Female	41.7	41.7	38.2	37.5	39.7	40.4	40.6	41.8	41.2
Unemployment rate (%)									
Both Sexes	8.7	9.2	8.3	7.6	8.5	9.6	10.4	9.2	9.5
Male	5.8	6.6	5.5	5.3	5.8	6.2	6.6	5.1	5.7
Female	13.9	13.8	13.7	12.2	13.5	15.9	17.4	16.3	16.5

¹ Provisional

4 Employment

The number of persons at work during the third quarter of 2005 was estimated at 498,700 (333,400 males and 165,300 females). Employment sex ratio works out to approximately 2 males to 1 female.

4.1 *Employment by industrial sector*

Table 4 shows that, during the third quarter of 2005, the primary sector comprising agricultural and mining & quarrying industries, provided jobs to about 10% of the working population. The secondary sector, which includes manufacturing, electricity & water and construction industries, employed another 30%, and the tertiary sector which covers trade, hotels & restaurants, transport and all the other service industries, 60%.

Table 4 - Percentage distribution of the employed population by industrial sector and sex, 3rd quarter 2005

Industrial sector	3rd quarter 2005		
	Both Sexes (%)	Male (%)	Female (%)
Primary	9.6	11.0	6.7
Secondary	30.4	32.4	26.4
of which Manufacturing	19.8	16.8	25.8
Construction	9.7	14.3	0.5
Tertiary	60.0	56.6	66.9
of which Wholesale and retail trade	14.3	13.5	16.0
Hotels and restaurants	8.0	8.1	8.0
Transport, storage and communications	6.5	8.3	2.8
Public administration and defence	7.5	8.5	5.4
Education, health and social work	9.1	5.8	15.7
Total	100.0	100.0	100.0

4.2 *Employment by occupation*

During the third quarter of 2005, the majority (35%) of the working population was employed as “skilled agricultural and fishery workers; craft and related trades workers; plant and machine operators and assemblers”. Workers engaged in “elementary occupations” and “service workers and shop and market sales workers” each accounted for 20% of the workforce. The remaining 26% consisted of “legislators, senior officials and managers; professionals; technicians and associate professionals” (16%) and “clerks” (10%).

Analysis by sex shows that 42% of males were employed as “skilled agricultural workers and fishery workers; craft and related trades workers; plant and machine operators and assemblers” compared to only 21% among females. On the other hand, 17% of females were engaged in clerical duties compared to 6% males.

Table 5 - Percentage distribution of the employed population by occupation group and sex, 3rd quarter 2005

ISCO ¹ Major occupational group	Occupation group	3rd quarter 2005		
		Both Sexes (%)	Male (%)	Female (%)
1 - 3	Legislators, senior officials and managers; professionals; technicians and associate professionals	15.9	14.2	19.4
4	Clerks	9.6	5.8	17.4
5	Service workers and shop and market sales workers	19.5	19.3	20.0
6 - 8	Skilled agricultural and fishery workers; craft and related trades workers; plant and machine operators and assemblers	35.3	42.3	20.9
9	Elementary occupations	19.7	18.4	22.3
	Total	100.0	100.0	100.0

¹ International Standard Classification of Occupations

4.3 *Employment status*

In the third quarter of 2005, the majority, 82%, of workers were employees and the remaining 18% were working in their own or family enterprises as employers, own account workers or contributing family workers (Table 6).

Table 6 - Percentage distribution of the employed population by employment status and sex, 3rd quarter 2005

Employment status	3rd quarter 2005		
	Both Sexes (%)	Male (%)	Female (%)
Employer	3.1	4.1	1.1
Own account worker	13.3	15.6	8.5
Employee	81.6	79.4	86.1
Contributing family worker	2.0	0.9	4.3
Total	100.0	100.0	100.0

During this quarter, the proportion of employees was higher among working women (86%) than among working men (79%), while the proportion of employers and own account workers was higher among men (20%) than among women (10%). Contributing family workers constituted about 4% of working women compared to about one per cent of working men.

4.4 *Hours of work*

About 3% of employed persons did not work during the reference week, either because they were sick or on leave (Table 7). Some 54% reported having worked for more than 40 hours. Those workers were mostly in manufacturing enterprises (27%), wholesale & retail trade (17%), construction (10%) and hotels & restaurants (10%).

The average number of hours worked per week, including overtime but excluding all leaves and lunch time, was 41.6 hours (43.3 for men and 38.1 for women).

Table 7 - Percentage distribution of the employed population by sex and number of hours worked during the survey reference week, 3rd quarter 2005

Actual number of hours worked per week	3rd quarter 2005		
	Both Sexes (%)	Male (%)	Female (%)
0	3.4	3.1	4.0
1 - 23	7.4	5.4	11.4
24 - 40	35.5	32.9	40.6
41 - 50	34.6	35.8	32.2
51 and above	19.1	22.8	11.8
Total	100.0	100.0	100.0

5. Unemployment

The number of unemployed persons in the third quarter of 2005 is estimated at 50,300 (18,100 males and 32,200 females). The unemployment rate, defined as the percentage of unemployed to labour force, works out to 9.2% (5.1% for males and 16.3% for females). The 95% confidence interval for the overall unemployment rate is 8.1% to 10.2%. The seasonally adjusted rate works out to 9.7% (5.3% for males and 17.5% for females).

5.1 *Age and sex*

Table 8 shows that unemployed males were younger than unemployed females. Thus, 54% of the males were under 25 years compared to 36% for females. On the other hand, 43% of unemployed females were in the age bracket 25 to 39 years compared to 31% for males. The mean age of the unemployed works out to 28 years for males and 30 years for females.

Table 8 - Percentage distribution of the unemployed population by age and sex, 3rd quarter 2005

Age group (years)	3rd quarter 2005		
	Both Sexes (%)	Male (%)	Female (%)
Below 20	13.3	19.1	10.0
20 - 24	29.3	34.6	26.3
25 - 29	18.5	20.7	17.3
30 - 39	20.0	10.6	25.3
40 - 49	12.6	6.9	15.8
50 & over	6.3	8.1	5.3
Total	100.0	100.0	100.0

5.2 *Marital status*

Table 9 - Percentage distribution of the unemployed population by marital status and sex, 3rd quarter 2005

Marital status	3rd quarter 2005		
	Both Sexes (%)	Male (%)	Female (%)
Married	46.5	17.2	63.0
Widowed, divorced or separated	7.4	4.8	8.9
Single	46.1	78.0	28.1
Total	100.0	100.0	100.0

Out of the total number of persons who were unemployed, 46% were single, 47% were married and the remaining 7% were widowed, divorced or separated. Unemployed males were mostly single (78%) while among females, 72% were ever married (including widowed, divorced or separated) and 28% single (Table 9).

5.3 *Educational attainment*

The data for the third quarter of 2005 show that among the unemployed, 26% had not passed CPE, and a further 45% had not passed SC. The proportions of unemployed with SC, HSC and tertiary education were 17%, 6% and 5% respectively (Table 10).

Table 10 - Percentage distribution of the unemployed population by educational attainment and sex, 3rd quarter 2005

Educational attainment	3rd quarter 2005		
	Both Sexes (%)	Male (%)	Female (%)
Primary	38.2	37.2	38.8
Below CPE	26.1	23.7	27.4
Passed CPE	12.1	13.5	11.4
Secondary	56.4	58.7	55.0
Below SC	33.3	37.2	31.0
Passed SC	17.3	16.6	17.7
Passed HSC	5.8	4.9	6.3
Tertiary	5.4	4.1	6.2
Total	100.0	100.0	100.0

Analysis by sex shows that the proportion of the unemployed having only primary or lower secondary education, that is they had not reached the Cambridge School Certificate level, was higher for males (74%) than for females (70%). The proportion of unemployed having achieved Cambridge School Certificate was about 17% for both males and females; and corresponding figures for Cambridge Higher School Certificate holders were 5% and 6%.

5.4 *Duration of unemployment*

During the third quarter of 2005, 72% of the unemployed reported having been looking for work for up to one year and 28% for more than one year. Analysis by sex shows that unemployed women had been looking for work for longer periods than their male counterparts. About 31% of the unemployed females had been looking for work for more than a year compared to 23% of males.

Table 11 - Percentage distribution of the unemployed population by duration of unemployment and sex, 3rd quarter 2005

Duration of unemployment (months)	3rd quarter 2005		
	Both Sexes (%)	Male (%)	Female (%)
Up to 12	72.0	77.1	69.2
13 - 24	19.2	14.3	21.9
More than 24	8.8	8.6	8.9
Total	100.0	100.0	100.0

5.5 *Work experience*

Around 66% of the unemployed had worked before while the remaining 34% were looking for a job for the first time. That proportion was also around 66% for both males and females.

5.6 *Job search*

As regards job search, some of the unemployed had recourse to more than one method. During the third quarter of 2005, the most common method of job search was “checked at factories, worksites, etc.”, as reported by 49%, followed by “applied to prospective employers”, being reported by 47%. Around 44% were registered at the Employment Service. Only 5% had taken steps to start a business of their own (Table 12).

Table 12 - Percentage distribution of the unemployed population by main job search method and sex, 3rd quarter 2005

Main job search method	3rd quarter 2005		
	Both Sexes (%)	Male (%)	Female (%)
Checked at factories, worksites, etc.	49.4	51.7	48.2
Applied to prospective employers	47.4	47.7	47.3
Registration at Employment Service	43.6	45.4	42.6
Sought assistance or advice to find a job or for starting a business	25.5	25.3	25.6
Placed or answered advertisements	26.1	23.1	27.7
Tried to set up own business	4.7	4.3	4.9

6 **Inactive population**

The number of persons aged 15 years and over, not forming part of the labour force (inactive population) was estimated at 380,600 (106,000 males and 274,600 females). This inactive population comprised 164,200 (43%) homemakers, 91,200 (24%) retired or old persons, 88,700 (24%) students, and 24,300 (6%) sick or disabled persons (Table 13).

Table 13 - Percentage distribution of the inactive population by sex, 3rd quarter 2005

Activity status	3rd quarter 2005		
	Both Sexes (%)	Male (%)	Female (%)
Homemakers	43.4	0.2	60.0
Retired or old persons	24.1	40.9	17.6
Students	23.5	44.4	15.4
Sick or disabled persons	6.4	10.2	5.0
Other	2.6	4.3	2.0
Total	100.0	100.0	100.0

Among the male inactives, 53,900 (51%) were old, retired, sick or disabled persons and 46,700 (44%) were students. The inactive females were mostly homemakers (164,000 or 60%); 61,500 or 23% were old, retired, sick or disabled persons and 42,100 (15%) were students.

The inactives also included some 6,300 persons not interested to work, among whom 4,100 were aged 15 to 19 years.

Another 2,300 were classified as inactive although they were not working and were available for work because they were not actively looking for work. Those persons have been classified as inactive and not as unemployed since they do not satisfy all the three criteria for unemployment, i.e. not working, looking for work and available for work. From the survey responses, 81% of those 2,300 persons believed that suitable jobs were not available or they did not know where to look for work.

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Methodology of the Continuous Multi-Purpose Household Survey

Data collection	Face to face interviewing of household members.
Frequency of data collection	Monthly except in 2004 when data collection was carried out every quarter. The reference period for data on labour force is the last week of the survey month.
Scope and coverage of collection	Private mauritian households in the islands of Mauritius and Rodrigues.
Sampling method	<p>Stratified two-stage sampling design. At the first stage, Primary Sampling Units (PSUs) are selected with probability proportional to size and at the second stage, a fixed number of households is selected from each selected PSU. Prior to 2005, the first stage stratification factors were urban, semi urban and rural geographical locations. As from 2005, the Relative Development Index (RDI) is used as the spatial stratification factor. This index is based on 12 variables encompassing housing and living conditions, literacy and education, and employment derived from the 2000 Housing and Population Census to rank PSUs. A set of RDIs for administrative regions has been published in the series "Economic and Social Indicators" - Issue No. 393.</p> <p>The second stage stratification criteria are community, household size and average monthly expenditure of the household.</p>
Sample size	<p>From 1999 to 2003, around 6,500 households were covered each year. In 2004, the sample was increased to 8,640 so that reliable quarterly estimates of labour force, employment and unemployment could be worked out. In 2005, the sample for the year has been further increased to 11,280. Furthermore, in order to measure quarterly changes, 50% of the households sampled in the first quarter have been re-interviewed in the second quarter. For the third quarter also, re-interview has been done for 50% of households covered in the second quarter.</p>
Questionnaire	<p>The CMPHS questionnaire comprises three modules: a basic module common to all rounds of the survey covering the general characteristics of the population, one or more special topic modules dealing with subjects requiring in-depth investigation and a third module grouping other topics of interest but investigated in less details.</p>

Every year different topics are covered according to users' needs. As from 2004, the CMPHS is also being used as the instrument for the measurement of labour force, employment and unemployment on a quarterly basis; hence, a set of core questions on the labour force has been included and will be kept constant at all rounds of the survey.

Estimation and reliability of results Estimates worked out from households survey data are inevitably subject to sampling variability since they are based on information collected from only a sample of households rather than from all households. The Standard Error (S.E) which is a measure of this variability, is used to set confidence intervals for any estimate (whether a total or a rate) derived from the sample. For example, a 95% confidence interval indicates that there is 95% chance that the upper and lower limits of the interval enclose the true value (which would be obtained if all households had been surveyed). Standard errors and confidence intervals are calculated for the main labour force estimates.

Definitions used

Definitions of labour force, employment and unemployment used are according to the ILO recommendations. The **labour force** or active population (aged 15 years and over) is made up of the employed and the unemployed populations. The **employed population** consists of persons who are working while the **unemployed population** consists of persons who are not working but who are looking for work and are available for work. The **inactive population** (aged 15 years and over) is neither employed nor unemployed and consists mainly of students, homemakers, retired persons and the disabled.

Activity rate is defined as the percentage of the Mauritian population aged 15 years and over who is active (employed or unemployed). **Unemployment rate** is the percentage of the Mauritian labour force that is unemployed.

Labour force, Employment and Unemployment, 15 years and over, 2000 - 2005

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Year	Labour force			Employment ¹			Unemployment	
	Mauritian	Foreign workers	Total	in large establishments ²	outside large establishments	Total	Number	Rate ³ (%)
Both sexes								
2000	505.2	14.6	519.8	297.7	188.2	485.9	33.9	6.7
2001	512.5	16.5	529.0	301.0	192.6	493.6	35.4	6.9
2002	514.2 ⁴	17.0	531.2	296.2	197.6	493.8	37.4	7.3
2003	522.7	18.2	540.9	295.9	204.5	500.4	40.5	7.7
2004	532.1	17.5	549.6	292.3	212.2	504.5	45.1	8.5
2005 ⁵	543.9	16.6	560.5	291.4	217.2	508.6	51.9	9.5
Male								
2000	336.2	5.0	341.2	187.2	136.0	323.2	18.0	5.4
2001	339.5	5.8	345.3	188.0	138.4	326.4	18.9	5.6
2002	340.5 ⁴	6.4	346.9	187.9	140.7	328.6	18.3	5.4
2003	344.2	7.9	352.1	187.9	144.5	332.4	19.7	5.7
2004	348.2	9.0	357.2	188.8	148.1	336.9	20.3	5.8
2005 ⁵	349.9	9.1	359.0	189.0	150.1	339.1	19.9	5.7
Female								
2000	169.0	9.6	178.6	110.5	52.2	162.7	15.9	9.4
2001	173.0	10.7	183.7	113.0	54.2	167.2	16.5	9.5
2002	173.7 ⁴	10.6	184.3	108.3	56.9	165.2	19.1	11.0
2003	178.5	10.3	188.8	108.0	60.0	168.0	20.8	11.7
2004	183.9	8.5	192.4	103.5	64.1	167.6	24.8	13.5
2005 ⁵	194.0	7.5	201.5	102.4	67.1	169.5	32.0	16.5

¹ Includes foreign workers² Average of March and September figures³ Unemployment as a percentage of Mauritian labour force⁴ The low increase results from the implementation of the Voluntary Retirement Scheme (VRS) in the sugar industry⁵ Provisional